

Impact of the Legal Environment on Refugee Entrepreneurs in Jordan

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Abstract

This study investigates the impact of Jordan's legal environment on Syrian refugee entrepreneurs. Drawing on original qualitative data and a rigorous analysis of legal policy, the research demonstrates how civil and legal documentation issues, property ownership restrictions, and labour market regulations pose significant challenges to the establishment and sustainability of entrepreneurial ventures. The findings reveal that Jordan's legal framework creates not only administrative hurdles but also structural barriers that inhibit the economic integration of refugees and entrench long-term precarity. By analysing the intricate interplay between legal status, regulatory regimes, and entrepreneurial strategies, this research offers novel insights into how law and policy shape refugee livelihoods in displacement contexts. It challenges policy narratives that uncritically portray refugee entrepreneurship as an unproblematic solution for integration, arguing instead for the critical need to reform restrictive legal infrastructures. The paper provides empirical evidence that targeted regulatory reforms could substantially enhance refugee entrepreneurship, foster economic inclusion, and advance Jordan's broader development goals. Ultimately, this study's empirically grounded and theoretically informed account of refugee economic agency advances scholarly debates on forced migration, legal marginalisation, and the political economy of displacement within host states.

Keywords: Refugee Entrepreneurs, Legal Environment, Syrian Refugees, Jordan, Economic Integration, Property Ownership, Labour Market

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1. Introduction

Throughout its modern history, Jordan has demonstrated a remarkable capacity to manage substantial waves of refugees, establishing itself as one of the world's leading hosts in proportion to its population (United Nations High Commissioner for Refugees, 2024a, p. 32). The country's strategic geographical location has made it a destination for people displaced by conflict in the region, including waves of Palestinians in 1948 and 1967, and Iraqis in 1991 and after 2003. This experience has shaped Jordan's approach to refugee policy, which is characterised by pragmatic management rather than formal integration. Currently, the country hosts over 1.3 million Syrian citizens, of whom 653,295 are registered as refugees with the United Nations High Commissioner for Refugees (United Nations High Commissioner for Refugees, 2024a, p. 32). Although Jordan is not a signatory to the 1951 United Nations Convention Relating to the Status of Refugees or its 1967 Protocol, its national frameworks, including a significant 1998 Memorandum of Understanding with the United Nations High Commissioner for Refugees, provide a protective environment for the rights of Syrian refugees (United Nations High Commissioner for Refugees, 2024a, p. 32).

Jordan currently lacks a dedicated legislative framework to manage the influx of refugees and regulate their legal status upon arrival (Al Qaralleh, 2022). Many Syrian refugees who entered Jordan during the conflict have registered with the United Nations High Commissioner for Refugees and possess security identification cards. As of May 2024, 127,867 Syrian refugees reside in formal camps, while the remaining 503,789 are distributed across cities and towns throughout the country (United Nations High Commissioner for Refugees, 2024c). This situation has led to significant challenges for both refugees and the host country (United Nations High

Commissioner for Refugees, 4 January 2022). According to the United Nations High Commissioner for Refugees, a staggering 93% of Syrian households in Jordan are in debt to cover basic needs, a stark indicator of their economic precarity (United Nations High Commissioner for Refugees, 2024a, p. 27).

The economic vulnerability of the refugee population is further compounded by issues of food insecurity. A concerning 18% of Syrian households experience severe food insecurity in both community settings and camps, while 27% report difficulties in affording food (United Nations High Commissioner for Refugees, 2024a, p. 27). These figures underscore the significant socioeconomic difficulties confronting both refugee and Jordanian populations. The pressures on the Jordanian labour market are palpable, with official unemployment rates having risen from 11.9% in 2014 to 22.3% in 2023 (United Nations High Commissioner for Refugees, 2024a, p. 27). This is exacerbated by an even higher unemployment rate of 28% among refugees aged fifteen and above (United Nations High Commissioner for Refugees, 2024a, p. 27). The majority of Syrian families rely on humanitarian aid for subsistence, a reliance exacerbated by recent aid cuts, economic crises, and the ongoing impact of the COVID-19 pandemic (Human Rights Watch, 2019). The pandemic, in particular, has "significantly stretched already limited resources and caused severe stress on Jordan's economy, social cohesion, fiscal stability and public services, and exacerbated existing inequalities" (United Nations High Commissioner for Refugees, 2021, p. 1).

The two primary camps accommodating Syrian refugees are Zaatari, located 10 km east of the northern city of Mafraq, which hosts over 80,000 refugees, and Azraq, situated in the northeast, which accommodates approximately 40,000 refugees (United Nations High Commissioner for Refugees, 2024b). While Jordan has made considerable efforts to provide aid and relief, the country is demonstrably struggling to meet the needs of this large refugee population, which places immense strain on infrastructure, energy, water, housing, healthcare and education (Bani Salameh et al., 2020).

The 1951 Convention defines a refugee as an individual who, due to a 'well-founded fear of being persecuted for reasons of race, religion, nationality, membership in a particular social group, or political opinion,' is unable or unwilling to return to their country of origin (Article 1(A.2) Refugees, 1967). For the purposes of this study, the focus is exclusively on refugee entrepreneurs in Jordan, though it is acknowledged that other vulnerable migrant groups may face similar challenges and could benefit from these findings. The socio-economic situation has become even more dire following a July 2023 announcement by the United Nations food agency of significant cuts to food assistance for Syrian refugees in both urban areas and in the Zaatari and Azraq camps (Chehayeb, 18 July 2023). This has intensified government concerns regarding the protracted presence of Syrian refugees and its economic ramifications.

The principal aim of this research is to explore how the Jordanian legal system can support Syrian refugee entrepreneurs in contributing to the economic development of Jordan. By scrutinising the current legal frameworks and identifying potential reforms, this paper seeks to understand how legal support can empower Syrian refugees to establish businesses that not only ensure their livelihoods but also enhance Jordan's economic stability and growth. This study addresses the central research question: How does the current legal framework in Jordan affect the ability of Syrian refugee entrepreneurs to establish and operate businesses?

2. Methodology

This research was supported by a grant from the Global Challenges Research Fund (GCRF), a UK-based fund dedicated to tackling complex global issues. The project was conducted in close collaboration with the Faculty of Law at Al-Balqa Applied University, a key institutional partner that provided invaluable on-the-ground support. Funding was strategically allocated to a dedicated research team at the university, which was responsible for the crucial task of data collection. A deliberate methodological decision was made to use face-to-face and telephone interviews instead of online surveys. This choice was essential to overcome the significant logistical and technological barriers posed by the geographical and social isolation of many Syrian refugees, particularly those residing in formal camps where internet access is limited and unreliable.

Qualitative data was systematically gathered through semi-structured interviews with 16 Syrian refugee entrepreneurs across four distinct and purposefully selected field sites: Al-Mafraq, the Zaatari camp, Amman, and Aqaba. These locations were chosen to capture the diverse experiences of refugee entrepreneurs operating in different economic and social settings, ranging from the highly controlled environment of a refugee camp to the bustling urban economy of the capital city. The interviews, each lasting approximately 50–60 minutes, were designed to be in-depth and exploratory, delving into the participants' personal encounters with the complex Jordanian legal and regulatory frameworks for establishing and running their businesses. All interviews were

conducted in Arabic, the native language of the participants, to ensure the full expression of their experiences and to build rapport. They took place in comfortable settings, either at the entrepreneurs' workplaces or in public spaces. Detailed notes were taken during the interviews, and the notes were subsequently translated into English for analysis. To protect their privacy and ensure honest participation, all individuals provided voluntary and anonymous consent. The study included a diverse range of refugee entrepreneurs who own micro, small, or medium-sized businesses, as defined by internationally recognised criteria from the United Nations and the World Bank: micro-businesses employ 1–9 people, small businesses employ 10–49, and medium businesses employ 50–249 (Khrystyna Kushnir, 2010). This deliberate inclusion of different business sizes was intended to capture a more nuanced understanding of how legal and economic challenges vary depending on the scale of an enterprise.

The research team faced several significant challenges and acknowledged key limitations throughout the study. Initial access to the refugee camps was a substantial obstacle, requiring a lengthy and complex process to secure formal permission from Jordanian security authorities in Amman. This bureaucratic hurdle highlights the sensitive nature of conducting research in these environments. Furthermore, communication and data gathering were consistently hindered by the limited and often intermittent internet access within the camps, reinforcing the necessity of the chosen interview method. While the findings provide valuable insights into the experiences of the interviewed entrepreneurs, the researchers acknowledge that the results do not fully represent the experiences of the vast number of entrepreneurs operating exclusively in the informal sector. This is a key limitation, as the informal economy is a dominant feature of refugee livelihood strategies in Jordan, and future research would benefit from developing innovative methods to capture these unrecorded experiences.

3. The Impact of the Syrian Refugee Crisis on Jordan's Economy and Society

Towards achieving a higher level of efficiency and competitiveness in manufacturing operations, the European Community (EC), European Free Trade Association (EFTA), Australia, Canada, Japan, and the United States (US) founded an international collaborative research programme called Intelligent Manufacturing Systems (IMS) in 1993. This programme consists of six major projects, wherein the fifth one is entitled "Holonc Manufacturing Systems: system components of autonomous modules and their distributed control". It is important to emphasise that HMS does not represent a new technology, as it is merely a conceptual modelling approach to connect and make use of existing technologies with human interfaces (McFarlane 1995). HMS became one of the first fully endorsed IMS projects in 1997, and so the International HMS Consortium was formed and dedicated to replicate in manufacturing the strengths that holonic systems provide to living organisms and societies. These holonic strengths encompass stability in the face of disturbances, adaptability and flexibility in the face of change, and efficient use of available resources. Succinctly, autonomy and cooperation are known as the prime attributes of HMS (Valckenaers *et al.* 1997; Bongaerts 1998).

3.1 Socio-Economic Challenges

Unemployment is one of the most significant and persistent challenges facing the Jordanian economy (Weldali, 14 May 2024). The influx of Syrian refugees has contributed to a rise in unemployment among Jordanians and stifled job prospects, particularly in certain sectors (Al-Dalahmeh and Dajnoki, 2021). This has had a disproportionate impact on Jordanian women, who have reported losing job opportunities in home-based businesses due to direct competition from female Syrian refugees, highlighting the intricate socio-economic ripple effects of the crisis (Jordan Ministry of Planning and International Cooperation, 2013).

The strain on public services is most evident in the education sector. With public schools overwhelmed by the influx of Syrian students, host communities have expressed concerns about shortened lesson times, overcrowded classrooms, and the implementation of a double-shift system, where schools operate for two separate student groups each day (Assaad *et al.*, 2023). Before the arrival of Syrian refugees, Jordan was making notable progress in education, which has led to widespread public frustration with the government over the recent stressors on the system. The demographic reality of the crisis with more than half of Syrian refugees under the age of eighteen places immense and ongoing pressure on educational resources (United Nations International Children's Emergency Fund, 2023).

Previous research also highlights the profound impact of the Syrian refugee influx on Jordan's healthcare system. An analysis of healthcare centres and medical accessibility for both Jordanians and Syrian refugees reveals that the system is under severe pressure in terms of financial resources and service capacity (Abu Siam and Rubio Gómez, 2023). Similarly, the housing market has been significantly affected, given that

more than 80% of Syrians live outside formal refugee camps (Francis, 2015, p. 10). The crisis has exacerbated an existing shortage of low-income housing, leading to a rise in rental prices in the six northern Jordanian municipalities and increased pressure on the availability of affordable housing (Francis, 2015; Alhawarin et al., 2021).

Finally, water scarcity is one of Jordan's most critical problems; the country is the second most water-poor nation in the world (United Nations International Children's Emergency Fund, 2024). This scarcity, a significant obstacle to social and economic development, has been compounded by forced migration from various regional conflicts, placing an unsustainable burden on an already overtaxed natural resource.

4. Entrepreneurship and Refugee Integration in Jordan

Refugee integration is widely recognised as a complex, two-way process that requires the active participation of both refugees and the host country's institutions and society (Nicosia, 2014). This interactive dynamic, as conceptualised by the United Nations, involves a delicate balance: refugees must assimilate into their new society while simultaneously preserving their cultural identity. This necessitates a reciprocal commitment from the host nation, which must embrace diverse communities and establish institutional frameworks that address their specific needs (Nicosia, 2014). However, this process is frequently hindered by significant barriers, including unresolved legal status, systemic discrimination, and restricted access to support and business opportunities (Chliova et al., 2018).

While the prevailing public narrative in some host countries often frames refugees as an economic burden, there is a growing body of evidence that highlights the substantial economic contributions of refugee entrepreneurs. This is particularly relevant in contexts where refugees face significant labour market obstacles. Rather than being a liability, refugee entrepreneurs can be a powerful engine for economic development, creating new businesses that generate employment, stimulate capital flows, and broaden the tax base. This economic activity can contribute directly to the prosperity of the host country's economy, helping to reframe the public perception of refugees from competitors for jobs to productive members of society (Newman et al., 2024). Furthermore, the successful integration of refugees enriches the host nation's social fabric by fostering a more diverse and open society through the exchange of cultures, customs, and ideas (Korol and Bevelander, 2022).

The economic impact of refugee entrepreneurship extends beyond direct financial contributions. Refugees often arrive with valuable human capital, including skills, experiences, and a strong motivation for self-reliance. When provided with an enabling environment, they can successfully transfer their pre-displacement professional skills and experiences into the host country's labour market, enriching its overall human capital (Korol and Bevelander, 2022). From a macro-economic perspective, the integration of refugees, especially in developing countries like Jordan, frequently attracts substantial international humanitarian and economic aid. This external funding can play a crucial role in bolstering national development and stimulating economic growth (Verme, 28 March 2023). Moreover, countries that actively and humanely host refugees often gain increased international visibility, elevating their diplomatic status and attracting a greater focus from global media and donor communities (Zhou et al., 2023). This enhanced international standing can lead to further diplomatic and economic opportunities, transforming a humanitarian challenge into a source of national prestige and development.

5. Challenges faced by Syrian refugee entrepreneurs in Jordan

Refugee entrepreneurs often face significant challenges at both individual and environmental levels. These barriers can be broadly categorised as relating to their ethnicity, market conditions, or the institutional frameworks of the host country (Chliova et al., 2018). For many refugees, entrepreneurship is not a choice but a necessity, serving as a primary pathway to economic survival when they are excluded from formal employment sectors that are reserved for citizens (Tariq, 2024).

5.1 Legal and Institutional Barriers

This study's findings corroborate these broader challenges, highlighting that a primary obstacle for Syrian refugee entrepreneurs in Jordan is the complex and often prohibitive legal environment (interviews 4, 6, and 9). The lack of formal documentation, a common issue for many who fled the conflict, has a direct and detrimental impact on their ability to own property or formally register businesses. This is governed by a restrictive legal framework, as seen in Chapter Seven of the Real Estate Ownership Law No. (13) of 2019. Article 133 of this law strictly prohibits non-Jordanians from owning land in sensitive areas such as border, archaeological, or historical

sites without explicit permission from the Minister of the Interior. Crucially, the law specifies that the Minister's rejection decisions are final and not subject to appeal or judicial review, which establishes an unassailable institutional barrier.

This legal inflexibility is further reinforced by Article 137 of the same law, which grants the competent authority absolute discretion to approve or deny foreign real estate ownership without any form of oversight. This legal barrier disproportionately affects Syrian refugees, who are subject to a bifurcated system of property rights based on their entry method. Refugees who entered legally through official border crossings may, after obtaining the requisite security approvals, be eligible for property ownership. In stark contrast, those who entered informally are entirely prohibited from owning property. This disparity creates a profound legal vulnerability for a significant portion of the refugee population. This dual-track system effectively institutionalises inequality, creating a class of "legally-sanctioned" refugees with limited rights and a larger class of "informal" refugees with virtually no property rights. This deepens their economic precarity and limits their potential for long-term integration.

This systemic exclusion has led to the development of informal workarounds, which further entrench refugees' precarious position. A media report from Al-Ahmad (29 August 2021) reveals that some Syrian refugees resort to purchasing property and registering it under the names of Jordanian citizens. This practice, while providing a temporary solution, is often secured through private, legally unenforceable contracts or personal guarantees, leaving refugees without formal protection and vulnerable to financial exploitation. This informal economy, created by the very barriers of the legal system, becomes a space of economic activity that is simultaneously resilient and deeply insecure. The lack of a formal title or legal standing means they cannot use their property as collateral for loans, thereby limiting their access to credit and hindering any possibility of scaling their businesses.

5.2 Socio-Economic Manifestations

These legal and regulatory challenges directly manifest in the entrepreneurial pursuits of refugees. For example, one interviewee (Interview 3) who had been displaced from his hometown found it nearly impossible to secure work in Mafraq due to the high concentration of refugees. He now works in the craft sector for a monthly salary of two hundred dinars with his three brothers, having lost his former restaurant business in Syria. This illustrates the descent from formal business ownership to informal, low-wage labour. This downward mobility is a direct consequence of a legal environment that makes it nearly impossible for them to re-establish the formal businesses they once owned. Similarly, an interviewee (Interview 12) who owned a textile shop in Homs now runs a small clothing store in Zaatari camp. He noted that while his shop attracts some customers, including Jordanians, due to lower prices, his business's limited scale makes it a constant struggle to support his family of seven. These personal accounts serve as powerful evidence of how restrictive legal frameworks force entrepreneurs to operate in a state of economic precarity, severely limiting their growth potential and ability to provide for their families. The contrast between their pre-displacement livelihoods and their current informal economic activities underscores the human and economic cost of these institutional barriers.

5.3 Labour Market and Work Permit Regulations

Since 2016, the Jordan Compact has formally enabled Syrian refugees to participate in various labour sectors, reflecting a policy shift aimed at transforming the refugee crisis into a development opportunity (Government of Jordan, 8 February 2016). This initiative, which secured substantial international financial support, has led to the issuance of over 430,000 work permits between 2016 and 2024 (Al-Assal, 1 March 2024), with permits being made available for all sectors open to non-Jordanians since July 2021. The Jordanian government's efforts to waive fees and simplify documentation were designed to encourage employers to formalise their Syrian employees' status, providing them with protections under Jordanian Labour Law No. 8 of 1996 (Veronique Barbelet, 2018).

However, a closer examination reveals a significant gap between policy and practice. Despite these formal measures, the legal framework retains substantial institutional barriers that undermine the stated goals of economic integration. Article 12/1 of the Labour Law remains a key obstacle, granting the Minister of Labour discretionary power to deny work permits based on the perceived availability of Jordanian workers. This discretionary authority creates a system of institutional gatekeeping that is unpredictable and often inaccessible, particularly for small businesses and entrepreneurs. The interviews conducted for this study highlight this

discrepancy: several participants (Interviews 7 and 11) described the process of obtaining work permits as "extremely difficult," with one small business owner (Interview 2) noting that the bureaucracy was far more challenging for smaller enterprises than for medium-sized or large companies. This suggests that while large-scale policies may be in place, their implementation often falls short, pushing many into informal arrangements.

This legal and bureaucratic environment also influences the entrepreneurial landscape. Many Syrian business owners, who relocated to Jordan after the conflict began, found their ventures heavily reliant on the local Jordanian market, which proved insufficient to sustain significant growth. They also faced the same bureaucratic hurdles as their Jordanian counterparts, including complex government procedures. Furthermore, refugee entrepreneurs noted difficulties in travelling abroad and marketing their products internationally, as they lack access to the same export-related support and assistance available to Jordanian companies (Interviews 6 and 13).

The precarity of the legal framework directly contributes to the prevalence of informal employment. With a growing population and high demand for housing, Syrian refugees with specialised construction skills are frequently employed informally in both small- and large-scale projects (International Labour Organization, 18 May 2015). This is driven in part by their reputation for hard work and willingness to accept lower wages, a situation that both fills a market need and exposes them to exploitation. This reality underscores how the legal and regulatory environment, while providing a veneer of formalisation, continues to push refugee labour into informal sectors where they lack legal protections and a clear pathway to formal entrepreneurial success.

5.4 Legal Protections and Investment Regulations

The legal protection afforded to Syrian refugee entrepreneurs in Jordan is not explicitly defined, a situation that creates a state of profound legal precarity stemming from a lack of formal international obligations. Despite hosting one of the world's largest refugee populations, Jordan's government policy towards them remains fundamentally ambiguous. This is primarily because the country has not signed the 1951 United Nations Convention Relating to the Status of Refugees or its 1967 Protocol, meaning it is not legally bound by the comprehensive and universally recognised international obligations outlined in these treaties. This non-signatory status gives the government significant and unilateral discretion in its policy responses to the refugee influx, allowing it to manage the population through a flexible, and often restrictive, legal framework. This intentional ambiguity means that the fundamental rights and economic opportunities of refugees can be altered or withdrawn at the government's whim, which actively discourages long-term economic planning and formal investment by refugee entrepreneurs.

To attract foreign investors, including a select group of Syrian refugee entrepreneurs who possess significant capital, the government, under the Criteria and Controls for Granting Investors Jordanian Citizenship Regulation, provides a formal pathway to Jordanian nationality or a five-year residency permit (Prime Ministry, 2021). The conditions for these pathways are, however, exceptionally stringent and practically inaccessible to the vast majority of the refugee population. An investor may be granted citizenship by depositing \$1 million with the Central Bank of Jordan for a non-withdrawable, interest-free period of three years. In addition, they must purchase \$1 million in treasury bonds for six years at an interest rate determined by the Central Bank (Prime Ministry, 2021). Alternatively, citizenship can be granted to an investor who purchases shares or stakes in Jordanian companies for a value of at least \$1.5 million (Prime Ministry, 2021). These shares must be held for a minimum of three years and are subject to a temporary seizure by the Companies Control Department or Securities Commission to prevent their premature disposal (Prime Ministry, 2021).

The regulation also offers a temporary Jordanian passport for three years to investors who establish and register a project in a productive economic sector with a paid-up capital of at least \$1 million within the Amman Governorate, with a requirement to create twenty real job opportunities for Jordanians. This capital requirement is reduced to \$750,000 for projects located outside the Amman Governorate, with a lower requirement to create ten jobs (Prime Ministry, 2021). Furthermore, any individual, including Syrian refugees, can obtain a five-year residency permit by purchasing one or more properties with a total value of at least 200,000 Jordanian dinars, as assessed by the Department of Lands and Survey, with the property held for at least five years (Prime Ministry, 2021). The permit is issued by a decision of the Minister of the Interior based on the recommendation of a special committee for investors (Prime Ministry, 2021).

A critical analysis reveals that these policies, despite their formal provisions, are largely symbolic gestures rather than genuine pathways to economic integration for the broader refugee population. The financial thresholds are prohibitively high for a population that has often lost all its assets during displacement, confirming that these regulations are designed for high-net-worth investors rather than to facilitate the economic empowerment of a

displaced community. This significant gap between policy and reality forces many refugee entrepreneurs to operate in the informal economy, where they resort to legally risky practices such as registering property under Jordanian names, which leaves them vulnerable to exploitation and a lack of legal recourse. This finding is corroborated by the qualitative data from this study: one interviewee (Interview 7) noted that despite the existence of these legal pathways, the pervasive "red tape" made little practical difference for entrepreneurs, whether they were Jordanian citizens or foreign investors. This suggests that the legal framework, even when offering a clear path, fails to remove the systemic bureaucratic obstacles that hinder entrepreneurial activity.

Refugee investors who are able to navigate this system can, however, benefit from Jordan's international free trade agreements, which provide access to a large consumer base in some of the world's fastest-growing economies. These include the US-Jordan Free Trade Agreement (2000) and the EU-Jordan Association Agreement (2002). In a significant development, and as part of the EU's support during the ongoing Syrian refugee crisis, the EU and Jordan signed an agreement in 2016 to relax the rules of origin for Jordanian exports to the EU. Amended in December 2018, this initiative simplifies production processes and provides highly advantageous rules of origin, contingent on a proportion of the products being made by Syrian refugees. This initiative has been extended until 21 December 2030, offering a stable framework for export-oriented businesses that can meet its requirements (European Commission, 2023).

6. The 1998 Memorandum of Understanding

The 1998 Memorandum of Understanding between Jordan and the United Nations High Commissioner for Refugees established a framework of rights and privileges to facilitate the social and economic integration of refugees. This memorandum grants refugees a legal status, recognising asylum as a humanitarian and peaceful act. Both parties agreed that refugees would be treated in accordance with international standards, and the United Nations High Commissioner for Refugees office was tasked with finding permanent solutions through voluntary repatriation or resettlement in a third country. The agreement ensures that refugees are treated no less favourably than citizens regarding the practice of religious rituals and the religious education of their children, provided it does not contravene public laws or morals. The Memorandum of Understanding also prohibits discrimination based on race or nationality.

The memorandum gives refugees the right to litigate, granting them access to all courts in Jordan and, where possible, legal aid under the same conditions as citizens. To support Syrian refugees in providing a decent life for their families, the Memorandum of Understanding grants them the right to work, provided they comply with existing laws. Refugees with recognised certificates are also permitted to practise liberal professions if the legal framework allows. This provision is highly relevant for Syrian refugee entrepreneurs, as it formally opens the possibility of establishing and operating businesses in Jordan, although significant bureaucratic and legal obstacles persist in its practical application.

Finally, to assist in finding permanent solutions and to encourage voluntary return or resettlement, the Memorandum of Understanding exempts refugees from overstaying fines and departure taxes. While these measures are intended to remove barriers to refugees' mobility, the memorandum does not grant the full range of legal rights enjoyed by refugees in countries that are signatories to the United Nations Convention. Furthermore, Jordan has begun to restrict the scope of protection for Syrian refugees, leaving them in a legally uncertain position. This limited legal framework, combined with Jordan's international obligations, creates significant challenges for Syrian refugee entrepreneurs seeking to establish and operate businesses, hindering their ability to contribute fully to the Jordanian economy. The Memorandum of Understanding's primary focus on humanitarian aid and eventual repatriation or resettlement means it does not provide the stable, long-term legal foundation necessary for formal, sustainable entrepreneurial activity. This makes the ability of Syrian entrepreneurs to scale their businesses, secure formal loans, or confidently plan for the long term an exceptionally challenging endeavour.

7. Findings and Conclusion

Jordan's significant population growth due to the influx of Syrian refugees has severely strained its resources, leading to increased competition for jobs, overburdened infrastructure, and stressed social services, including healthcare and education. While these challenges are well-documented, this research demonstrates that by strategically addressing the restrictive legal and policy environment, refugee entrepreneurship can be supported, enabling refugees to establish businesses and create jobs. This would not only empower refugees but also help to

reframe the public narrative, signalling to the local population that refugees are contributing to the economy rather than merely competing for scarce resources. This shift in perception is crucial for fostering social cohesion and sustainable integration.

The study's findings highlight a fundamental issue: Jordan, not being a signatory to the 1951 United Nations Convention or its 1967 Protocol, governs the legal status of Syrian refugees solely through a 1998 Memorandum of Understanding with the United Nations High Commissioner for Refugees. This lack of a binding international commitment provides the government with significant policy flexibility, which, in practice, has created a complex and often ambiguous legal environment for refugees. The legal requirements for refugee entrepreneurs are excessively burdensome, acting as a major barrier to economic integration. For example, refugees must either form a formal partnership with a Jordanian national or make a direct investment of 50,000 JD, in addition to employing Jordanian workers. These stringent conditions are largely prohibitive for a population that has often lost all its assets. Further challenges include the insufficiency of international funding to support business creation within refugee camps and overly complex procedures for obtaining work permits, which must be streamlined to facilitate greater economic participation. Moreover, the requirement for refugee entrepreneurs to obtain security clearance for movement between and outside of camps adds another layer of difficulty, severely limiting their business activities and economic potential. This complex web of legal and bureaucratic hurdles demonstrates a significant disconnect between official policy and the practical realities of refugee entrepreneurship.

8. Recommendations and Future Outlook

Based on these findings, several intersecting strategies are recommended to better integrate Syrian refugees into Jordan's economy. Firstly, job creation must be prioritised, particularly through the rapid creation of employment opportunities in affected governorates. This requires modernising and aligning national employment strategies with the needs of the refugee and host communities. Maximising short-term opportunities within the aid economy is also crucial. This necessitates enhanced coordination between the international community and the Jordanian government to ensure a more efficient and targeted approach that leverages aid for long-term economic benefits.

Secondly, it is essential to improve the quality of work by better managing the labour market, particularly in unregulated sectors. This involves actively enforcing fair wage policies, monitoring working conditions to prevent exploitation, combating child labour, and improving the overall management of expatriate workers to ensure equitable employment practices for all. This will not only protect refugees but also standardise the labour market, benefiting Jordanian workers as well.

Looking ahead, it is a realistic assumption that humanitarian aid will continue to be a primary source of support for many Syrians. However, as humanitarian aid diminishes, a large number of these refugees are expected to enter the labour market, potentially in the informal sector, unless proactive measures are taken. Given the likelihood of a protracted conflict in Syria, many refugees are expected to remain in Jordan for years to come. Therefore, it is crucial to explore realistic scenarios for the development of the Jordanian labour market, considering the long-term presence of Syrian refugees and their potential contribution to the economy. Organising their participation in a structured and regulated manner could provide significant advantages for both the refugees and the host country by unlocking a new source of economic dynamism and talent.

In conclusion, this study advocates for a comprehensive approach to integrating Syrian refugees into Jordan's economy. By addressing the legal and procedural barriers identified from restrictive investment laws to bureaucratic hurdles Jordan can better harness the untapped potential of refugee entrepreneurship, contributing to the nation's overall economic resilience and social development. This strategic shift from managing a crisis to fostering an opportunity is critical for ensuring a more prosperous and stable future for all residents of Jordan.

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