

## **FAQs about U.S. tariffs on Jordan**

### **Which recent tariffs imposed the U.S. with relevance for Jordan?**

Effective from 9 April 2025, the U.S. had announced “**reciprocal**” **tariffs** on imports from specific countries, which were 20% for Jordan and adjusted to **15%** after negotiations and a new announcement of 31 July 2025.

The U.S. implemented further tariffs, such as a baseline tariff of 10 %, rather for countries which are not targeted through reciprocal tariffs for large and persistent U.S. trade deficits, as well as several other types, currently not being pertinent for Jordan. Yet relevant are **50%** (increased from initially 25% Section 232) tariffs on **steel and aluminium** import contents, since various products from Jordan ´s striving industrial sector are containing such.

Some types of tariffs are adding on each other, some are not. For various products, different rates apply for respective parts of these products; for example, the “metal” content of a product might be under a 50% steel and aluminium tariff rate, whilst the other part of the product would be under a 15% reciprocal or other rate for Jordan.

### **How was the initial “reciprocal” tariff of 20% for Jordan calculated?**

$$\begin{array}{lcl} \text{U.S. exports to } ./ \text{ imports from Jordan (trade deficit)} & 2.0 \text{ bn } ./ \text{ 3.4 bn (trade deficit 1.3)*} & \\ \hline & = & \\ \text{U.S. imports from Jordan} & 3.4 \text{ bn*} & \\ & & = -0.38* \end{array}$$

$0.38 / 2 = 0.19^*$ , 20%\*\* used as “reciprocal” tariff rate

*\* There are rounding differences included and the U.S. Trade Representative ´s (USTC) numbers also do not necessarily fully reflect the numbers used in Jordanian statistics. \*\* The 20% were later adjusted to 15%.*

The underlying numbers are from the USTC, which stated that in 2024 the U.S. goods trade deficit with Jordan was \$1.3 billion and that imports from Jordan were \$3.4 billion.

### **How does Jordan ´s tariff rate compare to other countries?**

Many countries fall under the 10 % baseline tariff. Jordan has a Free Trade Agreement (FTA) with the U.S., so its reciprocal tariff of 15% comes on top of an only 0% rate on all goods which are fully privileged by the FTA. For countries with a reciprocal tariff but without a FTA, the respective rate usually would be added to the previous or the respective MFN (Most-Favoured-Nation) rate.

Regional competitors and partners such as Syria (41%), Iraq (35%), Algeria (30%), Libya (30%) and Tunisia (25%) face higher reciprocal tariffs than Jordan. Countries like Egypt, Kuwait, Lebanon, Qatar, Saudi Arabia, the UAE and Yemen are falling under the 10% baseline tariff, but for many of them this comes on top of other rates which due to the lack of existing FTAs can be higher than Jordan's. Bahrain, Morocco, and Oman are also under the 10% regime, but they have FTAs with the United States.

### **With which other countries do the U.S. and Jordan have Free Trade Agreements?**

The **U.S.** has agreements with the following 20 countries: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Singapore, and South Korea.

**Jordan** is party to the following 8 FTAs: Agadir Agreement, Agreement with the European Free Trade Association EFTA, EU-Jordan Association Agreement, Greater Arab Free Trade Agreement (GAFTA), Jordan-Canada Free Trade Agreement, Jordan-Singapore Free Trade Agreement, Jordan-UK Association Agreement, and Jordan-US Free Trade Agreement (JUSFTA).

### **How strong is Jordan's dependency on the U.S. as an export market?**

The U.S. is Jordan's largest trading partner. In 2024, bilateral trade in goods was about JOD 3.5 billion, with **exports** to the U.S. accounting for around **one quarter** of Jordan's total exports. Most significant were apparel and accessories (approximately 70% of Jordanian exports to the U.S. stemmed from the clothing sector), jewellery, chemical fertilizers and pharmaceuticals. IT-services, food products, live animals, and engineering goods also contributed significantly.

### **What does Jordan import from the U.S.?**

Jordanian **imports** in goods from the U.S. mainly comprise metal products and transportation equipment, machinery and electrical appliances, grains and processed food, chemicals, medical devices, and furniture.

### **Outlook!**

Whilst new tariffs are challenging for Jordanian exporters, Jordan's competitive situation is not seen as eroding under the current U.S. tariff regime. Since reciprocal and (under the existing FTA) preferential tariffs are not well compatible with each other and Jordan's trade barriers towards the U.S. are already comparatively low, further relief may be achievable.

**JORDAN EXPORTS (JE)** is assisting Jordanian exporters in tackling the U.S. market, as well as in diversifying their exports. The **Jordan Export Portal** (<https://jordanexportportal.gov.jo/>), managed by JE, supports through the provision of extensive market intelligence.