



# Jordan in the Global Competitiveness Index Report 2025

## A Reading of the Results from the International Institute for Management Development (IMD)

Report





The idea of launching the Jordanian Economic Forum came as the first registered economic think tank under the umbrella of the Ministry of Planning and International Cooperation, to serve as a supporting arm for businesses, working on reviewing and monitoring the various economic performance indicators of the Kingdom, with the aim of providing feedback and practical solutions to decision makers.

The Forum was registered on 08/08/2019 as a non-profit association bearing the national number 2019121117781.

**Visit us on social media platforms**



Scan the link to follow our social media platforms

## Executive Summary

This report reviews Jordan's performance in the World Competitiveness Yearbook 2025 issued by the International Institute for Management Development (IMD) and provides an interpretive reading of what the improvement in Jordan's ranking to 47th out of 69 economies means at the level of policies and the real economy. The report proceeds from the premise that the concept of competitiveness in the IMD methodology does not measure the size of the economy as much as it measures the efficiency of the economic system and its ability to organize its institutions, policies, markets, and infrastructure in a way that transforms available resources into sustainable performance. It also combines an analysis of the four IMD pillars: economic performance, government efficiency, business efficiency, and infrastructure, with an interpretive comparison with a selected group of countries close to Jordan in the competitiveness ranking (including countries within the European group), with the aim of clarifying Jordan's position within a selected cluster of countries.

The report concludes that the improvement in Jordan's ranking in recent years reflects gradual progress supported primarily by macroeconomic stability, policy predictability, and a number of institutional strengths. This is particularly evident in indicators related to price stability and inflation control, alongside elements that enhance the investment climate such as the clarity of the regulatory framework and the effectiveness of certain operational aspects of public administration. At the business level, Jordan benefits from an active entrepreneurial base and from notable governance and social advantages, including the high proportion of women's representation in managerial positions in accordance with international standards. Indicators related to tourism also contribute to strengthening external revenues and highlighting the economy's resilience.

This improvement, however, does not eliminate the existence of disparities among the pillars, as the index results show that infrastructure represents one of the relative weaknesses compared to Jordan's overall ranking, which limits the impact of the gains achieved in stability and institutional indicators.

Conversely, the report reveals a central paradox whereby the improvement in Jordan's competitiveness ranking coincides with acute pressures in the labor market, particularly the high unemployment rates, including among youth and women. This highlights the importance of distinguishing, within competitiveness methodologies,

between improvements in certain aspects of the “labor market” as an organizational or cost related dimension within the business efficiency pillar, and the actual labor market outcomes related to employment and job creation. The Jordanian case indicates that stability and institutional credibility have not yet translated into a sufficiently job generating growth model, which makes the structural constraints in the coming phase more closely linked to raising productivity, diversifying the productive base, increasing value added in economic activities capable of creating jobs and exports, enhancing the economy’s capacity to absorb innovation, and expanding economic participation.

It further confirms that Jordan’s proximity to some European economies in the ranking should be understood as functional convergence rather than developmental similarity, as it indicates that Jordan is able to compete within the same tier in terms of system efficiency and stability. However, the main challenge lies in transforming stability into higher productivity, exportable sectors, and better jobs, as well as converting competitive opportunities into investment inflows through professional and systematic promotion.

The report concludes that the coming phase requires a transition from progress based on stability to transformation based on productivity and employment. Priorities include deepening reforms that facilitate job creation in the private sector, improving skills matching and increasing labor market participation, accelerating the innovation and research and development ecosystem and translating knowledge into products and services, and strengthening export diversification and tradable sectors to reduce external imbalances. In parallel, investment promotion should be treated as a central political and economic instrument rather than a complementary activity.

Overall, the assessment presents a cautiously positive outlook: Jordan’s competitiveness gains are real and significant, and they reinforce the conclusion that Jordan possesses a more mature investment environment than is often assumed. However, the sustainability of these gains will depend on Jordan’s ability to translate competitiveness into investment and employment, and thus address the most important structural challenge of achieving inclusive, productivity-based growth that generates jobs on a broad scale.

The IMD issued the “World Competitiveness Yearbook 2025”<sup>1</sup> in June 2025, which measures the performance of 69 participating countries, including Jordan. The Yearbook classifies more than 300 sub indicators distributed across four main pillars that encompass the economic, administrative, and social conditions of countries. The importance of this classification lies in its role as a tool that helps in understanding the economic situation and living conditions in these countries, as it takes into consideration certain social factors that measure standards of well-being and living services. It is also worth noting here the directives of His Majesty King Abdullah II Ibn Al Hussein, in which he called for enhancing the quality of life for all citizens and adopting the Economic Modernization Vision “Quality of Life” as a main driver for improving basic living standards.

The importance of the Competitiveness Index Report lies in the fact that it comes at a time when the World Bank has stopped issuing its annual “Ease of Doing Business” report since 2020, which has enhanced the importance of this report as one of the main international references for assessing the economic performance of countries.

As for the main pillars of the index, each pillar reflects a specific dimension of the strengths and effectiveness of the national economy, and provides a more detailed reading of the Kingdom’s performance within these areas:

---

<sup>1</sup> IMD – International Institute for Management Development. (2025). World Competitiveness Ranking 2025. <https://www.imd.org/centers/wcc/world-competitiveness-center/rankings/world-competitiveness-ranking/>

1



### Economic Performance

It measures the ability of the economy to achieve sustainable growth through a set of indicators that include domestic economic performance, global trade movements, international investment flows, employment levels, as well as price levels. This factor shows the degree of robustness of economic activity and the vitality of local markets and their ability to keep pace with regional and international changes.

2



### Government Efficiency

It focuses on the effectiveness of the institutional framework and government policies, including commercial legislation and tax policies, and measures the government's ability to provide a stable economic environment that supports economic growth and investment.

3



### Business Efficiency Factor

It assesses the readiness of the private sector and its ability to compete in terms of productivity, labor market efficiency, and ease of access to finance, in addition to managerial practices. This factor reflects the extent to which the private sector is able to adapt to economic changes and enhance innovation.

4



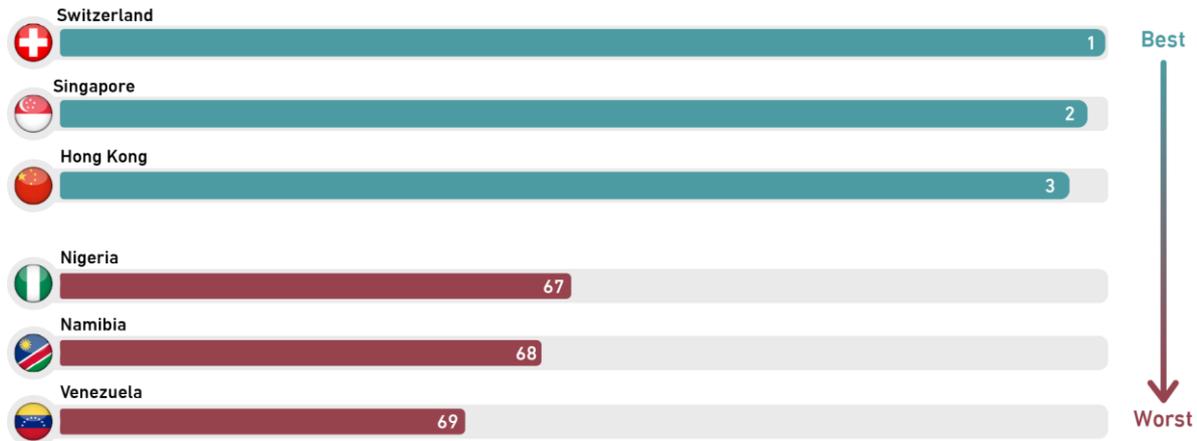
### Infrastructure Factor

It highlights the quality of basic infrastructure, including technological and scientific infrastructure, health services and the environment, and the level of education, which are essential foundations for supporting economic growth and enhancing the country's competitiveness in the long term.

## Analysis of the Overall Performance of the Global Competitiveness Index

**Regarding the most prominent results of the Yearbook for 2025**, Switzerland continues to maintain its position among the top ranks in the overall classification in recent years, as it ranked first globally in the 2025 report, followed by Singapore in second place. Meanwhile, Venezuela and Namibia ranked among the lowest positions in the overall index classification.

**Figure (1): Most prominent results of the World Competitiveness Yearbook 2025 – Rank**



Source: World Competitiveness Index Report 2025

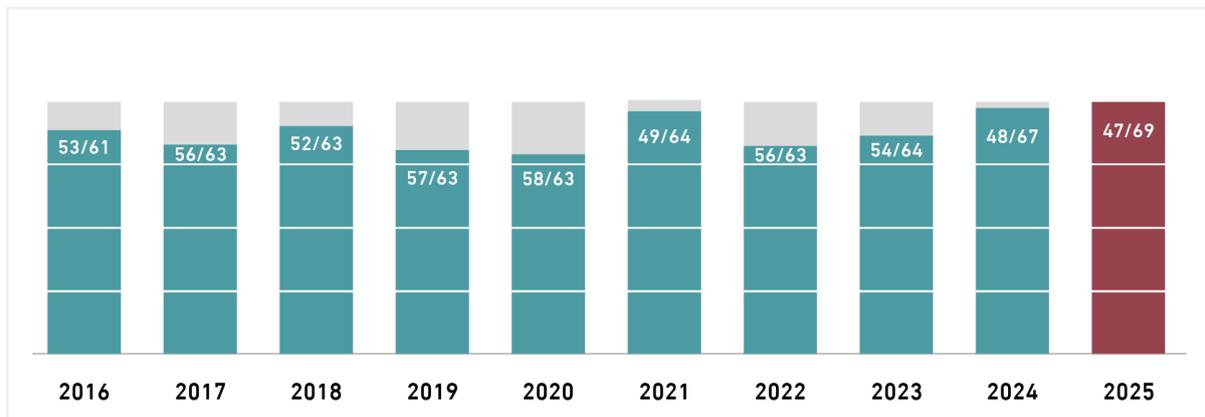
Based on the results of the World Competitiveness Index 2025, Jordan ranked 47th globally (57.79 points), recording an improvement of one position compared to 2024 (55.51 points). This reflects an increase in overall performance of 2.28 points, which is a positive development indicating a relative improvement in some elements of the economic and institutional environment, such as labor market efficiency, the level of infrastructure, and the development of the business environment.

By tracking the Kingdom's performance over the past decade, Jordan recorded a fluctuating trajectory that generally remained within a defined range of rankings, with results ranging between approximately (58 and 47). It achieved its best performance in 2025 (47), while its weakest performance was recorded in 2020 at rank 58.

At the same time, the national economy continues to face a number of structural constraints and economic challenges that limit the achievement of faster competitive progress. The most prominent of these include the limited availability of rent-based resources, represented by non-productive revenues derived from natural resources or sovereign returns, and the absence of sovereign wealth funds, which narrows fiscal space and increases reliance on tax revenues to finance the budget. The rise in public debt to approximately (95.9%) of GDP, along with low economic participation at (17.1%), also constrains the expansion of the productive and tax base. In addition, escalating regional tensions and trade disruptions have increased uncertainty, alongside weak

domestic demand and declining export prices, which place pressure on the current account. Furthermore, persistently high unemployment (21.4%), especially among youth and women, continues to weaken the prospects for achieving inclusive and sustainable growth that supports the competitiveness of the national economy.

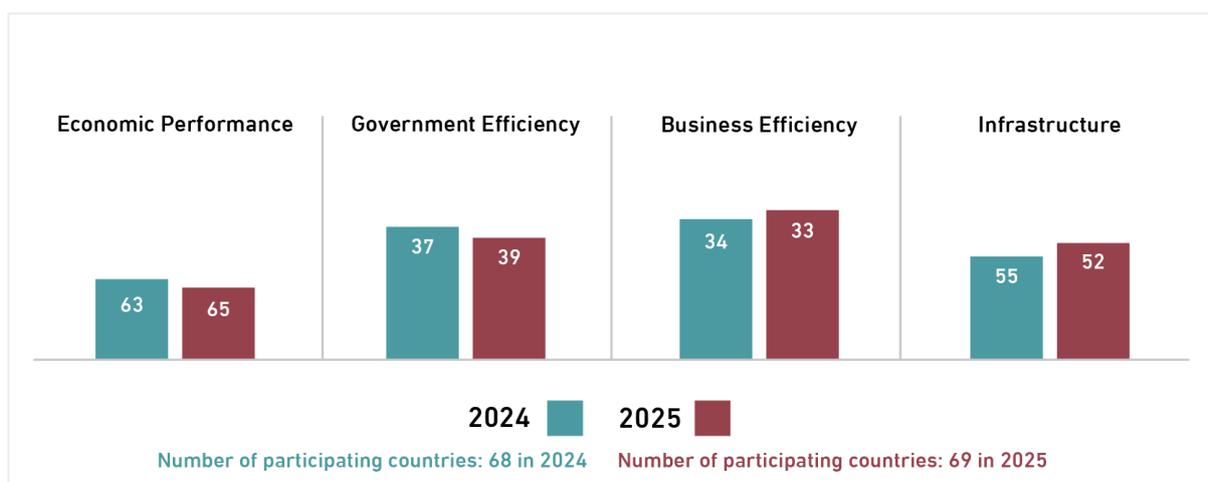
**Figure (2): Jordan's Rank in the World Competitiveness Index (2016-2025)**



Source: World Competitiveness Index Report 2025

As for the main factors, Jordan achieved its best performance within the **Business Efficiency factor**, ranking 33rd globally with a total score of approximately (55.3), advancing by one position compared to 2024. In contrast, Jordan recorded its weakest performance in the **Economic Performance factor**, ranking 65th globally with a total score of approximately (33.93), declining from its 2024 ranking of 63rd globally.

**Figure (3): Jordan's Rank across the World Competitiveness Index Factors,**



Source: World Competitiveness Index Report

Building on the importance of monitoring strengths and challenges within each main factor, the Forum deemed it appropriate to review Jordan's performance and analyze its results across the four factors, as follows:

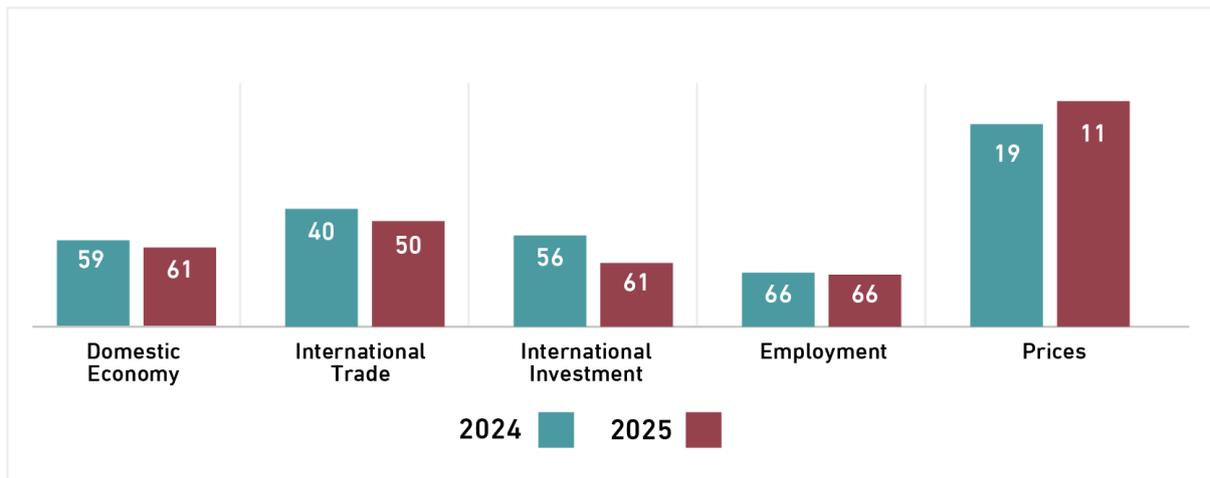
### **Economic Performance Factor**

Jordan's performance witnessed a slight decline in 2025, ranking 65th compared to 63rd in 2024. This decline is attributed to weak growth in the domestic economy and a slowdown in international trade and foreign investment. In addition, labor market conditions continued to display clear fragility because of high unemployment rates and low economic participation. In contrast, the price index recorded a noticeable improvement, with its ranking rising from 19th to 11th, while international trade declined significantly from 40th to 50th, reflecting the persistence of structural challenges facing the Jordanian economy.

In contrast, labor market challenges continue to represent the greatest pressure factor on competitiveness, as Jordan ranked in low positions in the employment rate (69th) and youth unemployment (67th), alongside the persistence of overall unemployment at high levels (66th). In addition, weak foreign investment inflows limit the ability to translate monetary stability into sustainable growth. Accordingly, this factor reflects a mix of clear strengths in price stability and tourism, against ongoing structural challenges in employment, trade, and investment.

Despite these challenges, inflation control remains a core strength for Jordan, as it ranked first globally in price stability according to the report. In addition, the Jordanian economy continues to achieve good performance in tourism revenues and office rent levels, which enhances the investment environment and supports economic stability and growth.

Figure (4): Economic Performance Factor – Rank



Source: World Competitiveness Index Report

### Government Efficiency Factor:

Jordan recorded a noticeable decline in this factor, ranking 39th in 2025 compared to 37th in 2024. This decline reflects the accelerated improvement in the performance of competing countries rather than a fundamental deterioration in domestic performance, given the stability of most sub indicators. In contrast, a limited improvement is observed in public finance, with its ranking rising from 42nd to 40th, against a marked decline in the institutional framework, whose ranking fell from 36th to 39th, which contributed to constraining the factor's ability to achieve better results.

Within this factor, key strengths with a direct impact on the business environment stand out, most notably the low costs of dismissal from employment, in which Jordan ranks first globally, in addition to a good level of bureaucratic efficiency, which ranked fifth, as well as the efficiency of income tax collection, which recorded an advanced

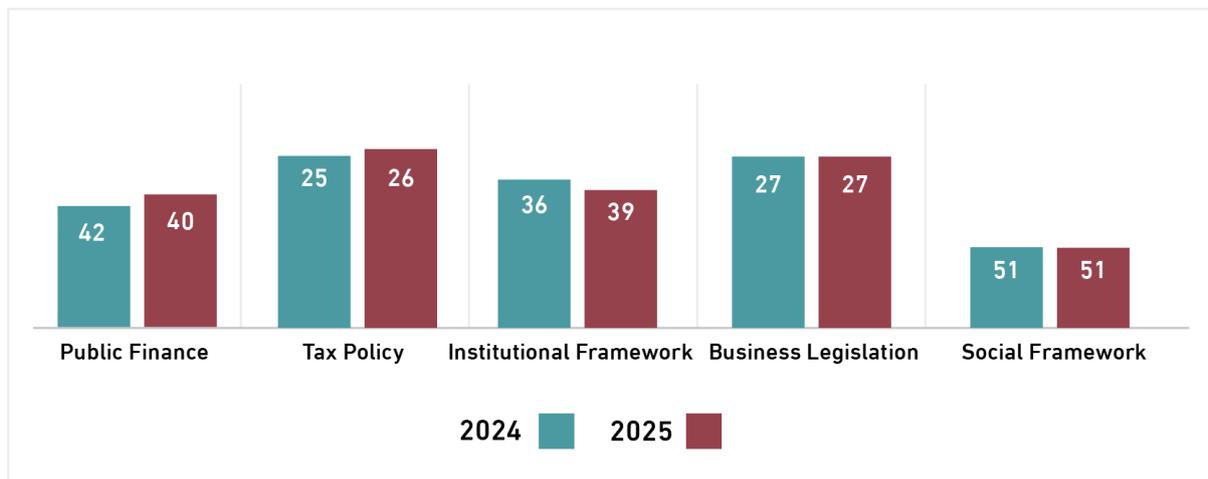
performance. This reflects solid operational capacity in certain aspects of government administration.

Regarding administrative modernization, Jordan has achieved tangible progress since the launch of the Economic Modernization Vision, as 48 out of 51 priorities set for 2023 have been completed, representing approximately 94% according to the latest available data. This level of implementation reflects improved institutional readiness and the development of government procedures and services. However, the nature of these

reforms is characterized by cumulative effects, which limits their immediate reflection in the factor’s ranking in the World Competitiveness Index, especially in light of the accelerated pace of improvement among competing countries and the persistence of fiscal and tax pressures.

Accordingly, limited levels of disposable income, high corporate taxation, and the persistence of the fiscal deficit remain the most prominent challenges affecting the performance of this factor and constraining the government’s ability to achieve greater improvement in its ranking. Despite the presence of important strengths in procedures and operational policies, these fiscal and legislative imbalances explain the overall downward trend in government efficiency during this year.

**Figure (5): Government Efficiency Factor – Rank**



Source: World Competitiveness Index Report

### Business Efficiency Factor:

The factor recorded a limited improvement in 2025, as its ranking rose to 33rd compared to 34th in 2024. This improvement is attributed to better managerial practices within companies, in addition to progress in the labor market sub factor within business efficiency, which improved its ranking from 29th to 21st.

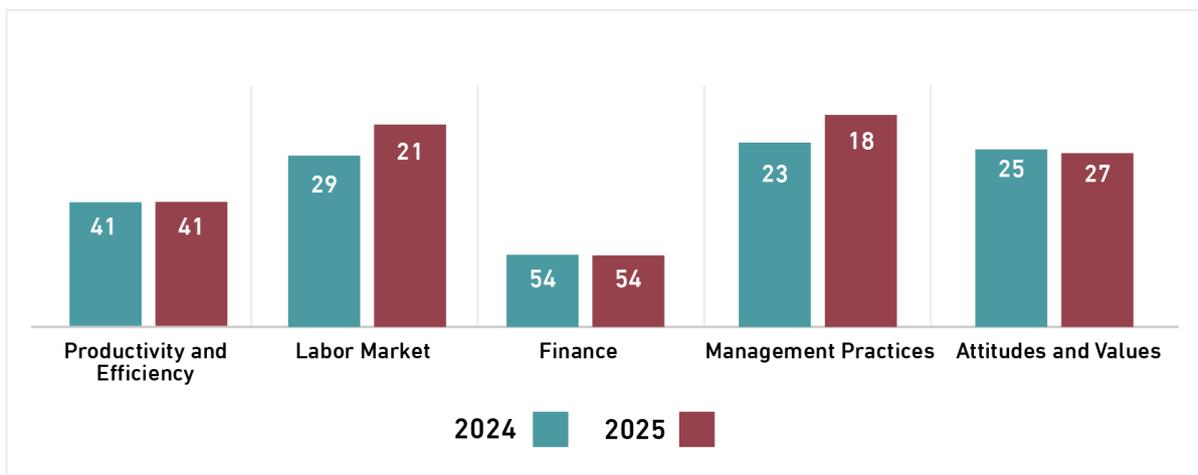
Noteworthy is that the labor market sub factor within the World Competitiveness Index (IMD) methodology, under the Business Efficiency factor, focuses on elements related to the readiness of the business environment from the perspective of firms. This includes the availability of competencies and skills, the priority given to employee training, the

attraction and retention of talent, as well as indicators related to wage levels and labor costs.

Jordan stands out in several key strengths, ranking third globally in the share of women in managerial positions, which reflects the capacity of the institutional structure to absorb and empower talent. It also ranks seventh in foreign labor and eighth in early-stage entrepreneurial activity, indicating clear economic dynamism in certain sectors.

Nevertheless, the factor faces structural challenges, most notably the low labor force participation rate, in addition to limited access to financial services, which ranked 65th, constraining the ability of small and medium sized enterprises to expand. **While women’s representation in managerial positions ranks third, their participation in the labor market remains low at rank 66**, pointing to persistent regulatory and cultural barriers. At the same time, the notable improvement in management and markets confirms that effectively targeted reforms can lead to significant gains in business efficiency and economic growth.

**Figure (6): Business Efficiency Factor – Rank**



Source: World Competitiveness Index Report

### Infrastructure Factor:

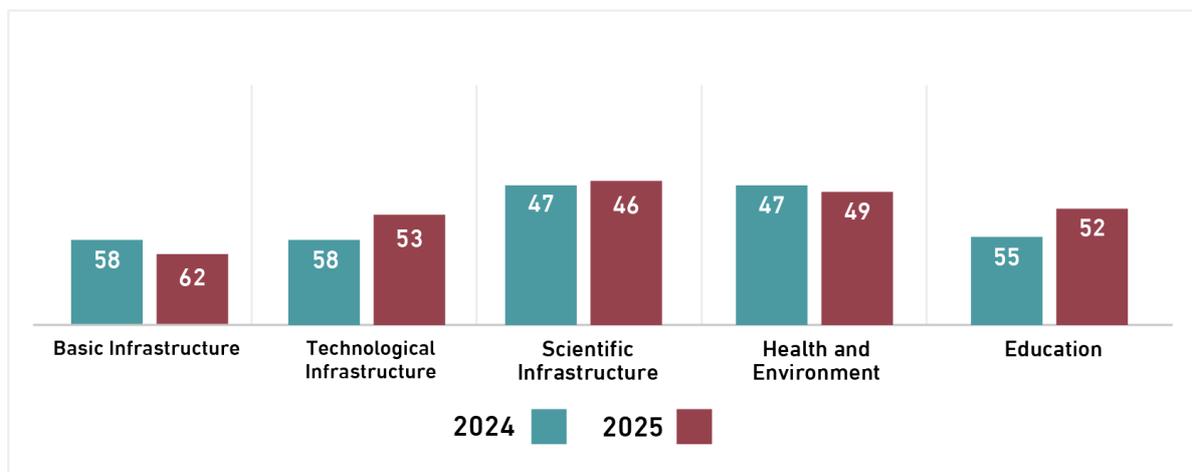
The factor recorded an overall improvement in 2025, rising to 52nd place compared to 55th in 2024. This improvement is attributed to notable progress in technological, scientific, and educational infrastructure. At the level of sub factors, the most prominent gains were recorded in technological infrastructure, whose ranking improved from 58th

to 53rd. In contrast, basic infrastructure recorded the largest decline, with its ranking falling to 62nd in 2025 compared to 58th in 2024, which partially affected the overall performance of the factor.

Jordan's ranking in the Infrastructure Factor is supported by a number of strengths, most notably the high level of investment in the telecommunications sector, which ranked 10th globally, in addition to the increase in the number of graduates in scientific disciplines, ranked 12th, alongside positive population growth, ranked 14th. This indicates the availability of a human base and supportive potential for the labor market in the medium term.

In contrast, digital infrastructure remains in need of development, as weaknesses appear in exports of information technology services, the number of secure internet servers, and mobile internet subscriptions. This limits the ability of the Jordanian economy to fully integrate into the global digital economy and constrains the enhancement of its technological competitiveness.

**Figure (7): Infrastructure Factor – Rank**



Source: World Competitiveness Index Report

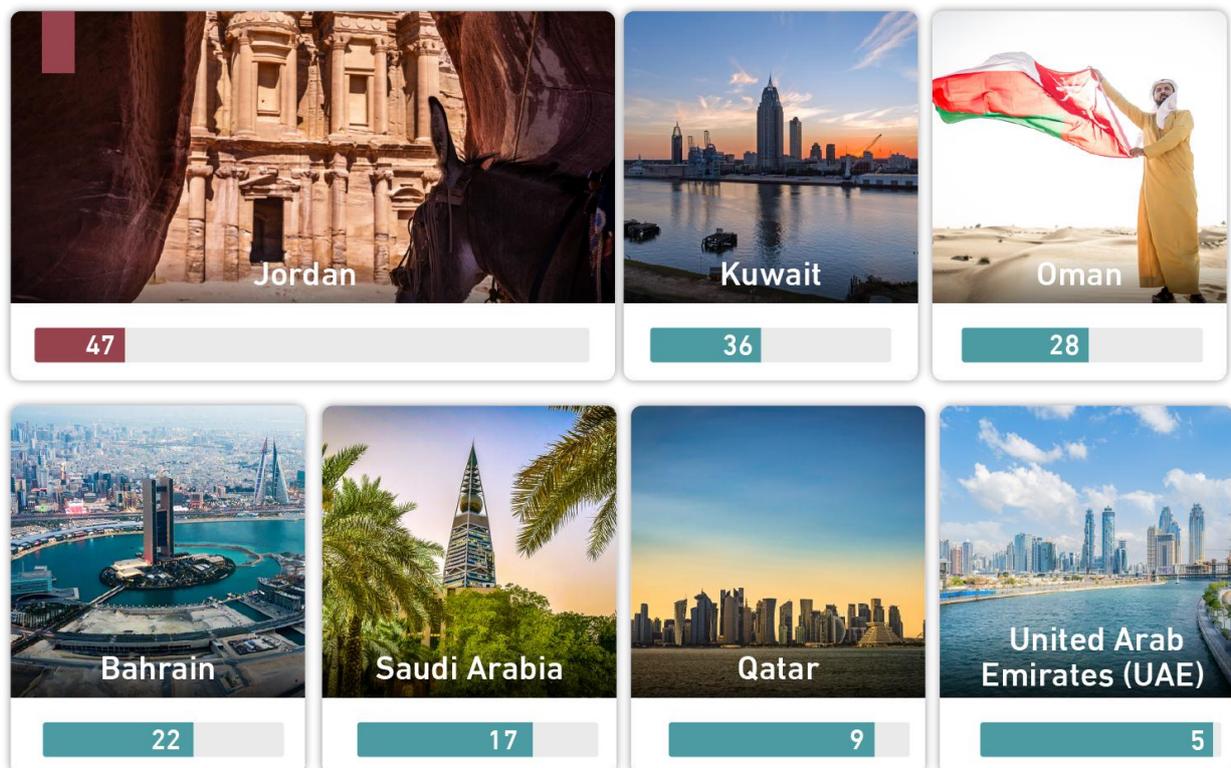
To highlight the importance of this index for Jordan and its overall performance, the importance of comparing the Kingdom's competitive performance emerges within the context of comparative economic models across different countries.

**Jordan's Regional Competitive Position:**

At the regional level, the United Arab Emirates topped the list of Arab countries, while Jordan ranked seventh Arab among the seven Arab countries participating in the World Competitiveness Index 2025, coming immediately after the Gulf Cooperation Council countries and ranking 47th globally. This places Jordan in a different context, as a non-oil economy based on human capital, fiscal discipline, and targeted sectoral reforms.

Accordingly, Jordan operates under limited structural and financing constraints, which makes direct comparisons with these countries largely reflect differences in economic development models rather than performance gaps. Despite these constraints, Jordan achieves clear competitive accomplishments, most notably its advancement in entrepreneurship, where it ranked 7th globally, while women’s representation in managerial positions ranked 3rd globally, and price stability ranked first globally. This demonstrates the effectiveness of institutional policies and the quality of human capital in supporting the competitiveness of the Jordanian economy within the region.

**Figure (8): Arab Countries in the World Competitiveness Index 2025 – Ranking**



Source: World Competitiveness Index Report 2025

**Jordan Compared to Selected Countries with Different Economic Models:**

At the international level, the Forum deemed it appropriate to adopt a benchmark sample of countries close to Jordan in the competitiveness ranking within the World Competitiveness Index, with the aim of conducting an interpretive analytical reading of the Kingdom's ranking, away from other comparisons that rely solely on economic size or income level. This sample included five countries that ranked immediately ahead of Jordan, along with a similar number of countries that ranked after it, in addition to comparing their performance across a set of key macroeconomic indicators, allowing for a deeper understanding of the structural and functional differences that explain the variation in their competitive positions.

The results of the World Competitiveness Index issued by the IMD for 2025 show that Jordan maintained its competitive position within a middle international tier comprising economies that vary in size, income levels, and labor market performance, achieving a global rank of (47). This performance comes within an economic context characterized by clear structural constraints, most notably high unemployment rates, as Jordan recorded the highest unemployment rate among the compared countries, reaching approximately (21.4%) in 2024, in addition to a low GDP per capita of about (4,618) US dollars in the same year, which is among the lowest levels within this tier.

Considering these determinants, the comparative reading shows that Jordan's ranking came ahead of or very close to countries with larger economies, more balanced labor markets, and higher income levels. For example, Italy has an economy exceeding (2.3) trillion US dollars, with GDP per capita surpassing (40) thousand US dollars, alongside a much lower unemployment rate of about (6.8%). Nevertheless, it ranked (43) globally, with a relatively limited gap compared to Jordan. This analytical pattern also applies to countries such as Slovenia and Poland, which differ from Jordan in terms of size and economic capacities, yet fall within the same competitive range according to the index methodology.

These results confirm that competitiveness, as measured by the IMD methodology, does not reflect absolute economic size or income level as much as it reflects the efficiency of economic organization, the quality of the institutional framework, the stability of public policies, and the state's ability to manage its resources within its structural constraints. In this context, one of the core strengths of the Jordanian economy emerges in its ability to maintain a relatively high level of macroeconomic stability within a highly risky domestic and regional environment. Jordan has maintained notable

price stability, supported by conservative monetary policies and a highly credible exchange rate peg system, which has contributed to reducing uncertainty and narrowing risk premia compared to a number of European economies that experienced inflationary pressures and fiscal imbalances during the same period, negatively affecting their competitive performance.

The relative performance of economic growth further reinforces this interpretation, as real growth in Jordan reached approximately (2.5%). While this rate is modest in absolute terms, it compares positively with near stagnant growth rates in several European economies, considering structural and demographic constraints.

In addition, the institutional dimension is considered, as Jordan records relatively acceptable performance in indicators related to policy stability, clarity of regulatory frameworks, and the predictability of economic legislation. These elements are gaining increasing weight in a global environment characterized by uncertainty and supply chain disruptions. For investors, the clarity of laws and continuity of policies contribute to reducing transaction costs and lowering planning risks, thereby limiting the impact of the small size of the domestic market.

Accordingly, the continued inflows of foreign direct investment into Jordan, which reached approximately (3.1%) of GDP, reflect this level of relative confidence, particularly when compared with countries that record low or volatile investment inflows despite the larger size of their economies, such as Italy and Turkey.

However, Jordan's ranking in the competitiveness index highlights a fundamental paradox, as the relative improvement in its competitive position coincides with the persistence of high unemployment levels, including among youth and women. This reflects one of the structural shortcomings of comprehensive competitiveness indicators, which highlight the efficiency and stability of the economic system without necessarily implying a parallel improvement in the economy's ability to generate sufficient employment opportunities. The Jordanian case confirms that translating stability and institutional discipline into more inclusive growth remains one of the main challenges in the coming phase.

Accordingly, Jordan's competitiveness ranking should not be interpreted as an indication of structural parity with advanced European economies, nor as an exceptional case, but

rather as an expression of the ability of a small, resource constrained economy to operate within a competitive range like that of larger economies when economic discipline and institutional credibility are present. The core challenge facing Jordan in the coming period remains the transformation of this relative stability and competitive performance into employment-based growth, higher productivity, and enhanced human capital, in a manner that ensures the sustainability of competitiveness gains and limits the risk of their erosion under labor market pressures.

**Table (1): Jordan's Competitive Position Compared with Selected Countries According to Economic and Labor Market Indicators – 2024**

Country	Rank	GDP/ USD billion	Unemployment Rate	Real Growth Rate	GDP per Capita / USD	Net Foreign Direct Investment Inflows / GDP	Net Foreign Direct Investment / USD
Chile	42	330.267	9.1%	2.64%	16,709.89	3.8%	8,929,504,284.54
Italy	43	2,380.83	6.8%	0.69%	40,385.34	1.1%	(18,969,183,113.08)
Cyprus	44	37.6345	5.6%	3.94%	38,674.29	-133.8%	5,489,989,656.02
Puerto Rico	45	126.039	5.5%	3.18%	39,343.72	0.0%	-
Slovenia	46	72.9729	3.4%	1.73%	34,301.03	2.6%	404,582,559.91
<b>Jordan</b>	<b>47</b>	<b>53.3523</b>	<b>21.4%</b>	<b>5.2%</b>	<b>4,618.10</b>	<b>3.1%</b>	<b>1,580,563,380.28</b>
Hungary	48	222.723	4.4%	0.56%	23,292.33	-27.9%	15,808,734,940.25
Romania	49	382.564	5.4%	0.92%	20,080.21	1.9%	5,170,638,511.27
Greece	50	256.238	10.1%	2.09%	24,626.15	2.6%	4,522,415,327.28
Philippines	51	461.618	2.2%	5.69%	3,984.83	2.0%	6,568,395,421.15
Poland	52	917.767	2.5%	3.03%	25,103.57	2.2%	10,558,000,000.00
Turkey	66	1,359.12	8.40%	3.33%	15,892.00	0.9%	(5,131,000,000.00)

.Source: Statistical Database, World Bank – Department of Statistics

Jordan Compared with Selected Countries with Different Economic Models across

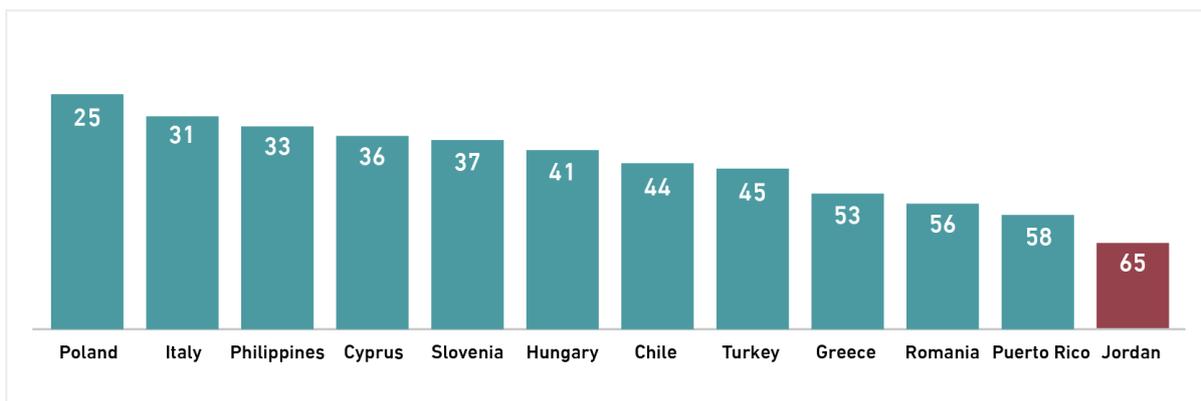
**the Factors:**

**Economic Performance Factor:**

The results of the Economic Performance factor in the World Competitiveness Index 2025 indicate that Jordan ranked (65th) among the compared countries, reflecting the persistence of challenges related to real economic performance, particularly regarding the ability of economic growth to generate employment opportunities and raise income levels. In contrast, other countries achieved better rankings within this factor, such as Poland and Italy, because of their more dynamic economic performance.

This highlights that improving performance in this factor represents one of the main aspects for enhancing Jordan’s economic competitiveness in the coming phase.

**Figure (9): Jordan’s Position within the Economic Performance Factor Compared with Selected Countries in the World Competitiveness Index 2025 – Rank**



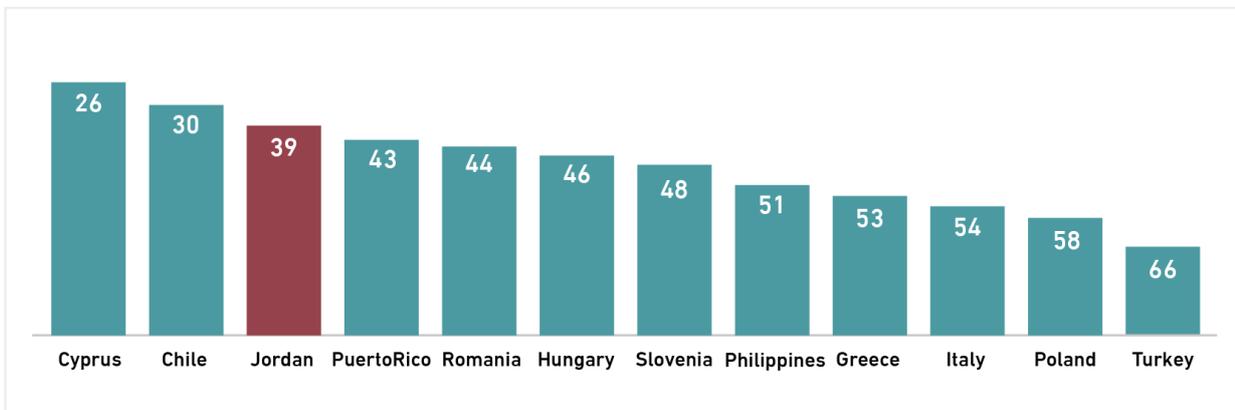
Source: World Competitiveness Index Report 2025

**Government Efficiency Factor:**

At the level of the Government Efficiency factor, Jordan ranked (39th), achieving average performance compared to the selected countries. It ranked below countries such as Chile and Cyprus, while performing better than some larger economies in terms of size, with Jordan ranking higher than countries such as Poland, Italy, and Turkey. This indicates that government efficiency remains an area for improving competitive

performance, particularly with regard to the effectiveness of public policies and the quality of implementation.

**Figure (10): Jordan's Rank within the Government Efficiency Factor Compared with Selected Countries in the World Competitiveness Index 2025**

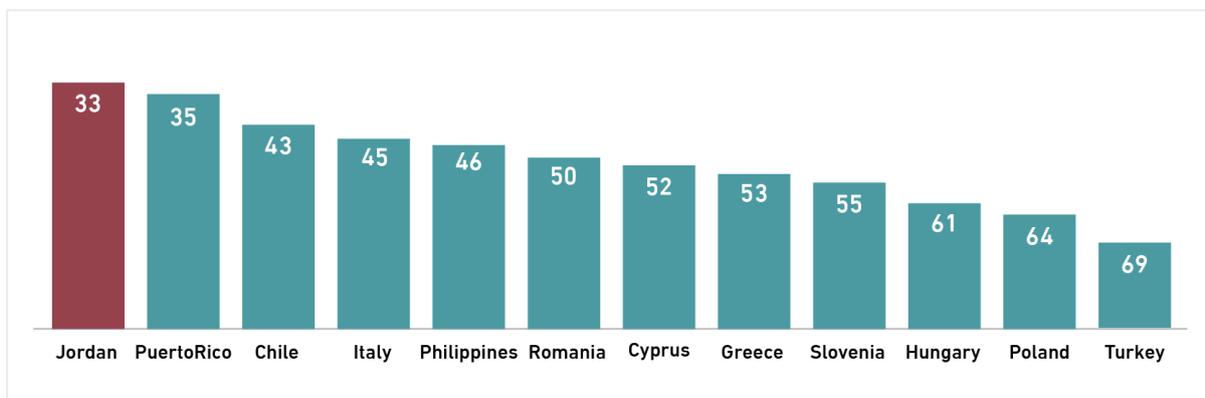


Source: World Competitiveness Index Report 2025

### Business Efficiency Factor:

The Business Efficiency factor highlights one of Jordan's most prominent relative strengths, as it ranked (33rd), outperforming several countries with larger economies such as Turkey, Italy, and Poland. This ranking reflects relatively better performance in the business environment and private sector capacity compared to the other factors, making business efficiency one of the elements supporting Jordan's competitive position among the compared countries.

**Figure (11): Jordan's Rank within the Business Efficiency Factor Compared with Selected Countries in the World Competitiveness Index 2025**

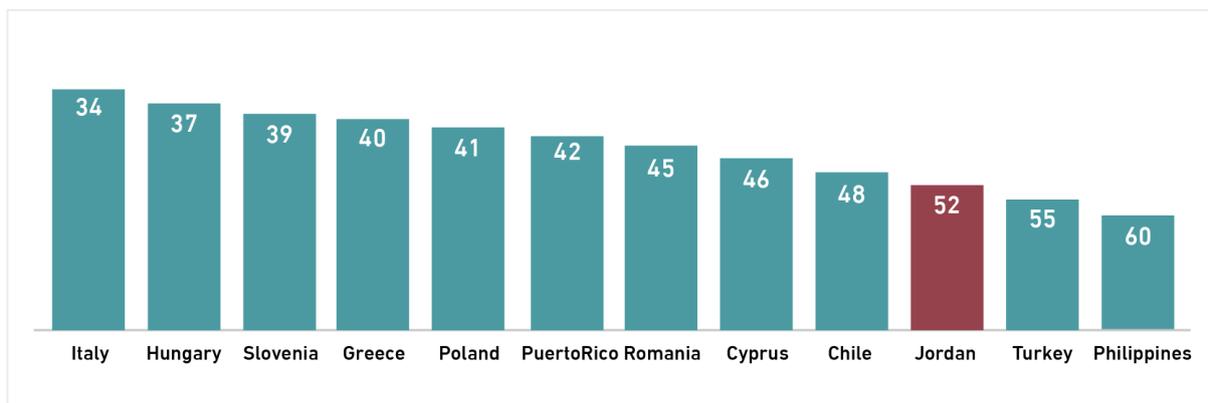


Source: World Competitiveness Index Report 2025

### Infrastructure Factor:

Jordan ranked (52nd) within the infrastructure factor, a ranking that reflects a below average level compared to the selected countries. Jordan ranked ahead of countries such as Turkey and the Philippines, indicating that infrastructure remains one of the areas of relative weakness that limits the enhancement of the competitiveness of the national economy.

**Figure (12): Jordan's Rank within the Infrastructure Factor Compared with Selected Countries in the World Competitiveness Index 2025**



Source: World Competitiveness Index Report 2025

### The Impact of Economic Reform within the Economic Modernization Vision:

Within the framework of the Economic Modernization Vision, national policies during the period (2023–2025) adopted a package of structural reforms aimed at enhancing competitiveness and achieving more sustainable growth, through improving the business environment and stimulating investment, developing value added sectors, and strengthening digital transformation and the green economy, in addition to building the skills required for the future labor market. The impact of these directions is reflected in the improvement of Jordan's ranking in the World Competitiveness Index from (54th) in 2023 to (47th) in 2025, a progress that reflects a relative improvement in institutional and economic pillars related to governance, market efficiency, and the regulatory environment, thereby enhancing the economy's ability to respond gradually to structural constraints.

This improvement coincides with other performance indicators, such as the provision of approximately (95,342) job opportunities in 2023 and (96,421) job opportunities in 2024, which contributed to reducing the unemployment rate from around (22%) to (21.4%). The economy also recorded growth of (2.8%) in the second quarter of 2025. However, reading these indicators within the perspective of the Vision highlights a central point, as an increase in the number of job opportunities does not necessarily imply a structural transformation in the labor market. The results of the competitiveness index indicate the continued weakness of performance in employment and economic participation indicators, which reflects a gap between “job creation” and “productivity enhancement,” and between improvements in the business environment and the economy’s ability to translate this into stable and high-quality job opportunities, especially for youth and women.

In contrast, the second executive program of the Economic Modernization Vision (2026–2029) comes as an implementation framework that translates reform priorities into sectoral drivers, initiatives, and measurement and follow up indicators, making the relationship between international indicators and national policies a “diagnosis–response” relationship that enables the transformation of improvements in indicators into tangible economic outcomes.

This is pursued through several targets, including the real GDP growth rate, which aims to achieve real growth of approximately (3.1%) in 2026, rising to around (4%) in 2029, reflecting a direction toward gradually increasing growth over the implementation period. The program also raises export volume targets from (10.6) to (12.2) billion Jordanian dinars, and targets net foreign direct investment from (1.9) to (3.4) billion Jordanian dinars over the same period, thereby enhancing the economy’s ability to generate growth drivers more closely linked to production, trade, and investment. In terms of employment, the program seeks to create job opportunities starting from (98.9) thousand jobs in 2026, reaching (107) thousand jobs in 2029, allowing the impact of improved competitiveness to be measured not only in rankings, but in its tangible economic outcomes in terms of growth and employment opportunities.

Regarding investment, enhancing the economic impact of competitiveness requires a shift from merely improving the regulatory environment to adopting more systematic tools for investment promotion and converting competitiveness into actual inflows,

through the development of financeable investment opportunities (Bankable Projects) and strengthening engagement with international investors. The importance of linking this path to international indicators related to investment attractiveness and ease of doing business is also reinforced, such as the Foreign Direct Investment Regulatory Restrictiveness Index and the Business Ready Report, thereby supporting the ability to translate institutional improvement into real productive expansion reflected in employment.

In the context of external trade, deepening the production–export dimension represents a central pathway for transforming competitiveness into sustainable structural gains, by expanding the export base, increasing value added, and diversifying markets, which enhances the economy’s ability to achieve productivity-based growth rather than growth based solely on quantitative job creation.

At the labor market level, narrowing the gap between “job creation” and “raising productivity” requires intervention pathways that target structural constraints on employment, particularly those related to integrating informal labor through the **“Project to Promote the Transition from Informal to Formal Employment”**, and implementing the gender inclusion plan in a way that enhances women’s economic participation.

This conclusion is further reinforced by what the IMD results reflect in terms of disparities between Jordan’s performance in some factors related to the business environment and the continued weakness of the “Economic Performance” factor compared with the other factors. While Jordan achieves its best performance in the “Business Efficiency” factor (33rd), it records its weakest performance in the “Economic Performance” factor (65th). This indicates that institutional and regulatory improvement represents a supportive condition for competitiveness, but it requires a faster transition toward actual productive expansion that enhances productivity, raises income levels, and translates into broader employment. An additional intersection appears in the areas of digital transformation and innovation, as related to the “Infrastructure” and “Business Efficiency” factors, where deepening the pillars of innovation, research and development, and digital infrastructure constitutes a necessary element for transforming managerial efficiency and the regulatory environment into sustainable productivity and exportable competitiveness, thereby supporting opportunities for qualitative growth and the creation of higher quality jobs.

As international indicators have become part of the tools for measuring and monitoring economic performance, achieving their full impact requires treating them as instruments for policy development and guidance rather than merely as numerical rankings. Accordingly, the coming phase represents a direct test of the economy's ability to translate competitive improvement into observable outcomes in growth, exports, investment inflows, and employment opportunities, ensuring that progress in indicators reflects an actual and sustainable economic transformation.

From a deeper economic perspective, improvements in competitiveness often precede improvements in the labor market, as the effects of institutional and investment reforms require time to translate into actual productive expansion and increased demand for labor. Therefore, the most indicative impact in the coming phase is not only reflected in the continued improvement of Jordan's ranking, but in the ability of policies to accelerate the translation of reforms into tangible outcomes in productivity, wages, and job quality, through strengthening the alignment of education and training outputs with private sector needs, directing investment toward sectors that generate quality jobs, and improving incentives that encourage formal employment and economic integration.

**In conclusion**, the results of the World Competitiveness Index 2025 indicate that the success of the Economic Modernization Vision is not measured by an improvement in the overall ranking in itself, but by its ability to dismantle structural imbalances, particularly those related to the labor market and the institutional framework, and to transform aggregate strengths into inclusive and sustainable competitive growth.

The national economy remains in need of intensifying economic reform efforts in a manner that enhances growth rates and increases productivity. Current economic conditions also require supporting capital projects through effective partnerships with the private sector to attract additional investment, alongside taking strategic steps to improve the efficiency of productive sectors, promote innovation, and develop the business environment and infrastructure, thereby contributing to the provision of real employment opportunities for youth and strengthening Jordan's global position.

In this context, a set of key priorities emerges to achieve a sustainable competitive transition. These include expanding the base of participation in the labor market, restoring tax competitiveness through simplifying procedures and enhancing stability and transparency, accelerating digital transformation, and developing export capacity by

focusing on sectors with comparative advantage, foremost among them food industries and technology services. At the same time, infrastructure represents one of the supporting pillars of competitiveness sustainability, which requires measures to raise its efficiency, strengthen basic services, and support productive expansion.

Accordingly, the continuity of implementing these structural reforms, coupled with improvements in governance and economic policies that enhance Jordan's ability to confront internal and regional challenges, will consolidate its competitive ranking at both the regional and international levels, ensuring sustainable growth and renewed economic opportunities for future generations.

## Countries on the Global Competitiveness Index 2025

Country	Rank	Score
Switzerland	1	100
Singapore	2	99.4
Hong Kong SAR	3	99.2
Denmark	4	97.5
UAE	5	96.1
Taiwan	6	93.7
Ireland	7	91.3
Sweden	8	90.2
Qatar	9	89.9
Netherlands	10	89.8
Canada	11	88.7
Norway	12	86.2
USA	13	84.3
Finland	14	83.8
Iceland	15	83.5
China	16	82.1
Saudi Arabia	17	82.1
Australia	18	78.4
Germany	19	78.2
Luxembourg	20	78.2
Lithuania	21	77.7
Bahrain	22	76.6
Malaysia	23	74.8
Belgium	24	74.6
Czech Republic	25	73.7
Austria	26	73.6
Korea Rep.	27	73.4
Oman	28	72.9
United Kingdom	29	71.9
Thailand	30	71.3
New Zealand	31	70.2
France	32	69.9
Estonia	33	69.7
Kazakhstan	34	69
Japan	35	68.7

Country	Rank	Score
Kuwait	36	68.7
Portugal	37	67.8
Latvia	38	67
Spain	39	65.8
Indonesia	40	64.3
India	41	64.2
Chile	42	62.5
Italy	43	62.5
Cyprus	44	61.8
Puerto Rico	45	61
Slovenia	46	59.1
<b>Jordan</b>	<b>47</b>	<b>57.8</b>
Hungary	48	56.7
Romania	49	56.6
Greece	50	55.3
Philippines	51	54.9
Poland	52	53.9
Croatia	53	51.2
Colombia	54	49.7
Mexico	55	48.8
Kenya	56	48.3
Bulgaria	57	48
Brazil	58	46.4
Botswana	59	46.1
Peru	60	45.9
Ghana	61	44.2
Argentina	62	42.8
Slovak Republic	63	42.8
South Africa	64	42
Mongolia	65	40.9
Türkiye	66	40.4
Nigeria	67	39.7
Namibia	68	37.5
Venezuela	69	25.5