



**WORLD BANK GROUP**

# Home-Based Businesses

April 6, 2017

# WB Program for Results Economic Opportunities for Jordanians and Syrian Refugees

## Program Development Objective:

Improve Economic Opportunities for Jordanians and Syrian Refugees in Jordan.

IC DLI: Implementation of selected simplified and predictable regulations for the private sector including household businesses

- DLR 3.3: 1000 officially established household enterprises of which 100 are Syrian refugee owned and 100 female owned

# WB High Level Recommendations on HBB

## In the short term:

- One option is to replace the current municipal licensing procedures by a simple notice system.
- Amend GAM municipal instructions for home-based businesses (2012) to reduce restrictions on the issuance of the home-based business license, possibly including reducing fees to a one-time fee (as low as JOD 5); streamlining procedures (limit pre-inspections to risky businesses to health, safety, and the environment); and reducing required documentation (construction permits and area maps, for instance) and time to issue the license.
- **Amend the municipal requirements to take into account constraints related to documentation faced by Syrian refugees. The Ministry of Interior card or the UNHCR card could replace the ID or passport.**
- Allow household enterprises to renew the municipal license online and for free.
- Carry out an awareness raising campaign to inform the public about the availability of this option and the reduced restrictions to foster the creation of such businesses.

# WB High Level Recommendations on HBB

## In the medium term:

- Exempt household enterprises from municipal licensing (the one-time fee could be maintained) in all Jordanian municipalities.
- Issue a household enterprise policy to foster the development of household enterprises, especially for the youth and women.

# Achievements by the GoJ

- HBB promotion is a recommendation of the Economic Policies Council (Sep 2016).
- The Ministry of Industry & Trade & Supply was assigned by the Council of Ministers to champion this reform
- MoIT developed an action plan for the advancement of HBB that includes three pillars:
  - (i) simplification of the HBB regulatory model for GAM and expanding it to other municipalities
  - (ii) conducting an awareness raising campaign on the new HBB model
  - (iii) providing a set of incentives for HBB's such as linkages with other buyers, providing marketing platforms, etc.

# Achievements by the GoJ

- WB is providing high-level support and advisory to MoIT.
- MoIT, with support from USAID LENS, is conducting a detailed revision of GAM's HBB model, and supporting MoMA in adopting a similar model for the other municipalities.
- A number of measures to streamline the process, reduce fees, relax hiring requirements, and expand the allowed activity types, are initially agreed, but not yet adopted.
- Activities to provide incentives and prepare for the awareness raising campaign are under way. (also with support from USAID LENS).

# How can Syrians Benefit

## **Restrictions to register certain types of businesses:**

- Relax the restrictions if possible (e.g. Instructions for restricted crafts)
- Add new activity types that are already open to Syrians
- Suggest to collaborate with MoIT and JIC to identify such activities, and ensure that they are relevant for Syrians.

## **Simplify documentation for municipal licensing Application**

Allow the use of the UNHCR or Mol card as ID instead of the passport.

## **Possibility of linking to the EU revised RoO agreement?**



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