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# Jordan Green Finance and Investment Guide

Supporting Jordanian Industries and Businesses Identifying, Structuring, and Financing Green Projects in Jordan



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Supporting the green economy transition in Jordan

The project develops policy instruments and supports intermediary organisations  
with the goal of establishing practices for an inclusive green economy.

## 1. List of abbreviations

Abbreviations	Description
AAWDPC	Aqaba–Amman Water Desalination and Conveyance Project
ACI	Amman Chamber of Industry
BMZ	German Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung)
CBAM	Carbon Border Adjustment Mechanism
CBJ	Central Bank of Jordan
CC	Climate Change
COVID-19	Coronavirus Disease 2019
CVDB	Cities and Villages Development Bank
EBRD	European Bank for Reconstruction and Development
EE	Energy Efficiency
EIB	European Investment Bank
EMV	Economic Modernisation Vision
ESG	Environmental and Social Governance
EU	European Union
GAIN	Green Action in Enterprises (Project)
GAM	Greater Amman Municipality
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEFF	Green Economy Financing Facility
GG-NAP	Green Growth National Action Plan
GHG	Greenhouse Gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IFC	International Finance Corporation
IsDB	Islamic Development Bank
JEDCO	Jordan Enterprise Development Corporation
JEF	Jordan Environment Fund
JNGT	Jordan National Green Taxonomy

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JOD	Jordanian Dinar
JREEEF	Jordan Renewable Energy and Energy Efficiency Fund
MSBs	Micro and Small Businesses
MEMR	Ministry of Energy and Mineral Resources
MENAFN	Middle East North Africa Financial Network
MFI	Microfinance Institutions
MoEnv	Ministry of Environment
MoF	Ministry of Finance
MoITS	Ministry of Industry, Trade and Supply
MoPIC	Ministry of Planning and International Cooperation
MPP	Municipal Private Partnership
MSW	Municipal Solid Waste
MSME	Micro, Small, and Medium Enterprises
MWI	Ministry of Water and Irrigation
NAFES	National Fund for Enterprise Support
NDC	Nationally Determined Contribution
NRW	Non-Revenue Water
PPP	Public–Private Partnership
RE	Renewable Energy
RECP	Resource Efficiency and Cleaner Production
SME	Small and Medium-sized Enterprises
USD	United States Dollar

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## 2. Executive summary

Jordan is taking significant steps toward building a sustainable and resilient economy, aligning national priorities with its international climate commitments, including those under the Paris Agreement<sup>1</sup>. In this context, expanding private-sector access to green finance defined as the financing of activities that contribute to environmental objectives in line with national classification criteria<sup>2</sup> is a key pillar for strengthening economic resilience, supporting job creation, and enabling sustainable growth.

This Green Finance Guide, developed under the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH-implemented Green Action in Enterprises (GAIN) project in collaboration with the Frankfurt School of Finance & Management, is designed as a practical tool for businesses in Jordan. It supports them in identifying and accessing financing for green projects.

The guide outlines the business case for green financing, demonstrating how improved environmental performance is increasingly linked to competitiveness, cost savings, and access to domestic and international markets. It highlights key regulatory and policy developments, including the Jordan Green Taxonomy (JNGT)<sup>3</sup> and the Central Bank of Jordan (CBJ) Green Finance Strategy 2023–2028, which together establish a common framework for classifying and financing environmentally sustainable activities. This direction aligns with Jordan's Economic Modernisation Vision (EMV), which identifies Green Jordan and Sustainable Resources as key drivers for economic growth and job creation.

A detailed overview of available financing instruments that are most relevant to businesses is provided. Public institutions such as the Central Bank of Jordan (CBJ), the Jordan Renewable Energy and Energy Efficiency Fund (JREEEF), the Jordan Enterprise Development Corporation (JEDCO), and the Industrial Development Fund provide concessional loans, grants, and blended support mechanisms that facilitate private-sector green projects. In parallel, Jordan's banking sector is expanding its portfolio of green financial products in line with the CBJ's green finance framework, including both conventional and Islamic financing instruments that comply with environmental and sustainability criteria.

The guide emphasizes financing instruments that enable private-sector investments in resource efficiency, particularly in energy, water, and waste management, while also addressing emerging areas such as circular economy solutions, green buildings, and sustainable transport. Drawing on recent stakeholder interviews and consultations with banks and businesses, it reflects both current market practices and the challenges that remain in scaling up green finance in Jordan.

Ultimately, this guide aims to bridge information gaps and support Jordanian industries and businesses in navigating green finance opportunities, thereby contributing to Jordan's transition toward a greener, more inclusive, and resilient economy.

<sup>1</sup> The Paris Agreement is an international climate agreement under the United Nations Framework Convention on Climate Change (UNFCCC), to which Jordan is a signatory. It commits countries to reducing greenhouse gas emissions and strengthening climate resilience, with implications for national policies, regulatory frameworks, and private-sector investment and financing decisions.

<sup>2</sup> Green finance refers to financial instruments, services and mechanisms, including but not limited to loans, equity, guarantees, insurance products, bonds, sukuk, and blended finance, used to support economic activities that are classified as taxonomy-aligned under the JNGT. Green Finance therefore encompasses a broad set of financial products and services and is not limited to lending activities, as outlined in the JNGT.

<sup>3</sup> A green taxonomy is a classification system that defines which economic activities can be considered environmentally sustainable, providing a common reference for financial institutions, businesses, and regulators.

### 3. Purpose and Approach of Green Finance

The purpose of green finance is to support positive environmental outcomes alongside long-term financial sustainability and economic resilience, by directing financing toward activities that contribute to environmental objectives such as climate change mitigation and adaptation, energy efficiency, and the sustainable use of natural resources. In the context of Jordan, green finance plays a critical role in enabling businesses to strengthen their resilience to environmental and climate-related risks while enhancing their long-term competitiveness.

Unlike conventional financing, which primarily focuses on financial returns, green finance integrates environmental considerations into financing decisions to support sustainable business models. While green projects do not always result in immediate cost reductions, they can contribute over time to lower operating costs, improved resource efficiency, reduced exposure to regulatory and climate-related risks, and more stable financial performance.

This guide adopts an approach that aligns green finance with national classification frameworks, particularly the JNGT, which provides a structured basis for identifying environmentally sustainable and transition activities. Green finance may support enterprises through the acquisition of green physical assets, the adoption of cleaner and more efficient technologies, or the financing of activities that meet defined environmental eligibility criteria.

To ensure consistency and credibility, the guide focuses on financing approaches that are aligned with recognized frameworks used by financial institutions, including green taxonomies and Environmental, Social and Governance (ESG) considerations, as well as lender-specific green eligibility criteria. This approach helps ensure that financed activities contribute meaningfully to Jordan's environmental objectives while supporting the long-term financial sustainability of enterprises.

#### Terminology notes

In this guide, green finance refers to financial instruments and mechanisms that support environmentally sustainable activities in line with JNGT. Climate finance is used more narrowly to describe financing related to climate change mitigation and adaptation, while sustainable finance refers to a broader approach that integrates environmental, social, and governance (ESG) considerations into financial decision-making. Unless stated otherwise, references in this guide focus on green finance.



## 4. National Alignment

The JNGT, published in January 2026, is the primary classification system for environmentally sustainable economic activities in the Kingdom. Developed by the Central Bank of Jordan (CBJ) and the Ministry of Environment (MoEnv), it provides a common technical language for all economic actors, from small-scale enterprises to large industrial complexes. The unified technical language aligns private sector investments with the strategic objectives of the CBJ Green Finance Strategy (2023-2028) and the Economic Modernisation Vision (EMV). While the JNGT draws on internationally recognized standards and taxonomies, it is specifically adapted to address the Kingdom's severe resource constraints and economic priorities<sup>4</sup>.

Central to this framework is a «Traffic Light» logic that distinguishes between green, amber or transition, red, and other out-of-scope activities. For industries and businesses more broadly, this transition category is governed by a sunset logic, where eligibility is time-bound and contingent upon meeting increasingly stringent performance thresholds to ensure long-term national climate alignment. The JNGT is particularly comprehensive in its scope, defining technical screening criteria for 51 detailed activities across 9 core sectors, including energy-intensive manufacturing, strategic mining, construction, and low-carbon transport.

Crucially, the JNGT moves beyond asset-specific technology criteria to include mandatory Minimum Social Safeguards (MSS) as a prerequisite for green classification. Applied at the enterprise level, the MSS require compliance with Jordanian Labour Law No. 8 of 1996 and its amendments and applicable occupational health and safety regulations, alongside alignment with recognised international standards. Application is

proportionate to enterprise size and risk profile: large corporates are expected to demonstrate more comprehensive practices such as stakeholder engagement and documented human-rights policies, while SMEs are primarily expected to show compliance with applicable labour and occupational health and safety regulations and the absence of severe violations. In practice, financial institutions may rely on their existing CBJ-aligned customer due diligence to verify MSS compliance, without requiring a separate standalone assessment.

Technical eligibility is established through two distinct screening pathways designed to accommodate different operational scales. The standards-based route requires equipment to meet the highest two tiers of recognized efficiency classes. Alternatively, a performance-based fallback allows businesses to demonstrate significant resource improvements relative to the established Jordanian market baseline for specialized processes.

The impact of these criteria is most evident in the water and agricultural sectors, where the taxonomy distinguishes itself from the EU's broader focus to prioritize Jordan's local needs. The obligation transitions from traditional efficiency improvements per unit of production to a requirement for a demonstrable net reduction in total water consumption. For instance, while international benchmarks often qualify projects based on a 20% water saving, the JNGT prioritises reductions in overall water demand alongside improvements in water-use efficiency. This shift ensures that as Jordanian industries and businesses expand, their operational growth remains compatible with national environmental and resource priorities.

<sup>4</sup> The Jordan Green Taxonomy is being developed under the guidance of the Central Bank of Jordan, in coordination with relevant government entities and stakeholders, to support a unified national approach to classifying environmentally sustainable and transition-aligned economic activities.

## 5. Green vs Conventional Finance

Conventional finance is fundamentally driven by economic viability, creditworthiness, and risk management. Within this framework, financial institutions evaluate businesses based on repayment capacity and cash-flow stability. While environmental and social factors are increasingly considered, they primarily serve as indicators of operational risk rather than core investment objectives.

Green finance builds on the conventional financing principles by explicitly embedding environmental goals into the credit decision. The primary difference lies in how a project is classified and documented. In Jordan, this is operationalized through the JNGT, which applies additional technical screening to the same sectors covered by conventional finance.

### What this means for businesses?

**Green finance does not change the fundamentals of bank financing.** SMEs applying for green finance in Jordan are assessed on the same core criteria as conventional financing, including creditworthiness, cash-flow capacity, and business viability. Green finance does not replace financial discipline, nor does it guarantee automatic approval or preferential pricing.

What changes is how your project is classified. To be considered for green finance, an SME's project must meet defined environmental eligibility criteria<sup>5</sup>, such as those set out under the Jordan Green Taxonomy or the financing institution's green framework. This means the activity must demonstrate a clear contribution to environmental objectives (for example, energy efficiency, renewable energy, or sustainable resource use), and, where relevant, meet transition-related criteria.

Green finance can improve access to financing over the long term. While green projects do not always deliver immediate cost savings, they can strengthen an SME's long-term financial sustainability by reducing exposure to energy, water, regulatory, and climate-related risks. Projects that are clearly aligned with national green priorities may also be better positioned to benefit from policy-supported financing mechanisms, such as Central Bank of Jordan programmes or risk-sharing facilities.

**Preparation matters.** Businesses seeking green finance -including SMEs- should be prepared to clearly explain how their project meets environmental eligibility criteria, alongside providing standard financial and technical documentation. Early engagement with banks can help clarify whether a project qualifies as green or transition-aligned and identify the most suitable financing instrument.

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<sup>5</sup> Environmental eligibility criteria refer to the conditions used to determine whether an economic activity can be classified as environmentally sustainable or transition-aligned under the Jordan Green Taxonomy. These criteria assess whether an activity makes a substantial contribution to at least one environmental objective such as climate change mitigation, climate change adaptation, sustainable use of water and natural resources, pollution prevention, or circular economy, while meeting minimum safeguards and not causing significant harm to other environmental objectives.

### Green Finance and Conventional Finance: Key Differences in Banking Practice

Aspect	Conventional Finance	Green Finance
Core Financial Logic	Driven by financial returns, creditworthiness, and risk management	Driven by financial returns, creditworthiness, and risk management, with explicit integration of environmental criteria
Primary Objective	Economic viability and repayment capacity	Economic viability and repayment capacity while supporting defined environmental objectives
Scope of Activities	Broad range of sectors and economic activities	Broad range of sectors, with activities classified as green or transition-aligned
Use of Environmental Criteria	Increasingly considered within risk management and regulatory compliance	Formally embedded through eligibility criteria, classification systems, and reporting requirements
Role of ESG	Integrated into credit assessment, governance review, and risk analysis	complement green finance by supporting risk management, governance, and disclosure practices, while green taxonomies and eligibility criteria define which activities qualify as environmentally sustainable.
Pricing & Incentives	Market-based pricing influenced by risk profile and competition	Market-based pricing, potentially supported by policy-driven incentives (e.g. CBJ programmes, refinancing facilities, risk-sharing mechanisms)
Policy & Regulatory Alignment	Subject to general prudential and climate-risk regulations	Aligned with national green finance frameworks, including the JNGT and CBJ Green Finance Strategy
Implications for Businesses	Focus on financial strength and repayment ability	Same financial requirements, plus evidence of environmental eligibility

Green finance builds on conventional banking principles by integrating environmental objectives into financing frameworks through the application of green taxonomies, defined eligibility criteria, environmental and climate risk considerations, and impact tracking, in line with national policy priorities and regulatory guidance.



## 6. Drivers of Green Finance and Investment

In this guide, green investments refer to projects and activities undertaken by enterprises, while green finance refers to the financial instruments and mechanisms that support these investments.

Several factors are increasingly encouraging private sector engagement in green finance and investment in Jordan.

### Cost Savings, Cash Flow Stability, and Long-Term Competitiveness

Rising energy, water, and input costs are making green investments increasingly attractive for businesses. Investments in energy efficiency, renewable energy, water efficiency, waste reduction, and cleaner production can reduce operating expenses, stabilize cash flows<sup>6</sup>, and improve firms' ability to service debt over time. For SMEs in particular, lower and more predictable operating costs strengthen repayment capacity and reduce exposure to future price shocks, supporting long-term financial sustainability rather than short-term cost minimization.

At the same time, the financial performance of green investments varies by technology, sector, and project design. Some projects involve longer payback periods, upfront capital requirements, or performance uncertainties, and are therefore assessed by banks under standard credit and risk frameworks rather than assumed to deliver immediate financial benefits.

### Policy Support and National Frameworks

Jordan is advancing a structured green finance framework through the development of the JNGT and related green lending frameworks under the Central Bank of Jordan.

These instruments are intended to provide clearer definitions of eligible green and transition activities, reduce ambiguity for banks and enterprises, and align financing with national priorities. Greater clarity is expected to improve project preparation, eligibility assessment, and access to green finance products<sup>7</sup>.

### Climate Commitments and International Alignment

Jordan's commitments under its Nationally Determined Contributions (NDCs) require increased private sector investment in areas such as renewable energy, transport, water, and waste<sup>8</sup>. Enterprises that align with national and international climate objectives are better positioned for long-term competitiveness, access to international markets, and future climate-related financing opportunities, including emerging carbon market mechanisms linked to the Paris Agreement.

### Access to Climate Finance and Risk-Sharing Instruments

Jordan benefits from growing engagement by development partners and international financial institutions, which are increasingly supporting green investments through concessional finance, technical assistance, guarantees, and risk-sharing mechanisms<sup>9</sup>. These instruments are designed to reduce investment risk for financial institutions and businesses, complement commercial financing, and facilitate the scaling up of green projects, particularly for SMEs.

<sup>6</sup> For SMEs, green investments such as energy efficiency, renewable energy, or water efficiency typically reduce operating expenses over time. Lower and more predictable costs improve cash flows, which is a key factor banks assess when evaluating loan repayment capacity

<sup>7</sup> Policy frameworks such as the JNGT influence how financial institutions design green finance products and assess eligibility.

<sup>8</sup> Nationally Determined Contributions are climate action plans submitted by countries under the Paris Agreement, outlining targets and measures to reduce greenhouse gas emissions and enhance climate resilience.

<sup>9</sup> Blended finance refers to financing structures where concessional or public funds are used alongside commercial bank loans to reduce risk, improve loan terms, or extend maturities for private sector projects.

### Growing Market and Regulatory Demand for Sustainability

Export-oriented firms face increasing requirements related to sustainability, climate performance, and supply-chain transparency in international markets<sup>10</sup>. Developments such as the EU's Carbon Border Adjustment Mechanism (CBAM) and enhanced ESG and climate disclosure requirements are reinforcing this trend. Domestically, sustainability reporting initiatives and green public procurement are also expected to gradually increase demand for greener products and services, creating market advantages for firms that invest early.

#### Market context: Access to finance for industrial enterprises in Jordan

Access to bank financing plays a central role in enabling Jordanian enterprises to invest in productivity upgrades, resource efficiency, and cleaner technologies. According to data published by the Central Bank of Jordan (CBJ) and the Association of Banks in Jordan (ABJ)<sup>11</sup>, the industrial and manufacturing sectors represent a significant share of private-sector credit in Jordan, reflecting the sector's importance to economic growth and employment.

In recent years, Jordanian financial institutions have increasingly expanded green lending windows within their broader corporate and SME portfolios, supported by CBJ programmes, international financing facilities, and national policy priorities. While green finance still represents a growing share of total industrial lending, its volume has increased steadily in line with the objectives of the CBJ Green Finance Strategy, particularly in areas such as energy efficiency, renewable energy, water management, and cleaner production.

For enterprises, the key implication is that green finance is becoming progressively embedded within mainstream bank financing in Jordan, rather than treated as a separate or niche offering. This creates expanding opportunities for businesses to access financing for investments that improve competitiveness, resilience, and compliance with emerging sustainability requirements.



<sup>10</sup> International buyers and regulators are increasingly requesting evidence of energy use, emissions, and sustainability practices from suppliers. Early investment in greener operations can help businesses maintain export access and avoid future compliance costs.

<sup>11</sup> Aggregated data on sectoral credit exposure, SME lending, and green finance trends is published periodically by the Association of Banks in Jordan (ABJ) and referenced in the Central Bank of Jordan's Green Finance Strategy (2023–2028). These sources provide an official overview of market developments, although data is not disaggregated at the level of individual enterprises or projects.

## 7. Barriers to Green Finance and Investment

Despite growing momentum, several structural and operational barriers continue to constrain private sector participation in green finance in Jordan.

### Limited Awareness and Perception Challenges

Many businesses, particularly SMEs, remain insufficiently aware of how green investments can enhance competitiveness, reduce operational risks, and support access to finance. Sustainability is still often perceived as an additional cost rather than a strategic business decision, which limits demand for efficiency measures and green upgrades.

### Technical, Data, and Eligibility Gaps

While many banks in Jordan have internal capacity to assess common green investments such as energy efficiency and renewable energy, challenges often arise at the enterprise level. Many firms face difficulties meeting the technical, data, and documentation requirements needed to demonstrate project eligibility, including baseline measurement, performance verification, and environmental evidence. This mismatch reduces the pipeline of bankable green projects. The JNGT is expected to help address these gaps by clarifying eligibility criteria and documentation requirements<sup>12</sup>. In addition, access to green finance can be affected by the availability of appropriate risk-mitigation instruments<sup>13</sup>. While several concessional facilities and guarantee schemes exist in Jordan, green investments may still be assessed under conventional collateral and credit-risk frameworks, particularly for SMEs. Credit guarantees, refinancing facilities, and risk-sharing mechanisms therefore play an important role in enabling banks to scale green lending while maintaining prudent risk management.

### Financial Inclusion and Demand-Side Constraints

Access to finance challenges is not driven solely by loan pricing or interest rates. For many businesses and factories, constraints stem from limited financial documentation, informal or weak cash-flow records, and insufficient financial reporting capacity. These structural barriers affect both conventional and green finance and may be amplified by additional data and verification requirements associated with green financing. Improving financial readiness and aligning green finance requirements with businesses capacities are therefore essential to expanding access<sup>14</sup>.

<sup>12</sup> Banks typically assess green projects based on technical documentation, performance data, and eligibility evidence. The JNGT is expected to support standardisation of these requirements, reducing uncertainty for both banks and enterprises.

<sup>13</sup> The Central Bank of Jordan's Green Finance Strategy (2023–2028) identifies credit guarantees, refinancing facilities, and risk-sharing mechanisms as key tools to support banks in scaling green lending to SMEs, particularly where projects face higher perceived risks or lack sufficient collateral. These instruments aim to reduce financing barriers while maintaining sound credit risk management

<sup>14</sup> Financial inclusion challenges such as limited formal accounting records or weak financial statements affect SMEs' access to all types of finance, including green finance.

### Perceived Risk and Market Uncertainty

Some green and transition projects are perceived as higher risk due to limited track records, evolving technologies, or uncertainty regarding performance and returns, particularly in newer areas. While specialized investors, impact funds, and philanthropic capital are increasingly active, their scale remains limited and does not yet substitute for mainstream bank financing. Perceived risk and uncertainty therefore continue to influence investment decisions and slow wider adoption<sup>15</sup>.

### Coordination and Implementation Challenges

Although Jordan has adopted progressive strategies across climate, energy, water, and waste sectors, stronger coordination and more effective public–private partnership frameworks are needed. Improved policy predictability, clearer incentive structures, and timely implementation would help reduce delays, strengthen investor confidence, and support the scaling up of private sector green investments.

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<sup>15</sup> Perceived risk does not necessarily reflect higher actual risk, but often results from limited data availability, experience, or familiarity with certain technologies and business models. Impact funds are investment funds that aim to achieve measurable environmental or social benefits alongside financial returns. Philanthropic capital refers to grant-based or non-commercial funding provided by foundations or charitable organisations, typically used to support early-stage projects, technical assistance, or risk reduction rather than profit generation.

## 8. Sector Opportunities

This section highlights priority sectors under the JNGT where businesses can identify practical green investment opportunities. The sectors presented align with national priorities and taxonomy classifications, and reflect areas where green investments can reduce costs, manage risks, and improve access to finance.

### Renewable Energy (RE) & Energy Efficiency (EE)

Energy-related investments<sup>16</sup> represent one of the most mature and widely financed green opportunities for businesses and Industries in Jordan. High energy costs and reliance on imported fuels make efficiency improvements and on-site renewable energy generation particularly relevant for businesses seeking to reduce operating expenses and manage long-term risks.

#### Sector Impact and Benchmarks

The proven success of this sector is anchored by JREEEF, which between 2015 and 2019 delivered over 57 GWh in annual energy savings and 60,000 tons of CO<sub>2</sub> reduction<sup>17</sup>. Building on this track record, the 2024–2025 Evaluation Report (published with Korea's KOTRA) highlights a scaled transition toward industrial energy auditing and high-tech applications, such as zero-energy buildings<sup>18</sup>. This momentum is further reinforced by Jordan's NDC 3.0 (2025), which targets a renewable energy share of up to 50% by 2035<sup>19</sup>.

#### Typical Green Opportunities for Businesses

- » Energy efficiency upgrades (e.g. efficient motors, boilers, compressors, lighting, and insulation, production lines)
- » Rooftop solar photovoltaic systems for self-consumption
- » Energy management systems and monitoring technologies
- » Process optimization to reduce energy intensity in production

#### Why This Matters for Businesses

These investments can lower electricity bills, stabilize operating costs, and improve cash-flow predictability. For many SMEs, energy savings directly strengthen repayment capacity and reduce exposure to future tariff increases.

#### Why Banks Finance These Activities

Energy efficiency and renewable energy projects are well established, measurable, and increasingly aligned with the Jordan Green Taxonomy, making them easier for banks to assess and finance under green lending frameworks.

<sup>16</sup> Under the Jordan Green Taxonomy, renewable energy generation and energy efficiency improvements are classified as climate mitigation activities, making them eligible for green finance classification and reporting by financial institutions.

<sup>17</sup> Home Page - JREEEF

<sup>18</sup> Evaluation report on JREEEF renewable energy, efficiency programs launched

<sup>19</sup> [https://unfccc.int/sites/default/files/2025-09/Jordan%20NDC%203.0%20Vision\\_final.pdf](https://unfccc.int/sites/default/files/2025-09/Jordan%20NDC%203.0%20Vision_final.pdf)

## Water and Wastewater Management

As one of the world's most water-scarce nations, Jordan has prioritized the water sector as a cornerstone of its green economy transition, with approximately \$500 million invested in 2025 alone to strengthen national water security<sup>20</sup>. Under the leadership of the Ministry of Water and Irrigation, these strategic investments focus on large-scale infrastructure, wastewater expansion, and the integration of renewable energy into water facilities. For businesses, water scarcity represents a material operational risk, where increasing pressure on freshwater resources and rising utility costs make efficiency measures a critical strategy for business continuity and long-term cost management.

### Sector Impact and Benchmarks

The Aqaba–Amman Water Desalination and Conveyance Project (AAWDCP) serves as a definitive example of this transition toward non-traditional water sources. Representing a landmark in national infrastructure, the project targets an annual capacity of 300 million cubic meters aimed at meeting 40% of municipal needs by 2030. By utilizing co-financing from the EU, the EIB, and a landmark Green Climate Fund grant to integrate a 281 MW solar component, the AAWDCP exemplifies the types of large-scale water security and climate-resilience investments that the JNGT seeks to support<sup>21</sup>.

### Typical Green Opportunities for Businesses

- » Water-efficient production processes and equipment
- » Reduction of water losses within industrial and commercial operations
- » Wastewater treatment and reuse for non-potable applications
- » Process optimization to reduce water intensity per unit of output

### Why This Matters for Businesses

Water-efficient operations reduce exposure to supply disruptions and future tariff adjustments, while improving operational resilience. In water-intensive sectors, lower water consumption can also reduce energy costs related to pumping, treatment, and heating, strengthening cash-flow stability over time.

### Why Banks Finance These Activities

Water efficiency and wastewater reuse projects are increasingly recognized as eligible green activities under the JNGT. Clearer eligibility definitions and documentation requirements support banks in assessing such investments, particularly where projects demonstrate measurable reductions in water use, improved efficiency, or reuse of treated wastewater.

Public and donor-supported programmes are also helping to reduce technical and financial barriers by supporting project preparation, feasibility assessments, and demonstration of performance, which improves the bankability of water-related investments<sup>22</sup>.

<sup>20</sup> Jordan Spent Nearly \$500 Million on Water Projects and Programs in 2025 - Report

<sup>21</sup> FP288: Jordan Aqaba-Amman Water Desalination and Conveyance Project (AAWDCP) | Green Climate Fund

<sup>22</sup> Water Sector Green Growth National Action Plan (2021–2025)

The Water Sector Green Growth National Action Plan identifies water efficiency, wastewater reuse, and loss reduction as priority areas for private sector engagement, supported through technical assistance, capacity building, and targeted investments.

## Waste Management and Circular Economy

The JNGT recognizes waste reduction, recycling, recovery, waste-to-energy, and circular economy activities as environmentally sustainable, reflecting their role in pollution prevention, resource efficiency, and the transition toward circular production models.

Waste management presents a growing cost and operational challenge for businesses in Jordan, but also a clear investment opportunity for businesses across multiple value chains. Rising waste volumes, increasing disposal costs, and evolving market and regulatory expectations are creating incentives for enterprises to reduce waste generation, recover valuable materials, and adopt circular business models.

### Sector Impact and Benchmarks

Jordan's waste management sector faces growing pressure, generating over 2 million tonnes<sup>23</sup> of municipal waste annually, with more than 90% still disposed in landfills and recycling rates below 10%<sup>24</sup>. While collection coverage in cities like Amman exceeds 90%, the system remains linear, with heavy reliance on sites such as Al-Ghabawi landfill<sup>25</sup>. To address this, Jordan has introduced key frameworks including the Waste Management Framework Law<sup>26</sup> and the Economic Modernisation Vision<sup>27</sup>, aiming to significantly increase recycling and organic waste recovery by 2034<sup>28</sup>.

Benchmarking against global circular economy practices, progress is evident in policy development and pilot initiatives, but gaps remain in infrastructure, private sector engagement, and large-scale waste valorization highlighting strong potential for investment and sector transformation.

### Typical Green Opportunities for Businesses

- » Waste reduction and process optimization to minimize material losses
- » Recycling and recovery of plastics, paper, metals, organics, and by-products
- » Waste-to-energy and biogas projects<sup>29</sup>, where technically and environmentally appropriate
- » **Circular economy** solutions aligned with the 9R hierarchy<sup>30</sup>, including:
  - » **Refuse & Rethink** (avoiding unnecessary materials, redesigning processes)
  - » **Reduce** (minimizing waste generation and material use)
  - » **Reuse & Repair** (extending product and component life)
  - » **Refurbish & Remanufacture** (restoring products and equipment)
  - » **Repurpose** (using waste or by-products for new applications)
  - » **Recycle** (material recovery and processing)
  - » **Recover** (energy recovery where higher-value options are not feasible)

<sup>23</sup> World Bank, What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050 (2018)

<sup>24</sup> MDPI Sustainability, articles on solid waste management and circular economy in Jordan (2023–2025).

<sup>25</sup> Greater Amman Municipality, municipal waste management reports and data (various years).

<sup>26</sup> Ministry of Environment Jordan, Waste Management Framework Law No. 16 of 2020 (2020).

<sup>27</sup> Government of Jordan, Economic Modernisation Vision (2023–2025) (2023).

<sup>28</sup> Ministry of Environment Jordan, National Solid Waste Management Strategy (2015–2034) (2015).

<sup>29</sup> Under the National Green Taxonomy, waste-to-energy and biogas projects are assessed based on technology type, emissions performance, efficiency thresholds, and lifecycle impacts, including consistency with the waste hierarchy (prevention, reuse, recycling, recovery). Certain waste treatment technologies may be classified as transition-aligned rather than fully green, depending on their environmental performance.

<sup>30</sup> The 9R hierarchy reflects internationally recognised circular economy principles, prioritising waste prevention and value retention over disposal and energy recovery.

### Why This Matters for Businesses

Improving waste management can reduce disposal costs, lower input material needs, and create additional revenue streams from recovered materials. For manufacturing and processing businesses, circular practices can strengthen supply security, reduce exposure to import volatility, and improve compliance with buyer and export market sustainability requirements. Over time, these measures support cost control, resilience, and competitiveness.

### Why Banks Finance These Activities

Waste reduction, recycling, and circular economy projects are increasingly recognized as eligible green or transition activities under the JNGT, particularly where they demonstrate measurable reductions in waste, pollution, or resource use. Projects with clear material flows, cost savings, or revenue generation from recovered materials are more readily assessed by banks, especially when supported by feasibility studies or structured contracts.

National strategies identify waste management and circular economy as priority areas for private sector engagement, including recycling value chains, integrated treatment facilities, and resource recovery solutions. These priorities are supported through policy direction, technical assistance, and, in some cases, blended and risk-sharing finance mechanisms that help reduce investment risk and improve project bankability<sup>31</sup>.

## Industry and Manufacturing

The JNGT recognizes industrial activities that improve energy and resource efficiency, reduce emissions, and support cleaner production processes as environmentally sustainable or transition-aligned, reflecting the central role of industry in climate mitigation and sustainable economic transformation.

### Sector Impact and Benchmarks

Industry and manufacturing represent a high-impact opportunity for green investments in Jordan, as these activities combine significant energy use, water consumption, material inputs, and waste generation. For industrial companies, upgrading production processes is increasingly linked not only to cost reduction, but also to competitiveness, market access, and risk management. In Jordan, the scale of conventional support for the industrial sector is substantial. Between 2021 and 2023, credit facilities extended to the industry sector grew steadily from 3.48 billion JOD to 3.86 billion JOD. This upward trend reflects the banking sector's deep commitment to industrial growth and provides a robust foundation for the integration of green finance<sup>32</sup>.

### Typical Green Opportunities for Businesses

- » Energy-efficient machinery and process optimization
- » Resource-efficient production lines that reduce raw material and water use
- » Cleaner production technologies that lower emissions and waste
- » Heat recovery, energy management systems, and process monitoring
- » Fuel switching and electrification of industrial processes where feasible.

<sup>31</sup> National Solid Waste Management Strategy (2015–2034) and Waste Sector Green Growth National Action Plan (2021–2025) These strategies identify waste reduction, recycling, recovery, waste-to-energy, and circular economy solutions as priority areas for private sector investment, supported by improved policy frameworks, public–private partnership models, and targeted financing and technical assistance.

<sup>32</sup> Central Bank Of Jordan

### Why This Matters for Businesses

Modernizing production processes can significantly reduce operating costs, improve product quality, and enhance operational reliability. For export-oriented manufacturers, greener production is becoming a commercial requirement, as buyers increasingly request evidence of lower emissions, resource efficiency, and environmental performance across supply chains.

### Why Banks Finance These Activities

Industrial efficiency and cleaner production projects are increasingly financeable under green and transition frameworks, particularly where improvements are measurable and linked to cost savings or productivity gains. Clear classification under the JNGT supports banks in assessing eligibility and monitoring performance, while well-prepared projects with defined efficiency gains are easier to integrate into standard lending decisions.

International market developments, including the European Union's Carbon Border Adjustment Mechanism (CBAM)<sup>33</sup> are increasing the importance of emissions transparency and efficient production processes for certain manufactured goods. For export-oriented SMEs, improving energy and resource efficiency can help manage future market requirements and maintain competitiveness, while strengthening the case for green and transition financing<sup>34</sup>.

## Buildings and Construction

The JNGT recognizes energy-efficient buildings, green building retrofits, and the use of sustainable construction materials as environmentally sustainable activities, reflecting their contribution to climate mitigation, resource efficiency, and reduced lifecycle impacts.

### Sector Impact and Benchmarks

Buildings represent a practical and accessible green investment area for businesses, particularly owners of commercial, industrial, and mixed-use facilities. Improving building performance can deliver immediate operational savings while reducing exposure to future energy price increases and tightening efficiency requirements.

As of 2023, the construction sector remains a primary driver of the credit market, with facilities extended by the Central Bank of Jordan reaching approximately 8.01 billion JOD<sup>35</sup>.

### Typical Green Opportunities for Businesses

- » Energy-efficient retrofits (insulation, efficient windows, HVAC upgrades)
- » Rooftop solar systems and solar water heating for buildings
- » Efficient lighting and building management systems
- » Water-efficient fixtures and reuse solutions in commercial buildings
- » Use of low-carbon or resource-efficient construction materials in new builds or renovations

<sup>33</sup> CBAM is an EU mechanism that links certain imports to their carbon emissions. While requirements are introduced gradually, exporters are increasingly expected to understand and manage the carbon footprint of their products.

<sup>34</sup> International trade partners are increasingly introducing requirements related to emissions reporting, efficiency, and sustainability performance for industrial products. Improving production efficiency and reducing emissions can help SMEs maintain export access and manage future compliance risks.

<sup>35</sup> Central Bank Of Jordan.pdf

### Why This Matters for Businesses

Energy and water-efficient buildings reduce utility costs, improve occupant comfort, and enhance asset value. For companies that own or operate facilities, these investments can improve cash-flow stability and lower long-term operating risks, while supporting compliance with evolving efficiency expectations from tenants, buyers, and financiers.

### Why Banks Finance These Activities

Green building upgrades and efficient construction projects are generally well-defined and measurable, making them suitable for green or transition financing under the JNGT.

Clear performance indicators—such as reduced energy or water consumption—support eligibility assessment, monitoring, and reporting by banks, increasing the likelihood of financing approval for prepared projects.

## Transport and Mobility

The Jordan Green Taxonomy recognizes low-emission transport, fleet efficiency improvements, and supporting infrastructure as environmentally sustainable or transition-aligned activities, reflecting their role in reducing emissions, improving energy efficiency, and supporting cleaner mobility systems.

### Sector Impact and Benchmarks

Transport-related activities present practical green investment opportunities for SMEs, particularly those operating vehicle fleets, logistics services, or delivery operations.

Fuel costs, maintenance expenses, and exposure to price volatility make transport efficiency an increasingly important area for cost control and risk management.

A primary benchmark for the sector is the extension of the Aqaba Container Terminal agreement, which includes a \$242 million investment focused on modernizing infrastructure and technological systems. A central objective of this investment is

to achieve carbon neutrality by 2040, positioning Aqaba as a leading regional coordination hub with a minimal carbon footprint<sup>36</sup>.

### Typical Green Opportunities for Businesses

- » Fleet efficiency improvements (fuel-efficient vehicles, route optimization, driver training)
- » Transition to lower-emission vehicles, including electric or hybrid vehicles where feasible
- » On-site charging infrastructure linked to business operations.
- » Logistics optimization and digital tracking to reduce fuel consumption and idle time
- » Shared or consolidated transport solutions

### Why This Matters for Businesses

Transport efficiency measures can significantly reduce fuel and maintenance costs, improve operational reliability, and lower exposure to fuel price fluctuations. For SMEs involved in logistics, distribution, or service delivery, cleaner and more efficient transport operations also support compliance with evolving customer and supply-chain sustainability expectations.

### Why Banks Finance These Activities

Transport efficiency and low-emission fleet investments can be assessed under green or transition finance frameworks where performance improvements are measurable and linked to cost savings or emissions reductions. Classification under the JNGT supports banks in evaluating eligibility, particularly for fleet upgrades, supporting infrastructure, and operational efficiency improvements with clear business use cases.

<sup>36</sup> Report Highlights Progress in Logistics, Transportation Sector Under Economic Modernization Vision

## Quick wins for Businesses: Low-Risk Green investments



### Energy efficiency upgrades

Replacing inefficient lighting, motors, pumps, or HVAC systems to reduce electricity consumption and operating costs.



### Rooftop solar for self-consumption

Installing solar PV systems on commercial or industrial rooftops to offset electricity bills and improve cost predictability.



### Water efficiency measures

Fixing leaks, installing efficient fixtures, and optimizing water use in production or commercial operations to reduce water and energy costs.



### Waste reduction and recycling practices

Improving waste segregation, reducing material losses, and recovering valuable by-products to lower disposal costs.



### Fleet efficiency improvements

Upgrade to more fuel-efficient vehicles to reduce fuel and maintenance expenses.

### Why This Works (From a Banking Perspective)

These investments typically have measurable impacts, predictable savings, and clear eligibility under green finance frameworks, making them well suited for SME financing.

Across energy, water, waste, industry, buildings, and transport, the JNGT highlights a wide range of practical opportunities where companies can reduce costs, manage risks, and strengthen competitiveness through green investments.

While opportunities differ by sector, many share common characteristics: measurable efficiency gains, improved resource use, and alignment with financing frameworks used by banks. By focusing on sector-relevant actions and preparing projects that demonstrate clear operational and financial benefits, businesses can position themselves to access green and transition finance more effectively.

The next section of this guide explains the financing instruments available in Jordan and how enterprises can match their projects with appropriate green finance solutions.

## 9. Financing Instruments

### Overview

Finance is one of the key enablers for scaling up green investments in Jordan. A well-functioning ecosystem of financing instruments including commercial loans, Islamic finance products, concessional facilities, and targeted grant programmes plays a critical role in helping enterprises adopt resource-efficient, low-emission, and environmentally sustainable practices.

In recent years, the Central Bank of Jordan (CBJ), together with national stakeholders, has taken important steps to encourage financial institutions to expand green finance offerings. These efforts are supported by development partners and international finance institutions, which provide technical assistance and risk-sharing arrangements to strengthen lending to SMEs and larger enterprises. From the perspective of businesses, these initiatives are primarily accessed through standard financial products offered by local banks, Islamic finance institutions, and microfinance institutions.

### Equity Financing (Ownership-Based Financing)

Equity financing means that an investor provides capital to a business in exchange for a share (percentage) of ownership. Unlike loans, equity financing does not require fixed repayments or collateral, but it involves sharing future profits and, in some cases, decision-making with investors.

For most SMEs in Jordan, equity financing is less common than bank loans and usually requires stronger preparation, transparent financial records, and a clear growth strategy. It is most relevant for:

- » Start-ups and early-stage enterprises
- » Innovative or fast-growing businesses
- » Companies without sufficient collateral for bank loans

### Who Provides Equity Financing in Jordan

In Jordan, equity financing is mainly provided through investment funds and investment platforms, rather than directly by banks. These include:

- » VentureSouq and Middle East Venture Partners, which provide early-stage and growth capital to innovative companies
- » National investment platforms such as the Innovative Startups and SMEs Fund (ISSF), the Jordan Capital Investment Fund (JCIF), and the SME Investment Fund, which invest in venture capital and private equity funds that support SME growth
- » Impact-oriented investors such as Alfamar Venture Philanthropy, which seek financial returns alongside social or environmental outcomes
- » Regional investment firms such as Shoroq Partners, which invest across multiple sectors, including sustainability-related businesses

### How This Relates to Green Finance

Most equity investors in Jordan are not dedicated green or climate funds. However, they may invest in green or sustainability-oriented enterprises where these activities align with broader objectives such as innovation, competitiveness, job creation, or impact. For SMEs, equity financing can therefore support green business models and solutions, even if the investment itself is not formally classified as “green finance” under the taxonomy.

As a result, equity financing is best viewed as a complementary option within the green finance landscape relevant mainly for scalable, innovation-driven enterprises rather than for standard asset-based green investments.

## Loan Financing and Grants

For most enterprises in Jordan, loans are the primary and most accessible way to finance green investments. In this guide, loan financing refers to funds provided by financial institutions that are repaid over an agreed period under defined terms. This includes both conventional loans and Islamic finance products, which differ in structure but serve the same purpose of financing business investments.

### Loan Financing

Local financial institutions including commercial banks, Islamic finance institutions, and microfinance institutions (MFIs) are the main channels through which green finance is accessed in Jordan. These institutions offer a wide range of loan products that can be used to finance taxonomy-aligned investments such as renewable energy, energy efficiency, water conservation, waste reduction, cleaner production, and sustainable transport.

While green loans may benefit from preferential features like longer tenors or reduced interest rates through risk-sharing arrangements, the application and approval procedures are the same as those for conventional business financing. From the perspective of the enterprise, these products are accessed as standard bank

or Islamic finance loans. This is partly because the thorough internal classification and eligibility checks performed by the bank are often invisible to the borrower, who may have limited awareness of the specialized internal procedures required to certify a loan as green.

Loan products described in this guide are indicative rather than exhaustive, as financial institutions may offer additional or tailored products depending on the sector, project type, and risk profile of the enterprise.

### Grants

Grants can complement loan financing by supporting preparatory or early-stage activities, such as feasibility studies, energy or water audits, pilot projects, or technical assessments. In some cases, grants may also partially support capital investments, particularly where demonstration or innovation objectives apply.

Grant programmes are typically time-bound, subject to specific eligibility criteria, and dependent on donor or public funding cycles. Enterprises interested in grant support are therefore encouraged to seek up-to-date information and treat grants as a supplementary tool, rather than a primary source of financing for green investments.

## Disclaimer

The information presented on available green financial products and services has been compiled by consultants at Frankfurt School of Finance and Management through extensive desk research, focus group discussions, one-on-one consultations with financial institutions, and surveys administered directly to these institutions. While every effort has been made to ensure accuracy and comprehensiveness, this compilation does not represent an exhaustive list of all green financial products and mechanisms available in the Jordanian market. The data has been gathered to the best of available resources and will be periodically updated to reflect ongoing developments in the green finance landscape in Jordan, in alignment with the JNGT, Green Finance Strategy, EMV, and national priorities.



# Green Financing Tools Available in Jordan

## Green Financing Tools Available in Jordan

The Table below present the commonly used commercial financing instruments for green projects in Jordan, particularly those accessible to SMEs. It is not intended to be an exhaustive list of all financial instruments available in the market.

### Commercial (Conventional) Finance

No	Financing instrument	How it works?	When is it suitable?
1	Fixed Interest Loan	A loan with a fixed interest rate and fixed instalments over the loan period	When the business wants predictable repayments and stable cash-flow planning
2	Declining Interest Loan	Interest is calculated on the remaining loan balance, so total interest decreases over time	For medium- to long-term investments where reducing total financing cost is important
3	Working Capital Facility	Short-term financing to support day-to-day operations	When liquidity is needed to operate or scale green activities
4	Dedicated Green Loan	A loan offered under a bank's green finance framework, often with preferential terms	When liquidity is needed to operate or scale green activities
5	Leasing	The bank buys the asset and leases it to the business	When you prefer not to own the asset upfront or want lower initial costs
6	Subsidised Loan	A loan offered with reduced interest or profit rates due to public support	When eligible under national or donor-supported programmes
7	Co-financing	Financing shared between more than one lender or programme	When the project size exceeds a single lender's limit


### Islamic Finance


No.	Financing instrument	How it works?	When is it suitable?
1	Murabaha (مرا بحة)	The bank buys an asset and sells it to the client at an agreed profit, paid in instalments	For purchasing clearly defined equipment or assets
2	Musawama (مساومة)	Like Murabaha, but profit margin is not disclosed	When price negotiation is preferred over transparency
3	Istisna'a (استصناع)	Financing for manufacturing or constructing an asset according to agreed specifications	When the asset is built or manufactured to order
4	Ijara (إجارة)	The bank owns the asset and leases it to the client for periodic payments	When the business prefers use without immediate ownership
5	Ijara Muntahia Bittamleek (إجارة منتهية بالتملك)	Leasing arrangement that ends with transfer of ownership to the client	When gradual ownership is preferred
6	Diminishing Musharaka (مشاركة متناقصة)	Joint ownership between bank and client, with the bank's share reducing over time	For long-term investment projects with stable revenues


### Important Clarification

Islamic and conventional financing tools differ in structure, but both can be used to finance the same green investments. Eligibility and availability depend on the financing institution and programme.

## Summary Table

No.	Name of the institution	Offers Green Product	Type	Focus Area	Type of Financing
1	Arab Bank	Yes	Commercial		Loan
2	Arab Islamic International Bank	Yes	Islamic	 	Islamic tool
3	Bank Al Etihad	Yes	Commercial	    	Loan
4	Cairo Amman Bank	Yes	Commercial	    	Loan
5	Capital Bank of Jordan	Yes	Commercial	N/A	Loan
6	Capital Leasing	Yes,	Commercial	    	Loan
7	Housing Bank for Trade and Finance	Yes	Commercial	    	Loan
8	Jordan Ahli Bank	Yes	Commercial	    	Loan
10	Jordan Enterprise Development Corporation (JEDCO)	Yes	SME Support	  	Grant
11	Jordan Environment Fund (JEF)	Yes	SME Support	  	Grant
12	Jordan Islamic Bank	Yes	Islamic	 	Islamic tool
13	Jordan Kuwait Bank	Yes	Commercial	    	Loan
14	Jordan Renewable Energy and Energy Efficiency Fund (JREEEF)	Yes	SME Support	 	Grant
15	MicroFund for Women	Yes	Commercial	  	Loan
16	Ministry of Industry Trade and Supply (MoITS)	Yes	SME Support	  	Grant
17	Tamweelcom	Yes	Commercial	  	Loan

Green Opportunity		
 <b>Renewable Energy &amp; Energy Efficiency</b>		
Product Type	Institution	Product Details
Debt / Loan (Commercial & Subsidized)	Bank Al Etihad	<p>Product Name: <b>Green Future Loan (EBRD Program)</b></p> <p>Focus Areas: <b>Energy efficiency, RE, and green technologies.</b></p> <p>Max Financing &amp; Terms: <b>Up to USD 2 Million per client; terms determined by bank.</b></p> <p>Client Eligibility: <b>SMEs (&lt; 250 employees).</b></p>
Debt / Loan (Commercial & Subsidized)	Cairo Amman Bank	<p>Product Name: <b>Environmentally Friendly (EBRD Program).</b></p> <p>Focus Areas: <b>Energy efficiency, RE, and green technologies.</b></p> <p>Max Financing &amp; Terms: <b>Up to USD 2 Million; Flexible, typically up to 5 years.</b></p> <p>Client Eligibility: <b>SMEs (&lt; 250 employees).</b></p>
Debt / Loan (Commercial & Subsidized)	Jordan Kuwait Bank	<p>Product Name: <b>Energy Efficiency &amp; RE (CBJ Program).</b></p> <p>Focus Areas: <b>Working capital and assets for RE/EE projects.</b></p> <p>Max Financing &amp; Terms: <b>JOD 4 million; terms based on cash flow (2-year grace).</b></p> <p>Client Eligibility: <b>All institutions operating in Jordan.</b></p>
Islamic Financing	Jordan Islamic Bank	<p>Product Name: <b>Shamsna</b></p> <p>Focus Areas: <b>Solar PV systems and water heaters.</b></p> <p>Max Financing &amp; Terms: <b>Up to 100% of cost (subject to 50% debt burden limit).</b></p> <p>Client Eligibility: <b>Individuals, SMEs, and companies.</b></p>
Grants / Concessional	JREEEF	<p>Product Name: <b>Subsidized Loans &amp; Interest Coverage</b></p> <p>Focus Areas: <b>RE and Energy Saving products across various sectors.</b></p> <p>Max Financing &amp; Terms: <b>Covers interest rates and/or subsidizes loans.</b></p> <p>Client Eligibility: <b>SMEs, households, and municipalities.</b></p>
Grants / Concessional	MoITS (Ind. Dev. Fund)	<p>Product Name: <b>Matching Grants for EE &amp; Modernization</b></p> <p>Focus Areas: <b>Energy efficiency and industrial equipment upgrades.</b></p> <p>Max Financing &amp; Terms: <b>JOD 150k - 500k; Up to 50% of cost.</b></p> <p>Client Eligibility: <b>Industrial companies (SMEs and larger).</b></p>
Microfinance	Microfund for Women	<p>Product Name: <b>Taqati Green Energy Loan</b></p> <p>Focus Areas: <b>Solar water heaters and thermal insulation.</b></p> <p>Max Financing &amp; Terms: <b>JOD 250 – 10,000; 4 to 5 years.</b></p> <p>Client Eligibility: <b>MSEs.</b></p>

Green Opportunity		
 <b>Water &amp; Waste Management</b>		
Product Type	Institution	Product Details
Debt / Loan (Commercial & Subsidized)	Housing Bank (HBTF)	<p>Product Name: <b>RE &amp; Green Financing (CBJ Program)</b></p> <p>Focus Areas: <b>Waste recycling, water saving, green technology/buildings.</b></p> <p>Max Financing &amp; Terms: <b>JOD 4 million; Up to 10 years (2-year grace).</b></p> <p>Client Eligibility: <b>All sectors except trade and real estate.</b></p>
Debt / Loan (Commercial & Subsidized)	Bank Al Etihad	<p>Product Name: <b>Sector Specific Lending (CBJ Program)</b></p> <p>Focus Areas: <b>Waste recycling, water saving, green transport, and buildings.</b></p> <p>Max Financing &amp; Terms: <b>Up to JOD 3 million; Up to 10 years (2-year grace).</b></p> <p>Client Eligibility: <b>Firms in all economic sectors.</b></p>
Leasing	Capital Leasing	<p>Product Name: <b>Green Economy Financing Facility (GEFF)</b></p> <p>Focus Areas: <b>Climate mitigation and adaptation technologies.</b></p> <p>Max Financing &amp; Terms: <b>Up to USD 2 Million per client; terms not specified.</b></p> <p>Client Eligibility: <b>MSMEs, energy service providers, and households.</b></p>
Grants / Concessional	Jordan Environment Fund (JEF)	<p>Product Name: <b>Environmental Grants</b></p> <p>Focus Areas: <b>RE, waste management, and circular economy.</b></p> <p>Max Financing &amp; Terms: <b>Amount not specified (Grant and co-financing).</b></p> <p>Client Eligibility: <b>Private enterprises and NGOs.</b></p>

## Green Opportunity

Green Mobility  
(EVs & Hybrids)

Product Type	Institution	Product Details
Debt / Loan (Commercial & Subsidized)	Arab Bank	<p>Product Name: <b>Auto Loan (Hybrid/Electric Cars)</b></p> <p>Focus Areas: <b>Hybrid and Electric vehicles.</b></p> <p>Max Financing &amp; Terms: <b>Up to JOD 100,000 (New) / JOD 70,000 (Used); Up to 8 years.</b></p> <p>Client Eligibility: <b>SMEs for fleet financing.</b></p>
Debt / Loan (Commercial & Subsidized)	Jordan Ahli Bank	<p>Product Name: <b>My Green Project Program</b></p> <p>Focus Areas: <b>E-Mobility, production lines, RE, and recycling.</b></p> <p>Max Financing &amp; Terms: <b>Tailored to needs; Flexible repayment (1-year grace).</b></p> <p>Client Eligibility: <b>Diverse SME sectors.</b></p>
Microfinance	Tamweelcom	<p>Product Name: <b>Green Finance– Business</b></p> <p>Focus Areas: <b>Energy-saving tools, solar panels, and EVs.</b></p> <p>Max Financing &amp; Terms: <b>JOD 1,000 – 75,000; 6 to 48 months</b></p> <p>Client Eligibility: <b>MSEs</b></p>

## Green Opportunity

Green Buildings  
& Property

Product Type	Institution	Product Details
Debt / Loan (Commercial & Subsidized)	Jordan Kuwait Bank	<p>Product Name: <b>EIB Green Transition Facility (GTF)</b></p> <p>Focus Areas: <b>Climate action: transport, buildings, circular economy.</b></p> <p>Max Financing &amp; Terms: <b>\$45 Million (Total Facility); 2 to 10 years (2-year grace).</b></p> <p>Client Eligibility: <b>MSMEs and Mid-caps (&lt; 3,000 employees).</b></p>
Debt / Loan (Commercial & Subsidized)	Housing Bank (HBTF)	<p>Product Name: <b>Green Program (Arab Fund)</b></p> <p>Focus Areas: <b>RE, EE, and water conservation for the private sector.</b></p> <p>Max Financing &amp; Terms: <b>Up to USD 2 Million per client; Up to 5 years.</b></p> <p>Client Eligibility: <b>SMEs and large corporate</b></p>

## 10. Conclusion: Turning Green Opportunities into Action

Jordan's transition toward a greener and more resilient economy is creating concrete opportunities for enterprises across sectors. Through the introduction of the JNGT and the expansion of green finance offerings by banks, Islamic finance institutions, and public support entities, businesses now have clearer pathways to invest in energy efficiency, renewable energy, water management, waste reduction, cleaner production, and sustainable transport.

For SMEs in particular, green investments should be viewed not as a regulatory burden, but as a strategic business decision. Many green projects deliver tangible benefits in the form of cost savings, improved operational efficiency, enhanced competitiveness, and reduced exposure to future resource and climate-related risks. When aligned with financing instruments available in the Jordanian market, these investments can be implemented in a financially viable and scalable manner.

This guide has been designed as a practical reference to help enterprises.

This guide has been designed as a practical reference to help enterprises:

- » Understand what qualifies as green under Jordan's emerging framework
- » Identify sector-specific opportunities relevant to their operations
- » Navigate available financing tools and providers
- » Engage more effectively with financial institutions

As green finance continues to evolve in Jordan, enterprises are encouraged to use this guide as a starting point combining it with dialogue with banks, finance providers, and support institutions to structure projects that meet both business needs and environmental objectives.

By taking informed and proactive steps today, Jordanian enterprises can play a central role in advancing sustainable growth, strengthening economic resilience, and contributing to the country's long-term environmental and development goals.



## 11. Annexes:

### Annex – A Resources and Tools

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