Private Sector Engagement in times of COVID-19: Insights from Jordan

The Center for Mediterranean Integration
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Refugee Investment & Matchmaking Platform

Platform

- Matchmaking: Market level
- Investment: Firms
- Policy & Institution: Government
- Knowledge: Coordination

...creating jobs and economic integration for refugees and hosts
B2B matchmaking

Support to 51 Business Transaction

- Agri-Innovation
- Food
- Chemicals
- Garments
- Plastics
- ICT

$156.9M Invest.
$112.6M Sales
1,771 Jobs

- Jordanian businesses Profiled
- Trade & export promotion events
- Global businesses exposed to B2B in Jordan
- Jord. businesses exposed to B2B in global markets

- 500
- 14
- 423
- 268
COVID-19: GoJ’s measures & impact on the Private sector
Government Policies

- Fiscal & financial measures
- Monetary & liquidity measures
- Capital control measures
- Support to borrowers

- Non-essentials shut down
- Export & movement restrictions
- Limited Production & financial activities
- Limited access to goods
RIMP COVID-19 Survey aimed at capturing:

- Production capacity under COVID-19
- Impact of lock down on employment per segmentation
- Business and management measures to mitigate losses
- Business needs to ensure sustainability
- Inventory of raw materials
- Change in Supply chain channels
- Change in export demand and/ or export markets
Survey Results: 1. Procedural Measures

- Reduced workforce
- Transport changes
- Workforce proximity is paramount
- Companies are introducing stricter H&S procedures
- Layoffs are expected
Survey Results: 2. Repurposing Production Lines

The Tourism Sector considered transforming into commercial distribution vehicles.

The Plastics Sector introduced face and window shields, new bottles for other sectors use.

The Garments Sector introduced face masks and medical clothing.

The Cosmetic Sector introduced antiseptic and sanitizer solid and liquid soaps.

The Chemicals Sector introduced new sanitizers for hand, surface, floor, fruits and veggies use.

The Financial Sector started providing mentorship and support on bridging financing.
Survey Results: 3. Policy Needs

- To reduce unpredictability, engage the private sector
- Understand current inventory and production capacity
- Prepare for a logistical warehouse to avoid products damage
- Consider the complete value chain when opening
- Speed up process to increase capacity of operation
- Understand how the disruption in supply chain is reflecting on prices

Private Sector’s Demands
Safe Techno Plast was originally established in Syria. In 2012, the company moved to Jordan and has since acquired a strong presence in the domestic and regional markets. The company produces plastics in multiple forms, injectables and blowing, in addition to PET containers. The company imports its raw materials from leading global sources to ensure quality of products. Today Safe Techno Plast exports to 16 regional and international countries.

**MARKETS**

- Jordan: 52.5%
- Export: 47.5%

- Iraq, Kuwait, KSA, Turkey, Morocco, Lebanon

**OPPORTUNITY**

Safe Techno Plast seeks to raise $5 Million to upgrade its machine and invest in marketing for export purposes.

- Employees: 110
- Women: 25
- Refugees: 31

- Turnover (USD): 2,230,000
- Net Assets (USD): 2,600,000
- Profit Margin: 20%

**PRODUCTS/SERVICES**

Safe Techno Plast has a variety of high-quality products including kitchen tools, food containers, platters and drain, cleaning tools, garden plants and pets.

**CERTIFICATION**

- ISO 9001:2015

With Jeddah, it will be easier to grow your business by expanding your opportunities and your network of contacts with accredited customers and suppliers to meet your needs.

**Food industry**
- Resources: 184

**Metal industries**
- Resources: 14

**Sewing and crochet**
- Resources: 51

**Crafts**
- Resources: 167

**Furniture industry**
- Resources: 93
RIMP’s Model During & Post COVID-19

1. Policy GoJ Strategy
2. Build Capacity
3. Identify upstream Linkages
4. Match w/ downstream
5. private sector buyers
6. end user

end user

private sector buyers

Match w/ downstream

Identify upstream Linkages

Build Capacity

Policy GoJ Strategy
RIMP’s Results During COVID-19

- $11M Sourcing
- New Jobs: 150
- $17M Investment
Rising Opportunities

• **Overall - the market dynamics are changing:**
  • Potential post COVID-19 regional export opportunities
  • Planning for long-term pandemic effects on market dynamics
  • Rise in local sourcing demand - Showcase the Plastics sectors

• **Municipalities should build on the rising demand for local sourcing:**
  • What products can your city supply?
  • What sector should you promote?
  • Comparative Advantage of your city (workforce, raw material, proximity to academia and R&D, water supply...etc)
  • How are you planning to engage with the private sector in a formal manner (local economic development committees)
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