



The Sabra Report

Israel to Advance Joint Industrial Zone with Jordan

Lahav Harkov, Jerusalem Post, July 31st, 2022

Recap:

Israel will accelerate the Jordan Gate project, a shared industrial zone with Jordan. Prime Minister Yair Lapid and Jordanian King Abdullah II finalized plans during a meeting in Amman last week.

The Context:

- ✧ Israel and Jordan signed a peace treaty in 1994, ending decades of hostility, though economic cooperation has remained limited. The idea of a joint industrial zone was first raised during peace talks.
- ✧ Over the years, Jordan Gate has seen several false starts [1] but will now move forward at a cost of \$59 million. The project will include Israeli and Jordanian factories on the Jordanian side and a logistics base on the Israeli side for transferring goods from the Mediterranean to the landlocked kingdom [2]. The Israeli government will invest \$2.9 million in a border terminal, creating 10,000 new Jordanian jobs [3].
- ✧ While this is the first-ever joint infrastructure project between Israel and Jordan, several Arab states have advanced economic and security agreements with Israel in recent years. In May 2022, Israel signed a free-trade agreement with the United Arab Emirates (UAE) and in 2021, trade between Egypt and Israel reached \$330 million, a major driver being a program that allows products jointly manufactured by Egypt and Israel duty-free entry into the US [4].

Conversation Points:

- ✧ Why might Israel be less keen than Jordan on jumpstarting a joint infrastructure project?
- ✧ What benefits will each side see from Jordan Gate?
- ✧ Why did interim Prime Minister Lapid advance plans for Jordan Gate at this juncture infrastructure project now?

Notes:

1. [Israel to Expedite Construction of Joint Industrial Zone With Jordan](#), Jonathan Lis, Haaretz, August 2nd 2022
2. [Israel and Jordan advance plans to complete joint industrial park](#), Al Jazeera, August 2nd 2022
3. [Israel to Expedite Construction of Joint Industrial Zone With Jordan](#), Jonathan Lis, Haaretz, August 2nd 2022
4. [Israel and Jordan advance plans to complete joint industrial park](#), Al Jazeera, August 2nd 2022

DON'T MISS AN ISSUE!
SUBSCRIBE TO OUR NEWSLETTER AT
www.sabrareport.com