

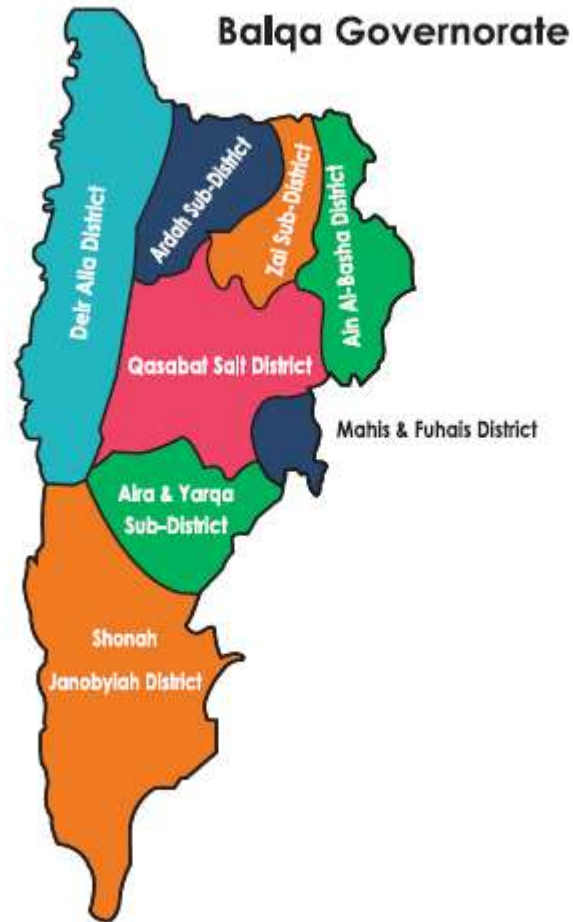
Pre-Feasibility Study
A Private Hospital
Balqa

April, 2017



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1. Executive Summary

This study aims at identifying the pre-feasibility for the project of establishing an integrated private hospital in Balqa Governorate, which provides all medical and therapeutic services to the population of the governorate. The importance of the project stems from the fact that there is no private sector hospitals in the Governorate, and the provided health services are limited by the services provided by the Ministry of Health, in addition to the presence of a private sector hospital that specializes in the treatment of mental illness.

Table 1: initial Indicators of the Project

Project Name	Private Hospital
Sector	The health sector
Governorate	Balqa Governorate
Region	Salt
Products/Services	<ul style="list-style-type: none"> • Emergency services • Natural Birth and Caesarean Operations • Admissions and patients' accommodation in all degrees • Providing health care for critical cases (intensive care units) • Treatments of all types • Surgical operations • Radiation labs • Medical labs • Pharmacy services
Project Description	<p>The project includes the establishment of a new private hospital in Balqa Governorate for providing all health care services to the patients of the governorate and neighboring governorates at a high quality and affordable cost that is aligned to the income levels of the governorate's residents, as Balqa Governorate's residents often receive the health care services at private hospitals of the capital city because of The lack of private sector hospitals in the Governorate.</p> <p>The Gross area of the hospital's buildings is 3,000 sq. meters divided into facilities allocated to treatment and facilities of medical diagnostic services. The hospital consists of 55 beds that are subject to increase in case there is high demand on the hospital's services. The hospital provides key therapeutic medical services which include emergency cases, small, medium and large scale surgeries, one day treatment and diagnostic services (radiography, laboratory and pharmacy), patient accommodation services along with other medical services.</p>
Target Market	<ul style="list-style-type: none"> • The patients from Balqa Governorate • The patients from neighboring Governorates and regions • Arab and non Arab patients

Investment Cost	The project's investment cost is about JD 6.8 million
The Average return on investment	Average return on investment (ROI) over the ten years is about 7.9%.
Internal Rate of Return	The internal rate of return (IRR) of the project is about 18%.
Average added value of the project	The project's average value added value over the ten years is about JD 1.8 million.
Risk Assessment	The sensitivity analysis refers to a low project risk for the change in investment cost increase by 10%, or reduction in revenues by 10%, or increase in the operating cost by 10%.
The project Justifications	<ul style="list-style-type: none"> • Balqa Governorate does not have private hospitals to service the Governorate's residents. • Residents of Balqa Governorate head for the capital Amman in order to receive private health services. • The lack of the ability for Balqa Governorate's patients to access to private health services that they need from a single and comprehensive place. • The increase in the opportunities for Balqa Governorate's patients to access private sector health services through the private health insurance. • Attracting the patients from the neighboring governorates of Balqa ; e.g. Jerash.
Partners/Stakeholders	<ul style="list-style-type: none"> • Ministry of Health • Ministry of Industry and Trade (registration of the company)

2. The Macroeconomic Environment

2.1 An Overview Of The Hashemite Kingdom Of Jordan

The Hashemite Kingdom of Jordan is a landlocked country surrounded by land except at its southern extremity at the port of Aqaba, where that area is the only sea exit area in Jordan. The Kingdom is bordered at its west side by Palestine and the Mediterranean Sea, at its south and east by the Kingdom of Saudi Arabia, at north east by Iraq and at north by Syria.

Figure 1: Map of the Hashemite Kingdom of Jordan



Jordan is marked by three climatic zones from west to east including the Jordan Valley, most of which lies below sea level and is considered subtropical, and upland areas to the east of the Jordan Valley, ranging in height from 100 to 1500 meters above sea level and this is one of the areas dominated by Mediterranean climate, and the desert areas stretching to the east of the highlands.

The total area of the Kingdom is approximately 89.3 thousand square kilometers, and the semi-desert conditions prevail in over 80% of this area where there are some wet lands settings like Azraq Basin.

The kingdom is divided administratively into twelve governorate distributed into three regions: the Northern Region (includes the governorates of Irbid, Mafrqa, Jerash and Ajloun) while the Central Region (includes the governorates of the capital, Zarqa, Balqa, Madaba) and the Southern Region (includes the governorates of Karak, Tafila, Ma'an, Aqaba), and the major cities are Amman (the capital), Zarqa and Irbid.

2.2 Population

Based on the General Census of Population and Housing in 2015, the population in the kingdom amounted to about 9.5 million people with a population density of 107.3 inhabitants per km², where the Capital City knocked off other governorates by population amounting to about 4 million people and a population density of 538.8 inhabitants per km², mainly because Amman is the most attractive governorate for Jordanians and for those coming to Jordan from other countries, followed by Irbid Governorate with a population of 1.8 million people, and then Zarqa Governorate with a population of 1.4 million. Tafila Governorate which is considered to be the least populous governorate whose population is about 96 thousand people.

Table 2: Number of population and population density in the Kingdom for 2015

Governorate	Population (people)	Area (Km ²)	Population density (people/ km ²)
Central Region			
Capital	4007526	7,579	528.8
Zarqa	1364878	4761	286.7
Balqa	491709	1120	439.0
Madaba	189192	940	201.3
North Region			
Irbid	1770158	1572	1126.1
Mafraq	549948	26551	20.7
Jerash	237059	410	578.2
Ajloun	176080	420	419.2
Southern Region			
Karak	316629	3495	90.6
Tafeileh	96291	2209	43.6
Maan	144082	32832	4.4
Aqaba	188160	6905	27.2
Total of Kingdom	9531712	88793.5	107.3

Source: Department of Statistics, Jordan General Population and Housing Census, 2015

On the other hand, the population growth rate has reached about 3% in 2010 and increased to 9% during the years 2013 and 2014 and then dropped a little during 2015 to reach about 8%, according to demographic surveys for the Department of Statistics. The reason for the high growth rates is attributed to the influx of large numbers of refugees from Syria to the Kingdom which resulted in a marked decline in per capita real GDP index by 5.4% to JD 1,197.4, based on the Statements of the Central Bank of Jordan.

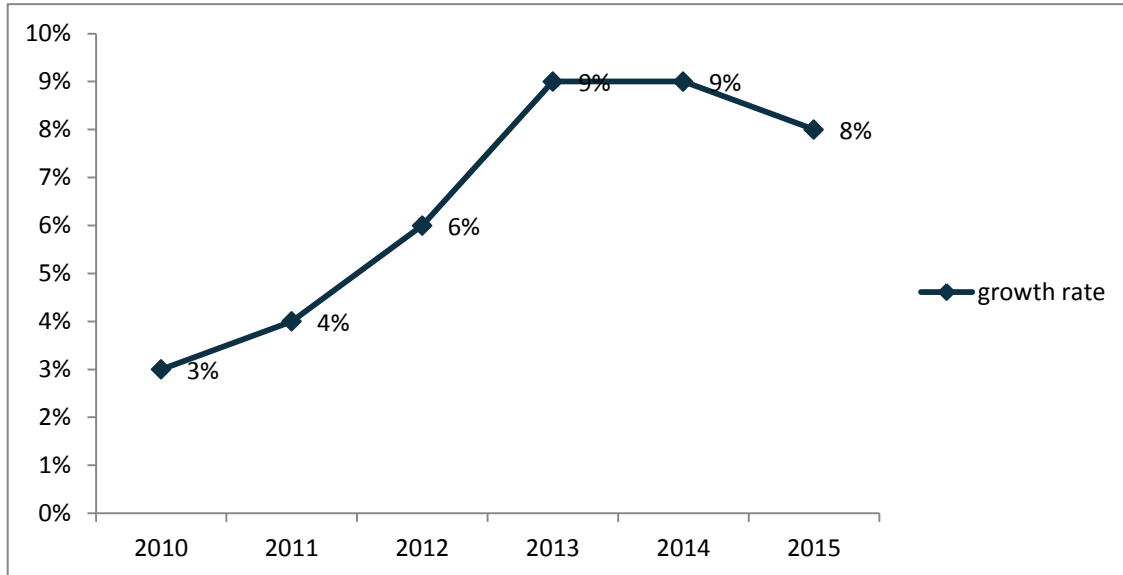
The unemployment rate among Jordanians also witnessed a rise by 1.1 percentage to reach to 13%, due to the structural imbalances that the labor market is suffering from and the acquisition of the low-paid foreign workers on a large number of new jobs in the economy, according to the Central Bank of Jordan.

Table 3: Number of population and population growth in the Kingdom, thousand

	2010	2011	2012	2013	2014	2015
population	6698.0	6993.0	7427.0	8114.0	8804.0	9531.7
growth rate	%3	%4	%6	%9	%9	%8

Source: Department of Statistics

Figure 2: population growth rate in the Kingdom



2.3 Economic indicators in the Kingdom ¹

Countries across the Middle East are still suffering from instability and closure or partial closure of borders; including the borders of important markets for the Kingdom's products. These factors led to a decline in the performance of many of the economic sectors, including the external sector, national exports, touristic income, and Foreign Direct Investment (FDI), and they contributed to a slowdown in the economic growth to about 2.4% in 2015, compared to 3.1% in 2014. The growth achieved in 2015 came from growth across several economic sectors, especially in the finance, insurance, and real estate services; the transport, storage, and communications services; the mining industry; the manufacturing industry; and the agriculture sector. These sectors contributed a combined 1.8 percentage points (or 75%) of the growth rate achieved during 2015, reflecting the diversity of the economic growth sources in the Kingdom.

Additionally, the general price level registered a decline in the prices of oil, commodities, and other related services in the global markets. Therefore, the general price level, measured by the relative change in the average consumer price index deflated by 0.9% in 2015, compared to the inflation of 2.9% in 2014.

The budget deficit, after aid, increased by 1.2% to a record 3.5% of GDP, compared with 2.3% in the previous year. In addition, the Balance of Payments' Current Account recorded a deficit of 8.9% of GDP, compared with 7.3% in 2014. At the end of 2015, the net public debt amounted to 22,847.5 million Jordanian Dinars (85.8% of the GDP), with an increase of 5.0% of the GDP. However, the total public debt reached 24,876.5 million Jordanian Dinars (93.4% of GDP). This increase resulted from financing both the general budget deficit and the guarantees for loans for the National Electricity Company and the Water Authority, as well as the slowdown of economic growth during 2015. The indebtedness of the National Electricity Company and the Water Authority recorded 6.7 billion Jordanian Dinars at the end of 2015.

On the monetary and banking front, most monetary indicators experienced positive development in performance in 2015, primarily in the Central Bank's foreign reserves, which maintained comfortable levels that amounted to about \$14.2 billion. The dollarisation rate decreased, which reflected positive demand for Jordanian Dinars in comparison to other major foreign currencies. With regards to the activities of licensed banks, the outstanding balance of credit increased by 9.5%, to reach 21,103.5 million Jordanian Dinars at the end of 2015. The total deposits registered with licensed banks increased by 7.7%, to reach 32,598.5 million Jordanian Dinars at the end of 2015. The increase in deposits came as a result of the high dinar deposits, which increased by 2,001.4 million Jordanian Dinars (8.3%), and higher foreign currency deposits, which increased by 336.1 million Jordanian Dinars (5.4%).

Furthermore, many of the external sector indicators registered a drop in performance in 2015 due to the deepening instability in the region and almost full closure of the borders

¹ The Central Bank of Jordan

with Iraq and Syria. However, the drop in oil prices in the global markets contributed to the decline in the Kingdom's imports bill for energy, as it dropped by 40.6%, which in turn contributed to a decline in total imports and the trade deficit by 11.4% and 14.0%, respectively. Thus, the Current Account, excluding aid, declined to 11.9% of GDP, compared to 12.4% in 2014.

The Current Account deficit increased after aid, to reach 2,365.6 million Jordanian Dinars (8.9% of GDP) in 2015, compared with a deficit of 1,851.7 million Jordanian Dinars (7.3% of GDP) in 2014. This decline is due mainly to the decline in total exports by 6.6% and the decline in surplus in the services account by 27.7%, as touristic income decreased by 7.1%, and the decline in the surplus in the current transfers account decreased as a result of reduced foreign aid.

Capital and financial accounts resulted in a net inflow of 1,593.7 million Jordanian Dinars in 2015, compared to 909.0 million Jordanian Dinars in 2014; this was due to the Kingdom's higher net obligations towards the outside world. Foreign Direct Investment registered a net inflow of 909.4 million Jordanian Dinars, and the reserved investment registered an inflow of 918.4 million Jordanian Dinars due to the Kingdom issuing Eurobonds that are worth \$2.0 billion in the global markets. The withdrawal of bank loans on behalf of the Central Bank increased the use of funds from the International and Arab Monetary Funds by 543.3 million Jordanian Dinars. This led to the registration of a surplus in the overall Balance of Payments of 328.7 million Jordanian Dinars during 2015, compared to a surplus of 1,550.7 million Jordanian Dinars during 2014.

According to the Central Bank of Jordan, the increased international investment at the end of 2015 showed an increase in the external net liabilities of the Kingdom, which reached 24,357.5 million Jordanian Dinars, compared with 22,578.8 million Jordanian Dinars at the end of 2014. This was due to an increase in the external balance of assets and financial liabilities for all of the economic sectors in the Kingdom, which reached to 18,657.9 million Jordanian Dinars and 43,015.5 million Jordanian Dinars, respectively, during 2015.

Table 4: main economic indicators 2011 to 2015 in millions of dinars

	2011	2012	2013	2014	2015
Population (millions)	6.993	7.427	8.114	8.804	9.532
Unemployment rate	12.9	12.2	12.6	11.9	13.0
Production and Prices					
GNP at current market prices	20,288.8	21,690.0	23,611.2	25,141.2	26,289.6
GDP at current market prices	20,476.6	21,965.5	23,851.6	25,437.1	26,637.4
The rate of growth in GDP at constant market prices (%)	2.6	2.7	2.8	3.1	2.4
The total national disposable income at current prices	23,743.5	24,774.9	28,424.5	30,302.1	30,234.7
The rate of growth in gross national disposable income at current prices (%)	4.7	-0.2	8.6	3.1	-2.4
Change in the index of consumer prices (%)	4.2	4.5	4.8	2.9	-0.9

	2011	2012	2013	2014	2015
The change in the GDP deflator (%)	6.4	4.5	5.6	3.4	2.3
Money and Banking					
Exchange rate of the Jordanian dinar to the US dollar	1.410	1.410	1.410	1.410	1.410
Money supply (P2)	24,118.9	24,945.2	27,363.4	29,240.4	31,605.5
Net foreign assets of the banking system	9,370.1	6,665.5	6,923.4	7,932.3	8,137.3
Net domestic assets of the banking system	14,748.8	18,279.7	20,440.0	21,308.1	23,468.2
Net debt of the government	6,701.4	9,461.3	10,494.8	10,473.9	11,386.4
Private sector debts (Residents)	14,925.0	15,953.6	17,222.5	17,852.8	18,704.5
Other factors ⁽¹⁾	-6,877.6	-7,135.2	-7,277.3	-7,018.5	-6,622.7
Deposits in dinars at licensed banks	19,119.1	17,711.1	21,003.0	24,013.1	26,014.5
Foreign currency deposits at licensed banks	5,258.8	7,258.6	6,590.2	6,247.9	6,584.0
Rediscount rate (%)	4.50	5.00	4.50	4.25	3.75
Treasury bills interest rate for 6 months (%)	3.232	3.788	-	-	-
Public Finance					
Total revenue and foreign aid	5,413.9	5,054.2	5,758.9	7,267.6	6,796.4
Ratio to GDP (%)	26.4	23.0	24.1	28.6	25.5
Total spending	6,796	6,878.2	7,077.1	7,851.1	7,722.9
Ratio to GDP (%)	33.2	31.3	29.7	30.9	29.0
Overall deficit/savings (on an accrual basis)	-1,382.7	-1,824.0	-1,318.2	-583.5	-926.5
Ratio to GDP (%)	-6.8	-8.3	-5.5	-2.3	-3.5
Net outstanding balance of the domestic public debt	8,915.0	11,648.0	11,863.0	12,525.0	13,457.0
Ratio to GDP (%)	43.5	53.0	49.7	49.2	50.5
Outstanding external public debt ⁽²⁾	4,486.8	4,932.4	7,234.5	8,030.1	9,390.5
Ratio to GDP (%)	21.9	22.5	30.3	31.6	35.3
Foreign Trade and Balance of Payments					
Current account	-2,098.8	-3,344.9	-2,487.7	-1,851.7	-2,365.6
Ratio to GDP (%)	-10.2	-15.2	-10.4	-7.3	-8.9
Trade balance (Deficit)	-6,261.7	-7,486.6	-8,270.1	-8,495.6	-7,249.3
Ratio to GDP (%)	-30.6	-34.1	-34.7	-33.4	-27.2
Commodity exports	5,684.5	5,599.5	5,617.9	5,953.6	5,558.3
Imports of goods (FOB) ⁽³⁾	11,946.2	13,086.1	13,888.0	14,449.2	12,807.6
Balance of services (net)	896.0	1,332.3	1,209.5	1,778.9	1,286.4
Income account (net)	-187.8	-275.5	-240.4	-295.9	-347.8
Current transfers (net)	3,454.7	3,084.9	4,813.3	5,160.9	3,945.1
Capital and financial account (net)	2,298.9	3,808.9	1,811.1	908.9	1,593.7
Direct foreign investment in Jordan (net)	1,055.0	1,074.3	1,281.2	1,426.7	905.1

Source: Monthly Statistical Bulletin, Central Bank of Jordan

1. Includes the debts of public and financial institutions and other factors, as shown in the Monetary Survey Agenda.
2. This represents the total balance of drawn loans, minus total repayments.
3. Does not include imports of non-resident entities.

2.4 The Jordanian Investment Environment

Investment Law No. 30 for 2014

Investment Law no. 30 for 2014 is considered an appropriate legislative framework to attract foreign investments and stimulate local investments. It is considered a competitor to other investment laws in the region because it contains many advantages, incentives, and guarantees, and it offers a range of incentives and benefits in and outside the Development and Free Zones. The law includes a series of public provisions, such as foreign investment guarantees (depositing and withdrawal of capital, investment management, and transfers) and the inadmissibility of the disbarment of investment property. The law offers provisions to settle investment disputes, protection, and encouragement of mutual investment agreements between the Kingdom and other countries.

The following shows the major incentives granted by the law:

❖ Incentives and Benefits outside the Development and Free Zones

- The production inputs for the industrial and crafts sectors are exempted from customs duties.
- The return of the general sales tax on the production inputs for the industrial and crafts sectors within 30 days.
- Production inputs and fixed assets of the industrial and crafts sectors are exempted from customs duties and are granted a reduction in general sales tax to 0%.
- Returning to the sales tax on the services needed to practice economic activity within 30 days.
- The goods that are necessary for the economic activities of the following sectors are exempted from customs duties and are subject to 0% general sales tax:
 - Agriculture and livestock, hospitals and specialised medical centres, hotels and touristic facilities, touristic entertainment and recreation centres, call centres, scientific research centres and laboratories, art and media production, convention centres and exhibitions, transfers and/or distributions and/or extraction of water, gas and oil derivatives, air transport, maritime transport, and railways.

❖ Incentives and Benefits inside the Development and Free Zones

- 5% income tax on the income generated from economic activity within the Development Zone.
- 5% income tax on income generated from economic activity in the industrial sector.
- Tax exemptions that are granted in the Kingdom on goods and services exports.
- Reduction of sales tax to 0% on goods and services that are used by the establishment in order to exercise its activity inside the Development Zone.
- 7% sales tax on specific services provided by a registered company in the zone when these services are consumed in the zone.
- Exemptions from customs duties except for a specified number of goods.

❖ **The Reduction of Income Tax in the Least Developed Areas for Regulation No. 44 for 2016**

- The reduction of income tax in the least developed areas for Regulation No. 44 for 2016 was approved. It aims to create an attractive environment for investments that promote economic development through the reduction of income tax outside the Development Zones and in the least developed areas in the Kingdom. The regulation specified the areas that are considered least developed and identified the activities that are excluded from this reduction.
- Under the provisions of Articles 4 and 5 of this regulation, the areas that were categorised as least developed and enjoy the reduction in income tax are divided into four categories; each category enjoys a reduction in income tax on their activities for a period of 20 years.
- Category A includes the Northern Valley District, Deir Alla District, Shouneh Al-Janoubieh District, the Southern Valley District, Rweished District, the Northern Desert District, the North Western Desert District, Al-Azraq Province, Al-Jiza District except for the borders of the new Al-Jiza municipality, Al-Moakar District except for the borders of Al-Moakar municipality, and the Governorate of Aqaba except for the Aqaba Special Economic Zone. The reduction rate for this category is 100%.
- Category B includes the Governorates of Maan, Tafileh, Karak, and Ajloun. The reduction rate for this category is 80%.
- Category C includes the Governorates of Jarash, Mafraq, and Irbid except the borders of the Greater Irbid Municipality. The reduction rate for this category is 60%.
- Category D includes the Governorates of Madaba, Balqa, Amman except for the Greater Amman Municipality, and Zarqa except for the borders of Zarqa Municipality and Russaifeh Municipality. The reduction rate for this category is 40%.

❖ **Trade and Free Trade Agreements**

The most important agreements are:

- Jordan joining the World Trade Organisation in 2000, which led to the opening of the markets of 150 countries for Jordanian exports in goods and services, and provided new opportunities of access to other countries within a clear and transparent environment of laws, regulations, and procedures.
- A series of regional trade agreements, such as the Jordan Partnership Agreement with the European Union, Agadir Agreement, Free Trade Arab Agreement, the free trade agreement between Jordan and the European Free Trade Association, and the adoption of the Euro-Mediterranean simplification of the rules of the Origin System, which includes the decision to simplify the rules of the origins of Jordanian products between Jordan and the European Union came into effect on July 19, 2016, and will remain in effect until December 31, 2026.
- A series of bilateral trade agreements with many countries, such as the free trade agreement between Jordan and the United States of America, the Qualified Industrial

Zones Agreement, the free trade agreement between Jordan and Singapore, the free trade agreement with Turkey, the free trade agreement with Canada, and many other agreements.

- Jordan has signed more than 35 agreements with Arab and foreign countries in order to prevent double taxation between Jordan and these countries, thus protecting investors' rights.
- The Agreement of Promotion and Protection of Investments and the Movement of Capital between the Arab Countries was signed in 2000 with 11 Arab countries who are members of the Arab Economic Unity Council, in order to establish an appropriate environment for investments and economic cooperation between investors in the Arab countries, thus pushing and stimulating investment activities by providing encouragement and mutual protection for Arab investments.

Human Development Report for 2015

The Human Development Report that was issued by the United Nations Development Program in 2015 showed that Jordan fell 3 points to number 80. Please note that Jordan's place on the Human Development Report index value has improved slightly.

Global Competitiveness Report

The Kingdom's rank has improved by one point in the Global Competitiveness Report for the year 2016/2017, at 63 out of 138 countries compared to 64 out of 140 countries in the 2015/2016 report. It is considered an insignificant improvement, especially because of the reduction in the number of countries participating in this year's report. Amongst the Arab countries, Jordan was ranked after the United Arab Emirates, Qatar, the Kingdom of Saudi Arabia, Kuwait, and Bahrain, who were ranked 16, 18, 29, 34, and 39, respectively.

Doing Business Report

In the Doing Business Report that was issued by the World Bank Group, Jordan is still ranked 118, up one rank from the 2016 report, because of the variation in the performance of the different sub-indicators. Jordan ranked ninth among the Arab countries; the United Arab Emirates was ranked first among the Arab countries at 26, followed by Bahrain at 63 and Oman at 66.

2.5 The Economic Environment In The Short And Medium Term

Risks analysis implemented by BMI indicates that the Jordan's political and economic risks in the short and medium term are less than the overall average of the world and the Middle East. The state's risks and the operational risk are estimated to be within the acceptable levels. The international institutions' forecasts point out that the economic and foreign trade indicators are expected to achieve acceptable rates of growth with the exception of the continued increase in internal and external indebtedness.

Table 5: Assessment of short and long-term risks

	Long term		Short term		Operational risks	State risks
	political	Economic	political	economic		
Jordan	63.1	39.2	66.6	46.2	58.7	55.4
Turkey	60.2	49.4	58.4	56.9	55.9	56.1
Egypt	53.3	45	52.4	48.7	42.9	47.5
Lebanon	45.8	54	55.4	53.5	44.2	49.5
West Bank and Gaza	33.1	38.1	32.2	36.5	32.5	34.3
Syria	22.9	24.4	22.4	23.6	29.3	26.1
Regional average	49.4	46.9	51.2	48.7	46.6	48.3
global average	64.1	50.7	61.3	51.9	49.8	54.6

Source: the economy and state risks, IHS, 15/09/2016

Table 6: The most important key economic indicators 2016-2020

Indicator	2016	2017	2018	2019	2020
The growth rate of GDP	2.6	2.7	2.8	3.2	3.1
GDP (in USD billions)	39.6	42.1	44.8	47.8	50.9
Population (In millions)	9.8	10.1	10.4	10.7	11.0
Consumer Price Index (% change)	-0.7	1.8	3.3	4	3.2
Exports (in USD billions)	7.3	7.6	8.2	8.8	9.6
Imports (in USD billions)	18.3	19.2	20.1	21.3	22.8
Foreign direct investment, the net value (in USD billions)	1.5	1.5	1.6	1.6	1.7
Foreign direct investment, the net value (% of GDP)	3.7	3.7	3.6	3.4	3.3
Foreign exchange reserves (in USD billions)	13.9	14.9	15.7	16.8	17.7
Total external debt (in USD billions)	24.4	27.8	30.7	33.7	36
Total external debt (% of GDP)	61.6	66	68.6	70.4	70.6
Total external debt (% of foreign currency earnings)	127.3	138.3	143.6	147.5	147.8

Source: the economy and state risks, IHS, 15/09/2016

3. Market study

3.1 Project Description

The project is an establishment of a private hospital in Balqa Governorate specifically in Salt district for the purposes of providing therapeutic and health care services to patients in Balqa Governorate and surrounding areas. Due to the fact that the Governorate has no private hospitals despite the increase in population and their increasing needs for such services in an one integrated place. The hospital will include all of the following:

- 55 beds.
- One room for minor operations.
- One room for medium operations.
- Premature room for Children (containing 3 beds)
- Emergency unit (8 beds).
- Radiology Lab.
- Comprehensive medical laboratory.
- Pharmacy.
- Physic- therapy Unit.
- doctors' clinics (7 clinics within the hospital)
- Services provided to visitors (cafeteria, lounge, etc ...).
- Intensive And Coronary Care Unit

3.2 Expected Services Description

The expected project services include:

- Accommodation services in single, double, triple rooms and suites.
- Emergency and ambulance services.
- One day operations services (Minor) which include:
 - Emergency Surgery: Surgery is being made to save the patient's life and maintaining one of his limbs or to enable a body part of the performance of its functions.
 - Exploratory surgery (preliminary): this type is performed in order to confirm and strengthen the diagnosis of the condition.
 - Curative surgery: The aim of this type of operation is to treat cases diagnosed in advance.
 - Cosmetic surgery: is a surgery, which aims to improve the appearance of some of the uninfected tissue.
- Medium-size Operations Services, which include:
 - Diagnostic surgery
 - orthopedic Surgery
 - Various Pediatric Surgeries
 - Anesthetic Cardiac Surgery
 - Kidney and urinary tract surgery
 - Eye surgery
 - gynecological surgery

- otorhinolaryngological surgery
- Maxillofacial Surgery
- Thoracic Surgery
- etc.
- Department of Internal Medicine and its branches, which includes:
 - Internal Medicine
 - Brain and Neurology.
 - Hematology
 - Rheumatism & arthritis
 - Endocrinology & Diabetes
 - Kidney disease
 - Allergy & Immunology
 - Skin Diseases
 - Endocrinology & Diabetes
 - etc.
- Department of gynecology and Obstetrics, which includes:
 - Gynecology Assistance to reproduction
 - Prematurity children
 - Intensive care children
 - etc.
- Department of radiology, which includes:
 - Magnetic Resonance Imaging (MRI).
 - Computed Tomography (CT)
 - Plain and colored X-ray
 - Ultrasonography
 - etc.
- Laboratories, which include:
 - Biochemistry laboratories
 - Hormones and drugs calibration laboratory
 - Microbiology and bacteria laboratory
 - Vaccines and immunology laboratory
 - Hematology laboratory
 - Genetics Laboratory
 - Blood Bank and reception and blood donation department.
 - etc.
- Pharmacy: provides its services of drugs and medical supplies to the visitors of the hospital and other citizens who did not receive treatment inside the hospital.

3.3 Health sector in Balqa Governorate

1. Hospitals

Citizens in Balqa governorate receive the private therapeutic services through some private hospitals in the Capital governorate due to unavailability of a private sector hospital in the Governorate. In addition, the majority of injuries resulted from accidents especially the vehicle accidents that happen in Balqa governorate, are converted to private hospitals enter to the nearest private hospital in the Capital governorate, such as Isra hospital.

Hospitals sector in Balqa governorate suffers from problems related to the pressure on services and shortage of cadres the Balqa governorate has 6 hospitals containing 775 bed, including 5 hospitals belonging to the Ministry of health, which contain 600 beds.

As stated in the annual report of the Ministry of Health for 2015, the number of beds per 10,000 people in Balqa governorate has reached 16, which is higher than the rate in the Kingdom, which amounts to 13.

The following table shows the hospitals of Balqa governorate and the number of beds for each of them. It is clear where he notes the absence of any comprehensive private hospitals providing all medical services except for Rashid Hospital specialized in mental and psychological illness, which contains 120 beds.

Table 7: Hospitals in Balqa Governorate and number of beds for the year 2015.

Sector	Name of Hospital	Number of the beds
Ministry of Health hospitals	National Center / psychological	265
	Hussein / Salt	152
	South Shuna	60
	Princess Iman/Maaidi	58
	Prince Hussein bin Abdullah II	120
Private Sector Hospitals	Rashid Psychology Hospital	120
Total		775
Kingdom's total		13,115
Balqa governorate share		%5.9

Source: Ministry of Health, 2015 Annual Statistical Report.

It is noted that the volume of work of Balqa Governorate hospitals depends on the volume of work in the Ministry of Health hospitals only, the following table shows the volume of work in the Ministry of Health hospitals in Balqa Governorate for the year 2015.

Table 8: The volume of work in the Ministry of Health hospitals in Balqa Governorate for the year 2015.

Hospital name	Number of beds	Number of admissions	Number of sick days	Occupancy rate (%)	Patient's length of stay (day)
National Center/psychological	265	2088	67437	%69.7	30
Hussein/Salt	152	13412	36692	%66.1	2.7
South Shuna	60	3644	11123	%50.8	3.1
Princess Iman/Maaidi	58	3761	8282	%39.1	2.2
Prince Hussein bin Abdullah II	120	7860	19838	%46.1	2.5
Total of Balqa	655	30765	143372		
Share of the kingdom's total	%12.9	%8.3	%12.4		
Kingdom's total *	4927	369538	1154942	%65.1	3.1

Source: Ministry of Health, 2015 Annual Statistical Report.

* Statistics of the kingdom's total do not include all number of beds in hospitals as there are hospitals of which no data was available in the year 2015.

With regard to human cadres in the Ministry of Health hospitals in Balqa governorate, the rate of employees per bed stood at 2.9 in 2015, Which is less than the rate of Kingdom averaging 3.2 per bed.

Table 9: the number of human cadres in the Ministry of Health hospitals (Balqa Governorate) in 2015.

Statement	National Center/psychological	Hussein/Salt	Prince Hussein bin Abdullah II	South Shuna	Princess Iman/Maaidi	% Total (Balqa)	Total of kingdom	Percentage	Average per bed (Balqa Governorate)
Specialist Doctor	14	52	28	26	8	128	968	13%	0.20
Resident Doctor	25	93	22	0	20	160	1796	9%	0.24
General practitioner	0	12	18	8	9	47	282	17%	0.07
Dentist/specialist	0	11	3	0	0	14	87	16%	0.02
Veterinarian	0	0	0	0	0	0	3	0%	0.00
pharmacist	3	14	14	7	5	43	276	16%	0.07
male/ female registered nurse	107	187	117	42	66	519	4484	12%	0.79
Participating nurse	24	66	46	29	14	179	1240	14%	0.27
Registered midwife	0	31	18	16	19	84	624	13%	0.13

Statement	National Center/psychological	Hussein/Salt	Prince Hussein bin Abdullah II	South Shuna	Princess Iman/Maaidi	% Total (Balqa)	Total of kingdom	Percentage	Average per bed (Balqa Governorate)
Male/female nursing assistant	23	49	12	24	25	133	875	15%	0.20
Male/female nursing aide	0	0	0	0	1	1	36	3%	0.00
Engineer	0	4	2	2	2	10	126	8%	0.02
clerk	3	9	0	9	4	25	196	13%	0.04
accountant	5	27	16	3	3	54	495	11%	0.08
Other occupations	58	203	106	66	72	505	4206	12%	0.77
Total	262	758	402	232	248	1902	15684	12%	2.90

Source: Ministry of Health, 2015 Annual Statistical Report.

With regard to surgeries, they are classified into three types: minor, medium and major surgeries. The major surgeries ratio at the level of the Kingdom amounts to 43.84%, while the medium surgeries ratio amounts to 25.7%, and the minor surgeries ratio amounts 30.45%, which are very close ratios compared to the government hospitals ratios in Balqa Governorate.

Table 10: surgeries classified according to the type of surgery in the ministry of health hospitals in Balqa governorate in 2015.

Surgery type	Minor	Medium	Major	Total
Hussein/Salt	1733	1355	2015	5103
South Shuna	159	173	221	553
Princess Iman/Maaidi	364	146	203	713
Prince Hussein bin Abdullah II	161	637	696	1494
Total of Balqa	2417	2311	3135	7863
Total of kingdom	27118	22888	39041	89047
Ratio of the kingdom	%30.45	%25.7	%43.84	%100
Balqa Governorate Ratio	%30.74	%29.39	%39.87	%100
Balqa 's share of kingdom	%8.91	%10	%8	%8.83

Source: Ministry of Health, 2015 Annual Statistical Report.

Table 11: Delivery cases and their types in the hospitals of the Ministry of Health in Balqa Governorate in 2015.

Hospital name	Vaginx Delivery	Caesarean delivery	Vacuum delivery	forceps delivery	Total
Hussein/Salt	2052	1281	6	0	3339
South Shuna	1147	172	8	0	1327
Princess Iman/Maaidi	882	191	7	0	1080
Prince Hussein bin Abdullah II	1723	461	0	0	2184
Total of Balqa Governaoate	5804	2105	21	0	7930
Ratio of the total (Balqa Governorate)	%73.19	%26.54	%0.26	%0	%100
Balqa's Ratio of the total of kingdom	%10.45	%10.29	%8.3	%0	%10.4
Total of kingdom	55527	20451	253	19	76250
Ratio of kingdom	72.82%	26.82	0.33%	0.02%	100%

Source: Ministry of Health, 2015 Annual Statistical Report.

Table 12: Recipients of ambulance and emergency services in the hospitals of the Ministry of Health in Balqa Governorate in 2015

Hospital name	emergency	Non-emergency	Total	Ratio of emergency cases
Hussein/Salt	48022	52440	100462	%47.8
South Shuna	30774	10106	40880	%75.3
Princess Iman/Maaidi	61962	8980	70942	%87.3
Prince Hussein bin Abdullah II	68803	47143	115946	%59.3
total of Balqa	209561	118669	328230	%63.85
Total of kngdom	1244605	1732910	2977515	41.8%
Balqa's Ratio of the total of kingdom	%17	%7	%11	

Source: Ministry of Health, 2015 Annual Statistical Report.

2. Health Centers

Health centres provide general medical and therapeutic services that do not require specialized and detailed diagnosis of the patient, in addition to non-emergency cases that don't require hospital admission procedures, the following table shows the number of health centres of the Ministry of health in Balqa governorate.

The number of primary health care centres in Balqa governorate totals to 40 centers and represent 11% of the Kingdom's total. The average number of inhabitants per health centre in the Governorate is 12522 and it is much higher than the average of the Kingdom which stands at 6,202.

Table 13: The number of Health Centers in Balqa governorate in 2015.

Type	Balqa governorate	The kingdom	Ratio of the governorate to the kingdom
Comprehensive health center	7	99	%7
Primary Health Center	40	378	%11
Sub-Health Center	25	198	%13
Maternity and child centres	49	460	%11
Dental clinics	44	402	%11
Chest diseases centres	1	6	%17
Total number of centres	166	1543	%11
Inhabitant/Center	12522	6202	

Source: Ministry of Health, 2015 Annual Statistical Report.

Balqa governorate health centres include various sections that offer specialized medical services for various medical conditions. The following table shows the available clinics in Balqa governorate health centres according to Speciality. It is noted that health centers in the Governorate lack some specialized clinics like ophthalmology, auricularis, surgery, bone and psychology.

Table 14: The number of available clinics in the health centers in the Balqa governorate in 2015

Statement		Balqa governorate	The kingdom	Ratio of Balqa governorate
Health Centers Sections	General medicine	72	674	%11
	Dentistry	44	402	%11
	maternity	48	460	%10
	laboratory	23	296	%8
	Radiology	7	82	%9
	dental laboratory	5	42	%12
	Ambulance	35	523	%7
	Thoracic Diseases	1	6	%17
	family medicine	6	55	%11
	family planning	49	447	%11
Specialty clinics	Internal Medicine	5	35	%14
	childs Diseases	4	48	%8
	Gynecology	6	45	%13
	skin Diseases	3	27	%11
	Ophthalmology	0	5	%0
	Auricularis	0	2	%0
	Surgery	0	6	%0
	Orthopedic	0	11	%0
Psychology	0	11	%0	
Total		308	3177	%907

Source: Ministry of Health, 2015 Annual Statistical Report

The following table shows the volume of work in health care centers in Balqa Governorate, as it is noted that the treatment average provided for every citizen from heal care centers of the Ministry of Health amounted to 1.7 in 2015.

Table 15: treatment rate to health care centers of the Ministry of Health in Balqa in 2015.

Statement	Balqa Governorate	The kingdom	Ratio of the governorate to the kingdom
population	491709	9531712	%5
Total treatments per doctor	841274	10549815	%8
Treatment average for each citizen	1.7	1.1	

Source: Ministry of Health, 2015 Annual Statistical Report.

3. Pharmacies and Pharmaceutical Sources

The following table shows the number of pharmacies, pharmaceutical warehouses, pharmaceutical factories, and medical supplies located in Balqa Governorate for 2015.

Table 16: the number of pharmacies, warehouses, pharmaceutical factories, and medical supplies located in Balqa Governorate for 2015.

Item	Balqa Governorate	The Kingdom	Balqa's share of the kingdom
Pharmacies	121	2461	5%
Warehouses	5	287	2%
factories	15	164	9%

Source: Ministry of Health, annual statistical report for 2015

4. Laboratories

Laboratories provide their services through performing the medical tests necessary for the diagnosis and assessment of medical conditions, and accordingly identifying the necessary cure based on the results of these tests. The following table shows the number of laboratory tests made in the public sector hospitals the Ministry of Health in Balqa governorate.

Table 17: The number of laboratory tests in the hospitals of the Ministry of Health in 2015, Balqa Governorate

Tests/ Hospital	National Center/ psycholo gical	Hussein/ Salt	Prince Hussein bin Abdullah II	South Shuna	Princess Iman/ Maaidi	total of Balqa governo rate	Total of Kingdom	Perce ntage %
Biochemistry	18272	508518	262473	210223	88898	1088384	9530473	11%
Special chemistry	0	1474	11113	150	0	12737	46175	28%
Serological reactions	444	25673	6639	11947	2677	47380	348428	14%
hematology	30457	559935	322937	270598	159051	1342978	9191091	15%
Lactation & parasites	253	26219	13223	25639	6918	72252	630493	11%
General bacteria	0	6913	3889	6898	2151	19846	150433	13%
Other tests	5855	1071	0	65	0	6991	66563	11%
Total	55281	1129803	620269	525520	259695	2590568	19963656	13%

Source: Ministry of Health, 2015 Annual Statistical Report.

5. Radiology

Radiology is one of the diagnostic medical services used for diagnosing the patient's condition and which is used medically and therapeutically to examine teeth and bones, detect the bones' breaks and detect the solid objects and tumor in the human body through radiographing the injured parts, the following table shows the number of radiographs in the ministry of health hospitals in Balqa governorate that that were photographed in 2015.

Table 18: The number of rays at Ministry of health hospitals for 2015 in Balqa governorate.

Ray's type	National Center/ psychological	Hussein/ Salt	Prince Hussein bin Abdullah II	South Shuna	Princess Iman/ maaidi	total of Balqa governorate	Total of Kingdom	Percentage %
Abdominal	8	3871	5	641	1950	6475	54979	%12
Head	33	5060	8	2570	2892	10563	121698	%9
Stomach and Intestines	0	1076	0	0	0	1076	3033	%35
Lungs	109	15628	9	5283	7930	28959	409336	%7
Pelvis	52	2130	0	1376	2290	5848	85403	%7
Thoracic cage	6	7102	0	0	0	7108	25965	%27
Gallbladder	0	0	0	0	0	0	0	%0
Kidneys	4	0	1	2	1630	1637	12844	%13
Spine	222	3453	5	2737	2110	8526	109228	%8
Upper limbs	128	11491	0	4170	5650	21439	268277	%8
Lower limbs	222	11978	0	4943	6290	23433	285230	%8
colored womb	0	1056	0	0	0	1056	3660	%29
colorful bladder	0	34	0	0	0	34	1726	%2
Other parts	0	27522	20	310	0	27852	40187	%69
Total	784	90400	48	22032	30742	144006	1421566	%10

Source: Ministry of Health, 2015 Annual Statistical Report.

3.4 Estimate of Private Hospitals Market Size

As mentioned earlier, Balqa governorate lacked the existence of private hospitals that provide therapeutic services to patients. Accordingly, the market size will be estimated out of the of the total market size and the share of Balqa governorate from the kingdom's total. Balqa Governorate population represent 5.2% of the total population of the Kingdom. The estimate of market size accordingly by considering 4 percent of the private sector total, in terms of both the number of admissions, surgeries, births, etc. as it is shown in the following tables.

Admissions

Table 19: Admission cases at private hospitals – Kingdom

Item	Private sector in Kingdom	Share of Balqa governorate *
Number of admission cases	272.433	10.897
Numbers of admission days	537.715	21.509
Number of visitors to specialized clinics	833.568	33.343
Length of stay	2.0	-

Source: Ministry of Health, 2015 Annual Statistical Report.

* Estimation of study team (4% of admissions).

Surgeries operations

Table 20: number of surgeries in private hospitals – Kingdom

Type of Surgery	Private sector in Kingdom	Share of Balqa governorate *
General surgery	38.743	1.550
Heart Bypass Surgery	2.225	89
Brain and Nervous System	4.340	174
Orthopedics	13.246	530
Plastic Surgery and Burn Reconstruction	5.439	218
Cardiothoracic Surgery	780	31
Urology	8.671	347
Pediatric Surgery	3.965	159
Otorhinolaryngology Surgery (ENT)	12.990	520
Ophthalmic surgery	14.104	564
Obstetrics and Gynecology Surgery	28.027	1.121
Oral and Maxillofacial Surgery	1.266	51
Other	4	0
Total	133.800	5.352

Source: Ministry of Health, 2015 Annual Statistical Report.

* Estimation of study team (4% of surgeries).

Births

Table 21: the number of births in private sector hospitals – in the Kingdom

Operation Type	Private sector in the Kingdom	The proportion of Balqa Governorate *
Number of deliveries	43,128	1,725
Number of births	46,173	1,847

Source: Ministry of Health, annual statistical report for 2015

* study team estimation (4% of the deliveries and number of births)

Radiology

The demand for radiology services in the private hospital will be estimated through the following estimates:

- 30% of the number of admissions, as this ratio was estimated through field visits to some private hospitals and through meeting with specialists in this field.
- 100% of cases of surgical operations, and different types or deliveries, as all surgeries and deliveries require Radiology service

The following table shows the estimated demand for radiology services in the private hospital project at Balqa Governorate .

Table 22: Estimated demand for private radiology services in Balqa Governorate

Item	Estimated demand in private sector	Radiology services of the private sector
Number of admissions	10,897	3,269
Total number of surgeries	7,077	7,077

Source: estimates and calculations of the study team

Laboratory Tests

The size of the expected demand for private laboratory testing services in Balqa governorate will be estimated based on a percentage of 100% of admissions, surgeries, and deliveries which were estimated for the private sector in Balqa Governorate, as each of these cases requires at least one medical examination. The following table shows the size of the expected demand for private laboratory tests in Balqa Governorate.

Table 23: Estimating the number of laboratory tests of the private sector in Balqa Governorate

Item	Estimated No. of private sector	Laboratory tests services of the private sector
Number of admissions	10897	10897
Total surgeries	7077	7077

Source: the estimation and calculation of the study team

The Ministry of Health annual report for 2015 indicated that the rate of change in the number of laboratory tests in health areas in Balqa Governorate has increased by 5.8% from

the year 2014, which is a clear indication of the increased demand for laboratory testing services.

An overview of key competitors

As previously mentioned, Balqa governorate does not have private hospitals, and That is why people of the governorate search for the private and integrated health care services in the capital, Amman. This part of the study shows the key competitors of the private hospitals that are considered the destination of the citizens of Balqa governorate in the capital, Amman, being the nearest city to Balqa governorate.

Hospital Name	Al-Essra Hospital
Location	Jordan - Amman - Queen Rania St opposite to University of Jordan mosque
Number of Beds	157
General Description	<p>The hospital was established in 2001. It locates in a strategic area attracting patients from north and west of Amman, Balqa, Jerash and Ajloun, Irbid and Al Aghwar. Its premises' area is more than 24,000 m². The hospital contains about 760 of administrative employees, resident doctors, male nad female nurses and staff. In 2012, a complex of outpatient clinics was inaugurated under the name of (Al -Essra Medical Complex), which is composed of 12 floors including various medical specialties. The hospital also includes four medical centers.</p> <p>The hospital contains an emergency section and a group of ambulances. It is also provided with seven operating rooms equipped for all types of surgeries, as well as intensive care unit and and the section of prematurity for neonatal care. The hospital also contains diagnostic and therapeutic radiology section, MRI, CT scans and ultrasonography devices sections, in addition to the laboratory which contains equipment designed and dedicated for laboratory analysis. Besides the section of cardiac and arteries catheterization and therapeutic interventions for heart, the section of respiratory therapy and the section of Physical Therapy and Rehabilitation, an endoscopy unit, and a dialysis unit.</p>
Provided Services	<ul style="list-style-type: none"> ▪ Emergency ▪ Surgery ▪ Cardiac Catheterization ▪ Endoscopy ▪ Dialysis ▪ Respiratory therapy ▪ Physical Therapy and Rehabilitation ▪ Medical Care Units

	<ul style="list-style-type: none"> ▪ Radiology and Diagnostics ▪ Medical Laboratory ▪ Pharmacy ▪ Infection Control and Sterilization
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Hospital Name	Tlaa Al Ali Hospital
location	Jordan - Amman - Al Tla'a Al Shamali
Number of Beds	55
General Description	The hospital was established in 2001 with a building area of 3,200 square meters. The hospital consists of three main sections, section of Gynecology, men section, and prematurity and pediatric section. The number of employees in Tlaa Al Ali Hospital amounts to 37 employees.
Provided Services	<ul style="list-style-type: none"> ▪ Emergency ▪ Medical Laboratory ▪ Radiology ▪ Dialysis ▪ Operations and General Surgery ▪ Pediatrics ▪ Gynecology ▪ Department of Dermatology and Internal Medicine

Hospital Name	Ibn Al - Haytham Hospital
location	Jordan - Amman - Madina Munawara St
Number of Beds	200
General Description	Ibn Al - Haytham Hospital was established in 1996. It is one of the important hospitals in Jordan for providing medical, technical and hotel services, with a capacity of 200 beds. The specialty clinics of the hospital amount to 38 clinics covering all medical specialties. The hospital also contains all the medical sections.
Provided Services	<ul style="list-style-type: none"> ▪ Cardiovascular Department ▪ Endoscopy Unit ▪ Ophthalmology Department ▪ Artificial kidney and Dialysis Unit ▪ Gynecology and Obstetrics ▪ Department of prematurity ▪ Gynecology& Advanced Endoscopic Surgery ▪ Genetics Laboratories ▪ Quality Assurance Department ▪ General Surgery ▪ Emergency Department ▪ Medical Laboratories ▪ Intensive and Cardiac Critical Care Units (ICCU) ▪ Respiratory Therapy

	<ul style="list-style-type: none"> ▪ Laser Hair Removal ▪ Pharmacy ▪ Clinic Electrical Physiology
Hospital Name	Specialty Hospital
location	Jordan - Amman - Shmeisani
Number of Beds	265
General Description	<p>Specialty Hospital was established in 1993, with a limited number of beds not exceeding 88 beds, the number of beds was doubled to become 265 beds, providing therapeutic, diagnostic, specialized and surgical services. The Specialty Hospital staff consists of 1,100 employees including doctors, pharmacists, nurses, technicians, engineers and administrators. The Hospital also includes 700 doctors and consultants in all medical specialties who provide their services to Jordanians and non-Jordanians patients.</p>
Provided Services	<ul style="list-style-type: none"> ▪ Emergency ▪ Department of Daily Cases ▪ Outpatient Clinics ▪ Diagnostic Services (laboratory, radiology and pharmacy) ▪ Internal Medicine and Surgery Departments ▪ Pediatric & Nursing Departments ▪ Endoscopy and Catheterization ▪ Sleep Disorders Treatment Laboratory ▪ Oxygen Therapy ▪ Lithotripsy & Artificial Kidney ▪ Laser Vision Correction ▪ Skin Care ▪ Treatment of Obesity ▪ Nuclear Medicine and Osteoporosis ▪ Neurology and EEG

Hospital Name	Gardens Hospital
location	Jordan - Amman - Jordan - Amman - Gardens Street
Number of Beds	105
General Description	<p>Gardens Hospital was established in 2014, It is a modern private hospital includes all medical specialties and composed of specialized medical staff and modern equipment in order to provide modern medical services.</p> <p>Gardens Hospital has in the internal and outpatient clinics more than 50 doctors of various specialties. Moreover, the hospital deals with a network of doctors who have outpatient clinics of various specialties.</p>
Provided Services	<ul style="list-style-type: none"> ▪ Emergency Room (ER) ▪ General and Specialized Laboratories Department ▪ Diagnostic and Therapeutic Radiology Department ▪ Cosmetic Laser Unit ▪ Physiotherapy and Rehabilitation Department ▪ Pharmacy Department ▪ Anesthesia Department ▪ Fertility and Genetics Unit ▪ Cardiac Catheterization Lab ▪ Intensive Care Unit ▪ Day Case Unit ▪ Lithotripsy Unit ▪ Neonatal Intensive Care Unit - prematurity ▪ Neonatal Care Unit ▪ Chronic And Acute Pain Treatment ▪ Laser Vision Correction ▪ Endoscopy Unit

3.5 Marketing Strategy

Target Market

The project targets the following customers:

- Jordanians patients, especially from Balqa Governorate and neighboring regions
- Nearby accident injuries, especially traffic accidents
- Patients who are covered by the private health insurance

Expected Products and Services

The expected project services include the following:

- Admission accommodation services for patients
- Emergency and ambulance services
- Surgical services
- Birth and Premature Birth Services
- Radiology services
- Laboratory services
- Pharmaceutical Services (Pharmacy)
- Other services for visitors such as the cafeteria and other.
- Internal specialized clinics (within the hospital)
- Intensive Care

Expected Price

The Pricing strategy for the project includes the following:

Table 24: Expected prices for services provided by the hospital

Item	Price (JD)
Accommodation services for patients per night	Ranging from (20-60) (depending on class / room)
emergency and ambulance services	20
Operations Services	Ranging from (100 - 2000) depending on the nature of the surgery
Birth and Premature Birth Services	Ranging from (350 - 1000)
Radiology Services	70% above the cost of radiology materials
Laboratory services	70% above the cost of Laboratory materials
medicines Services	35% above the cost of medicine

Promotion

The Promotional strategy for the project requires the following:

- Focus on famous specialist doctors in the Balqa Governorate and its surroundings to attract them to the hospital. For achieving this a focus should be on the existing level of quality and the quality and modern services provided by the hospital exclusively in Balqa Governorate.
- Focus on insurance companies and give them the advantages of lower prices and payment facilities. But it is important to highlight the benefits enjoyed by the hospital because of it being the first of its kind in the governorate to dispense going to private hospitals in Amman and thus reduce the bills paid to serve the persons insured thereby.
- Design a Web Site and a special page for the hospital on the social media.
- Design brochures for the hospital and its services
- Advertise the hospital in local newspapers and other media at the beginning of the project
- Set up billboards on the main streets.

Sale

The project's sale strategy includes the following:

- Receive patients directly
- Conclude contracts with insurance companies
- Work to conclude contracts with local and international associations and organizations

Services

The strategy to provide services for the project requires the following:

- Have doctors and nurses with extensive experience and good reputation.
- Focus on the quality of services and used materials
- Maintain permanent and ongoing hygiene
- Respect the rules of hygiene and cleanliness and public safety
- Maintain equipment on an ongoing basis
- Take interest in the proper appearance of the employees
- Take interest in good and decent treatment for patients.
- Take interest in providing the service for patients quickly
- The credibility in dealing with patients

3.6 The Expected Market Share

The following table shows the forecasted demand size on the key services of the private hospitals between 2015 and 2020. The estimate was based on the adoption of an increase rate equals to the average growth rate of the population for the last 5 years which is 2.82%. As the project is expected to start implementation in 2020, so the forecast for the first year of the project's market share is as follows:

Table 25: The volume of the expected demand for key services of the private hospitals in Balqa Governorate and share of the new hospital

Statement	2015	2016	2017	2018	2019	2020	The number of cases in the first year	Market share for the first year (%)
The estimated number of births cases in the private sector	1725	1774	1824	1875	1928	1982	400	20%
The Estimated number of surgical operations and admissions in the private sector	16249	16707	17178	17663	18161	18673	3000	%16

The following table shows the market share for the first ten years of the project.

Table 26: The expected market share for the project

Statement	First year	Second Year	Third Year	fourth year	fifth year	Sixth Year	Seventh year	eighth year	Ninth year	tenth year
The number of beds	55	55	55	55	55	55	55	55	55	55
Number of births	400	412	424	437	450	464	478	492	507	522
The number of surgical operations and Admissions	3.000	3.180	3.371	3.573	3.787	4.015	4.256	4.511	4.782	5.068
Market size (number of cases) *	20.655	21237	21836	22452	23085	23736	24406	25094	25802	26529
The total number of cases (new hospital) *	3.400	3.740	4.114	4.525	4.978	5.476	6.023	6.626	7.288	8.017
market share *	%16	%18	%19	%20	%22	%23	%25	%26	%28	%30

* The market share is calculated by finding the ratio of the number of cases of the new hospital from the total number of cases in the governorate, where these cases include the number of admissions, surgeries and births without counting the number of emergencies.

4. Technical Study

4.1 The Designed Project Capacity

The designed capacity of the project reaches 55 beds, which would require an area of buildings of about 3,000 m² and the purchase of land area of 2000 m². The following table shows the area required for the project.

Table 27: the area required for the project

Item	Unit (m ²)
Land (m ²)	2,000
Buildings (m ²)	3,000

4.2 The Required Fixed Assets

It is expected that the number of beds reaches 55 beds to meet the forecasted number of admissions to hospital based on the ratio of the number of beds to number of admissions in the private sector hospitals in the kingdom, amounting to 1.3%. Globally it is estimated that each hospital bed costs from JD 100-120 thousand. Accordingly and based on the expected number of beds, the maximum cost of the project is estimated at about JD 6.5 million. The following table shows the required fixed assets for the project.

Table 28: the space required Financial Resources

Item	Unit	Price (JD)	Value (JD)
Land (m ²)	2.000	100	200.000
Buildings (m ²)	3.000	450	1.350.000
Equipment	55	75,000	4.125.000
Transport vehicles	3	25.000	75.000
Information Technology	1	70.000	70.000
Other	-	-	20,000
solar energy system	-	-	650.000
Total			6.490.000

The numbers have been estimated on the basis of market study.

The following are the most important section of the hospital and the necessary equipments:

- A fully equipped operations room, with at least one equipped with an endoscopy devise
- A fully equipped delivery room
- A fully equipped recovery section
- Newborns beds
- Incubator for premature babies
- A fully equipped Intensive Care Unit ICU and Cardiac/Coronary Care Unit
- Women's, Men's and Children's Sections
- A Fully equipped Emergency section
- Respiratory therapy after Caesarean (IPPP)
- Artificial respiration devices (for recovery and the ICU and CCU)
- Physiotherapy Section
- Emergency trolley
- medication trolley
- Large sized Disinfectants
- Full automatic washing machines (big size)
- Small Sewing Workshop
- Mortuary
- Equipped kitchen and dining hall
- Furniture for the administration and departments
- Medical Gas Pipeline
- Lifts

The following table shows the general and special requirements for the establishment of the private hospitals which have to be observed in the process of development and execution of the project.

Table 29: general and specific requirements for hospitals

Statement	Conditions
Building	<ul style="list-style-type: none"> ▪ Be independent from any other building and have a large entrance for vehicle access and another for exit ▪ Have a refuge ▪ Be equipped with backup generators self operational to meet the necessary requirements of the building and approved by the Committee ▪ Be equipped with its own water tanks which must be sufficient to the hospital consumption of water at a minimum rate of 3½ m 3 per bed per day ▪ Be equipped with fuel tanks sufficient for a minimum of 2 weeks consumption ▪ Allow that all places prepared for use in the hospital including toilets and showers are equipped with adequate natural or artificial lighting and ventilation.

Statement	Conditions
	<ul style="list-style-type: none"> ▪ Have adequate central heating ▪ Have Plumbing pipelines sufficient for drinking water, hot water, and pipelines for disposal of wastewater ▪ Have available means to collect and dispose of the liquid and dry waste ▪ Have sufficient numbers of toilets and showers, a toilet per 6 beds, while private rooms with one bed or two beds shall have a shower and a toilet per room, taking into account that the toilets and showers of the private rooms shall not be included in the said rate. ▪ Have the means of firefighting and emergency stairs inspected and approved by the General Directorate of Civil Defense. ▪ The area of the hospital and hospital parks should not be less than three times the area of the ground floor of the building with the exception of maternity hospitals where the campus must not be less than two dunums in a public hospital and one dunum in the private hospital. ▪ Have the residence of the shift doctor (on duty) inside the hospital campus.
Ward Area	The area of a ward with two detached rooms with one bed in either of the two rooms for the patient shall not be less than 20 m ² .
Room	<ul style="list-style-type: none"> ▪ The area of excellent first class room with one bed shall not be less than 15 m². ▪ The area of first class room with one bed shall not be less than 12 m². ▪ The area of second class room with two beds shall not be less than 12 m². ▪ The area allocated for one patient in the second class room with three beds and more shall not be less than 6 m². ▪ The net minimum height of the room in the hospital shall be: <ul style="list-style-type: none"> ▪ Rooms: 2.70 m ▪ Kitchens: 2.35 m ▪ Bathrooms and Toilets: 2.10 m ▪ Each patient room in the hospital shall be Overlooking a balcony, a yard or Skylight from one side.
Stairs	<ul style="list-style-type: none"> ▪ The hospital shall have two detached staircases, one leading to the main street and the other to a an open space the minimum width for each is as follows: <ul style="list-style-type: none"> – Less than 50 beds – The first stair shall be 1.52 m – The second stair shall be 0.90 m – Above 50 beds: The first stair shall be 1.40 m – The second stair shall be 1.00 m
Lift	The hospital shall be equipped with lifts if the building exceeds two floors, provided that the number of lifts shall be in line with the building size and the number of beds in accordance with the committee's recommendations.

Statement	Conditions
Toilet area	The area of the toilet and bathroom shall not be less than 2 m ²
Main paths	The main lanes shall not be less than 2 m wide.
Parking for vehicles	The hospital shall have parking areas within the building area or in its site according to the appropriate engineering conditions and standards that gurantees the free movement of vehicles and parking at a rate of one vehicle per three beds
Cleanliness	<ul style="list-style-type: none"> ▪ The Director of the hospital shall ensure cleaning, bleaching and painting the hospital from outside in a manner acceptable by the committee. ▪ 10% of the total area of the hospital shall be planted with trees ▪ The use of basements in the hospital, if any, shall be limited to the necessary general services in the hospital such as the car parking, shelters, storage rooms, the water well, central heating rooms, cooling rooms and electricity conversion stations. ▪ Liquid waste and used water should be connected to public sewage, if any, and in case there are no public sewage network, the water should be connected to a precipitate and decomposition compound.
Specialist Hospital	<ul style="list-style-type: none"> ▪ The number of beds shall not be less than 15 beds ▪ It must have the devices and equipment set out in Annex No. (1) or the items determined by the Committee for each speciality hospital.
	<ul style="list-style-type: none"> ▪ The Minister shall, upon the recommendation of the committee, issue the instructions on the devices, equipment and the staff required for the hospital, and amend same and amend appendix No. (1) hereof. ▪ The hospital shall use additional beds temporarily in the event of accidents and emergency cases, where the use of such beds shall end as soon as the emergency case is treated.
Employees	<ul style="list-style-type: none"> ▪ The hospital's administration <ul style="list-style-type: none"> – Director of the hospital: This means that the hospital is required to have a full time employed and qualified director to whom the patients shall have access to easily. ▪ The employees' uniform shall consist of a jacket, trousers and a tie. ▪ Adequacy: This refers to the status of the employees in terms of physical fitness and healthiness where the employment shall require submitting health certificate to prove same. ▪ Scientific qualifications: The hospital shall appoint the graduates of the medical studies who are scientifically qualified. ▪ The number of the employees shall be sufficient. ▪ It shall be necessary that the hospital have a dressing place (cloth changing) for workers with an area commensurate with their number with the availability, of a sufficient number of bathrooms and means of hygiene in terms of drying towels, soap and toilet paper.

4.3 The Required Human Resources

The Ministry of Health Report of 2015 states that the rate of employees in the private sector is up to 2.1 employees per bed. The following table shows the human resources required for the project. It is estimated that the project needs (109) employees with total salaries of (JD 676,080) annually.

Table 30: The Required Human Resources Required for the Project

Item	Number of Employees	Monthly Salary (JD)	Total Value/ annually (JD)	Operational (JD/ annually)	Administrative (JD/ annually)
General Manager	1	4,000	48,000	-	48,000
Directors	2	1,300	31,200	-	31,200
Section Heads	10	700	84,000	-	84,000
Doctors	8	1,200	115,200	115,200	-
Nurses	50	400	240,000	240,000	-
Technicians	7	450	37,800	37,800	-
Receptionist	5	350	21,000	21,000	-
Accountant	4	400	19,200	-	19,200
HR	3	400	14,400	-	14,400
Administrative Jobs	7	400	33,600	-	33,600
Other	12	220	31,680	-	31,680
Total	109	9,820	676,080	414,000	262,080

The following table also shows the general job description of the functions required for the project.

Table 31: The General Job Description of the Job Functions Required for the Project.

Job	Job Description
General Manager	The general manager of the hospital is required to plan, organize, coordinate and control all matters related to the internal management of the hospital, participate in determining the hospital's policy and all work-related matters, review and oversee the analysis process of the reports submitted to the management, study and develop solution for the problems that arise, supervise the employees technically and administratively and raise their efficiency and observe the application of the instructions of occupational health and safety.
Technical Director	The technical director shall manage and follow-up work related to the center technically, distribute business in a scientific method, develop a clear policy for work, prepare and equip the hospital in terms of medical and non-medical equipments and tools, develop the work procedure and services

Job	Job Description
	provided, follow-up and supervise the training programs conducted at the hospital and ensure the controls and regulations in force.
Head of operations (surgeries) section	<p>The Head of the Operations Section shall:</p> <ul style="list-style-type: none"> ▪ Set the goals, objectives, policies and procedures for the operations (surgeries) section ▪ Set and propose the budget of the operations (surgeries) section and ensure the compliance with this budget. ▪ Set the statistics and reports on the section and conserve and submit periodic reports to the management of the hospital whenever requested. ▪ Manage, coordinate and oversee all surgical, clinical and administrative activities in the section. ▪ Ensure the preparation of the operation rooms table and the presence of the health team members. ▪ Coordinate with the nursing head in the operations unit in respect of the provision of the nursing staff and the operations –related problems and the conduct of the employees ▪ Ensure the commitment of all personnel in the operations unit to the required performance quality level and the infection prevention control programs. ▪ Follow upon the latest developments in the field of medicine and surgery. ▪ Participate in the administrative and medical committees in hospital.
Nurse	<p>The nurse is required to:</p> <ul style="list-style-type: none"> ▪ Handle matters related to sterilization actively and quickly. ▪ Prepare the patient to perform the specified procedures and assist in the evaluation of the patient's case. ▪ Assist the doctor in conducting the examinations and any procedures related to the direct care for the patient. ▪ Provide nursing care for the patient in the operation room, evaluate the results, consult the other specialists and amend the procedures related to nursing care whenever this is required to provide the best care for the patient. ▪ Follow up the health condition of the patient and communicate any changes to the right person. ▪ Observe the number of gauzes, surgical needles and instruments in accordance with the applicable surgical procedures to avoid losing any of them during the operation and record this in the prescribed form. ▪ Ensure continued care for the patient through all Phases of the operation by submitting a report including the significant information to the nurse in charge of the next treatment Phase. ▪ Provide psychological support to the patient, show interest in the comfort of the patient and maintain privacy during all Phases of the surgical procedures.
Ambulance and Emergency	<p>The Ambulance and Emergency Care Officer is required to:</p> <ul style="list-style-type: none"> ▪ Plan, organize, direct and control all the activities and services provided

Job	Job Description
Care	<p>by the Ambulance and Emergency Care Department in the Center.</p> <ul style="list-style-type: none"> ▪ Provide continuous supervision for the emergency cases. ▪ Develop the Work Procedures Manual for the Department and upgrade it from time to time. ▪ Prepare the continuous training and education program for the workers. ▪ Determine and follow up on providing the department's need for medical and non-medical instruments and equipment ▪ Distribute the manpower to cover the work in the department. ▪ Develop the department services to cope with the developments in the field. ▪ The membership in the relevant medical and technical committees ▪ Implement the Quality Control procedures related to the Department. ▪ Supervise the application of the principles and rules of occupational safety. ▪ Submit the periodical reports required to the technical services managr.
Radiology Technician	<p>The radiology technician is required to:</p> <ul style="list-style-type: none"> ▪ Inform the patients or the nurses of all the instructions required for any examination such as that the patient must be examined before taking breakfast or has to take a certain medicine, etc. ▪ Direct the patient to the dressing room to take off his clothes and all dark things that may absorb light and negatively affect the examination. ▪ Ensure receiving the radiological examination request referred by the treating doctor, determine the part to be examined and the patient position for radiological examination ▪ Help the patient to be in the required position on the imaging table. ▪ Adjust the x-rays tube, identify the X-rays beam and imaging factors required for each position, choose the size and type of the film for each test, put the letter and number referring to the patient on the clipboard and print patient's name and date of examination and technical number on the film. ▪ Clean the films Savers (cassettes) of any impurities sticking to them, clean gusset once a week and change the damaged plates with a new ones. ▪ Oversee the cleanup of the X- ray machine that he runs and ensure its soundness and report any malfunctionality. ▪ Does minor repairs in radiology device such as changing fuses etc. ▪ Processing the Radiograph made by him or other radiology assistants in accordance with the work schedule in the radiology department, prepare chemicals for Processing of the Radiograph, and cleaning the Radiograph Processing Equipment daily. ▪ Examine the film that after processing of radiograph it and decide over the functionality of the film in terms of imaging and radiographing and if the film is good display the film before the doctor to decide thereon, however, if it is not functional he shall have to repeat the imaging process. ▪ Do the X- ray for the admitted inpatients and operation rooms.

Job	Job Description
	<ul style="list-style-type: none"> ▪ Arrange the films and according to the X- ray applications separately, and then submit the films to the radiology specialist to write the reports ▪ Schedule the films so that they shall be ready when submitting the monthly or annual reports and arrange and archive the films
The laboratory technician	<p>The laboratory technician to perform the following tasks:</p> <ul style="list-style-type: none"> ▪ Draw the samples written in the medical report and save same in a scientific method recommended within the laboratory. ▪ Prepare and process samples separately and take medical and laboratory precautions in dealing with samples prepared with precision. ▪ Have interest in the application of quality rules in handling the laboratory instruments used in the medical analysis so as to reach the highest quality levels in measurements. ▪ Provide laboratory results with precision and review same under the supervision of the supervisor. ▪ Record the results after reviewing them in the reports allocated for each analysis separately.
Financial Director	<p>The financial Director shall:</p> <ul style="list-style-type: none"> ▪ Participate in the preparation of the budget for the hospital by coordination with the different Departments. ▪ Follow upon the preparation, review, amendment and adoption of regulations and administrative management of the administrative unit, which includes the procedures, rules, regulations, organizational structure, job functions, job descriptions and the authority matrix. ▪ Create the financial plans pertaining to the hospital and monitors the status of policies and procedures related to the financial plans and make sure they comply with laws and regulations. ▪ Prepare the budget estimates, including salaries, allowances, operational expenses, maintenance, operation programs, projects under implementation and new projects. ▪ Follow-up comparisons between accounts in coordination with the Operations Department.
Human Resources Director	<p>The Human Resources Director shall:</p> <ul style="list-style-type: none"> ▪ Provide all HR services such as recruitment, evaluation, prepare performance and promotions plans, etc, and work to prepare human resources' policies, rules, procedures and programs. ▪ Carry out the procedures and policies to ensure the staff presence, pay their financial dues accordingly and record the leaves of the employees. ▪ Oversee the preparation and updating of the data base of all vacant posts in the hospital in order to attract employees with the qualifications that fit the job requirements. ▪ Follow upon the reception of the applications incoming to the employment sector and oversee, sort and select the applications that meet business needs

Job	Job Description
IT manager	<p>The Director of Information Technology shall:</p> <ul style="list-style-type: none"> ▪ Develop and maintain the information technology systems used in the hospital to ensure the technical support of these systems, and follow-up information technology systems budget to ensure that the actual expenses do not exceed the estimated amounts. ▪ Oversee the performance of the operating systems used in the hospital, and implement regular maintenance and when necessary to keep them ready for use by the staff and doctors. ▪ Supervise the IT network performance, and ensure that it works efficiently and that it is maintained on a regular basis and when needed to remain ready for use by the staff and doctors. ▪ Ensure taking all necessary measures to secure the IT systems and information from loss or misuse, and to ensure the safe use of equipment and data according to the approved policies and procedures. ▪ Follow upon the developments in the field of information technology systems and seek to apply them in the hospital by updating and modifying the systems in use, or by the development of new systems to ensure the highest quality.
Warehouse Manager	<p>The warehouse manager shall:</p> <ul style="list-style-type: none"> ▪ Develop the procedures, rules and regulations that ensure the implementation of the drawn plans, policies and strategies. ▪ Follow-up operations of receipt, checking and documenting all materials, supplies and medical instruments that are purchased in accordance with the policies and procedures in the hospital. ▪ Ensure encoding all materials, medical supplies, tools and spare parts that are purchased by the approved coding system in the hospital. ▪ Ensure the effective storage of the materials according to the hospital procedures manual, and contribute to the development of these procedures to increase work efficiency. ▪ Control and monitor inventory levels in warehouses to ensure availability of the necessary quantities constantly and make sure to seek medical material levels in order to be provided in a timely manner. ▪ Oversee the inspection of inventory operations and ensure management commitment to the implementation of policies and procedures in place.

4.4 The Required Licenses

The Following Table Shows the licenses required from different bodies for the implementation of the Project.

Table 32: The Required Licenses for the Project

Statement	Analysis
company registration and Liscencing	Ministry of Industry and Commerce Ministry of Health
Operation	Health, social security, income and sales tax.

4.5 Project Timetable

The following table shows the timeline for the implementation of the projects which is estimated at 24 months as follows:

Phase	First Year (in Months)												Second Year (in Months)											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Studies	■																							
Approvals, registration and Liscencing of the company		■	■	■	■	■	■																	
Construction and Cleaning								■	■	■	■	■	■	■	■	■	■	■	■	■				
Equipping and Furnishing																	■	■	■	■	■			
Employment and Commissioning																						■	■	■
Total Duration	24 months																							

5. Financial Study

5.1 Financial Assumptions

The following table illustrates the financial assumptions of the project.

Table 33: the financial assumptions of the project

Item	Assumption
Inflation Rate	3%
Financing Structure	Equity constitutes 75% of the investment and loans constitute 25%
Interest Rate	9%
Working Capital	Costs of 6 months
Pre-Operating Expenses	JD 50,000
Tax Rate	20%
Exemptions	Fixed assets are exempted from customs and tax exemptions by 40% of the income tax
The Cost Of Medical Supplies	5% of revenue
Drugs (Medicine)	65% of drugs revenue
Laboratory Materials	30% of laboratory revenue
Radiology Materials	30% of radiology revenue
Food Beverage And Related Suppliers	7% of revenue
Cleaning And Sterilizing Materials	1% of revenue
Staff Benefits	35% of salaries
Annual Salaries Increase	7%
Staff Incentives	0.5% of revenue
Assets Depreciation Rate	4%-20% of the asset value
Maintenance cost	0.5 % of the investment
Cost of Electricity & Water	0.2% of revenue
Other Operational Costs	JD 10,000
Accounts Receivable	16% of the operational costs
Inventory	3% of revenue

5.2 Investment Cost

The project's Investment cost is estimated at JD 6.8 million distributed among fixed assets of JD 6.5 million, and working capital and pre-operating expenses of about JD 306 thousand. The following table shows the project's Investment cost.

Table 34: the project's investment cost

Item	Value (in thousand JD)
Fixed assets	6,490
Pre-operating expenses	50
Working capital	256
Total	6,796

5.3 Financing

The project will be financed with the shareholders by 75% which is estimated at about JD 5 million, while the other 25% of the project investment cost will be financed through bank loans of about JD 1.7 million. The following table shows the financing schedule for to the implementation of the project.

Table 35: Project financing structure

Item	Value (in thousand JD)	%
Equity	5,097.1	75%
Loan	1,699.0	25%
Total	6,796	100%

5.4 Revenues

The following table shows the total revenues of the project, where it is noted that the revenues in the first year amounts to about JD 22 million, and increased to reach up to JD 4.7 million in the tenth year.

Table 36: project revenue

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue- Deliveries										
Number of beds	4	4	4	4	4	4	4	4	4	4
Occupancy rate	55%	56%	58%	60%	62%	64%	65%	67%	69%	71%
Number of days	365	365	365	365	365	365	365	365	365	365
Total cases	400	412	424	437	450	464	478	492	507	522
Number of daily cases	101	101	102	102	102	103	103	103	104	104
The average cost per patient	500	515	530.5	546.4	562.8	579.6	597	614	633.4	652.4
Total revenue	200,000	212,180	225,102	238,819	253,354	268,783	285,152	302,518	320,941	340,487
Revenue- Pediatrics & Prematurity										
Number of beds	3	3	3	3	3	3	3	3	3	3
Occupancy rate	55%	56%	58%	60%	62%	64%	65%	67%	69%	71%
Total cases	40	41	42	44	45	46	48	49	51	52
The average cost per patient	600	618	636.5	655.6	675.3	695.6	716.4	737.9	760.1	782.9
Total revenue	24,000	25,462	27,012	28,657	30,402	32,254	34,218	36,302	38,513	40,858
Revenue- Admissions & Surgeries										
Number of beds	43	43	43	43	43	43	43	43	43	43
Occupancy rate	42%	45%	47%	50%	53%	56%	60%	63%	67%	67%
Number of days	365	365	365	365	365	365	365	365	365	365
Total cases	3,000	3,180	3,371	3,573	3,787	4,015	4,256	4,511	4,782	6,068
Number of cases	8	9	9	10	10	11	12	12	13	14
The average cost per patient	600	618	636.5	655.6	675.3	695.6	716.4	737.9	760.1	782.9
Total revenue	1,800,000	1,965,240	2,145,649	2,342,620	2,557,672	2,792,466	3,048,815	3,328,696	3,634,270	3,967,896
Revenue- Emergency										
Number of beds	5	5	5	5	5	5	5	5	5	5
Occupancy rate	27%	29%	30%	32%	33%	35%	37%	39%	40%	43%
Number of days	365	365	365	365	365	365	365	365	365	365

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Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total cases	3,000	3,150	3,308	3,473	3,647	3,829	4,020	4,221	4,432	4,654
Number of cases	8	9	9	10	10	10	11	12	12	13
The average cost per patient	15	15.5	15.9	16.4	16.9	17.4	17.9	18.4	19	19.6
Total revenue	45,000	48,668	52,634	56,924	61,563	66,580	72,006	77,875	84,222	91,086
Revenues										
Deliveries & pediatrics	224,000	237,642	252,114	267,468	382,756	301,037	319,370	338,820	359,454	381,345
Admissions & surgeries	1,800,000	1,965,240	2,145,649	2,342,620	2,557,672	2,792,466	3,048,815	3,328,696	3,634,270	3,967,896
Emergency revenue	45,000	48,668	52,634	56,924	61,563	66,580	72,006	77,875	84,222	91,086
Total of surgeries revenue	2,069,000	2,251,549	2,450,397	2,667,011	2,902,991	3,160,084	3,440,192	3,745,391	4,077,946	4,440,327
After subtracting surgeries wages	(827,600)	(900,620)	(980,159)	(1,066,804)	(1,161,197)	(1,264,034)	(1,376,077)	(1,498,156)	(1,631,179)	(1,776,131)
Net revenue of admissions & surgeries	1,241,400	1,350,929	1,470,238	1,600,207	1,741,795	1,896,050	2,064,115	2,247,235	2,446,768	2,664,196
Drug revenue	310,350	337,732	367,560	400,052	435,449	474,013	516,029	561,809	611,692	666,049
Laboratory revenue	227,690	247,670	269,544	293,371	319,329	347,609	378,421	411,993	448,574	488,436
Radiology revenue	227,590	247,670	269,544	293,371	319,329	347,609	378,421	411,993	448,574	488,436
Physical Therapy revenue	62,070	67,546	73,512	80,010	87,090	94,803	103,206	112,362	122,338	133,210
Other revenue	124,140	135,093	147,024	160,021	174,179	189,605	206,412	224,723	244,677	266,420
Total revenue (thousand JD)	2,193	2,387	2,597	2,827	3,077	3,350	3,647	3,970	4,323	4,707

5.5 The Projected Costs

Operating Costs

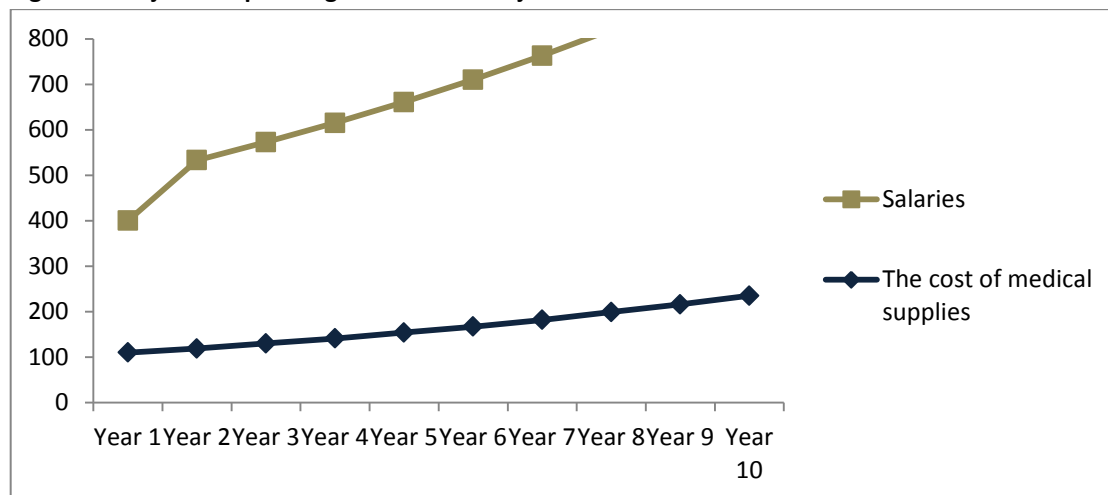
the following table shows the project's operating costs according to the previous assumption over ten years. The medical supplies costs in Year 1 amounted to JD 110,000 which increase to reach JD 230,000 in Year 10. Moreover, the salaries' cost amount to JD 290,000 in Year 1 which increases to JD 711 thousand in year 10.

The following tables show the projected operating costs of the project over the first ten years.

Table 37: Operating Costs of the Project

Operating Costs (in thousand JD)										
Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Salaries	290	414	443	474	507	543	581	621	665	711
Staff Benefits	101	145	155	166	178	190	203	217	233	249
The Cost Of Medical Supplies	110	119	130	141	154	167	182	199	216	235
Medicines	202	220	239	260	283	308	335	365	398	433
Laboratory Materials	68	74	81	88	96	104	114	124	135	147
X- Ray Materials (Radiology)	68	74	81	88	96	104	114	124	135	147
Food, Beverage And Related Supplies	15	17	18	20	22	23	26	28	30	33
Cleaning And Disinfecting Materials	22	24	26	28	31	33	36	40	43	47
Electricity And Water	5	6	6	6	7	7	8	8	9	9
Depreciation	525	525	525	525	525	525	525	525	525	525
Maintenance	97	101	106	112	117	123	129	136	143	150
Others	22	24	26	28	31	33	36	40	43	47
Total	1,525	1,742	1,836	1,936	2,045	2,162	2,289	2,425	2,573	2,732

Figure 3: Projected Operating Costs of the Project



Administrative Expenses

The following table shows the projected administrative expenses of the project. Employees' salaries reach JD 262.1 thousand in the first year and increase to JD 481.8 thousand in the tenth year. The marketing expenses are about JD 5.4 thousand in the first year and increase to reach JD 9.3 thousand in the tenth year.

Table 38: General and Administrative Expenses

General and Administrative Expenses (in thousand JD)										
Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Salaries	262.1	280.4	300.1	321.1	343.5	367.6	393.3	420.8	450.3	481.8
Staff Benefits	91.7	98.1	105.0	112.4	120.2	128.7	137.7	147.3	157.6	168.6
Staff Incentives	13.5	14.4	15.3	16.2	17.2	18.2	19.4	20.6	21.8	23.2
Stationery	12.0	12.6	13.2	13.9	14.6	15.3	16.1	16.9	17.7	18.6
Professional Fees	3.0	3.2	3.3	3.5	3.6	3.8	4.0	4.2	4.4	4.7
Marketing Expenses	5.4	5.8	6.1	6.5	6.9	7.3	7.7	8.2	8.7	9.3
Other Expenses	10.0	10.5	11.0	11.6	12.2	12.8	13.4	14.1	14.8	15.5
Amoratzation	50	-	-	-	-	-	-	-	-	-
Total	447.8	425.0	454.0	485.0	518.2	553.7	591.6	632.1	675.4	721.7

5.6 Projected Financial Statements

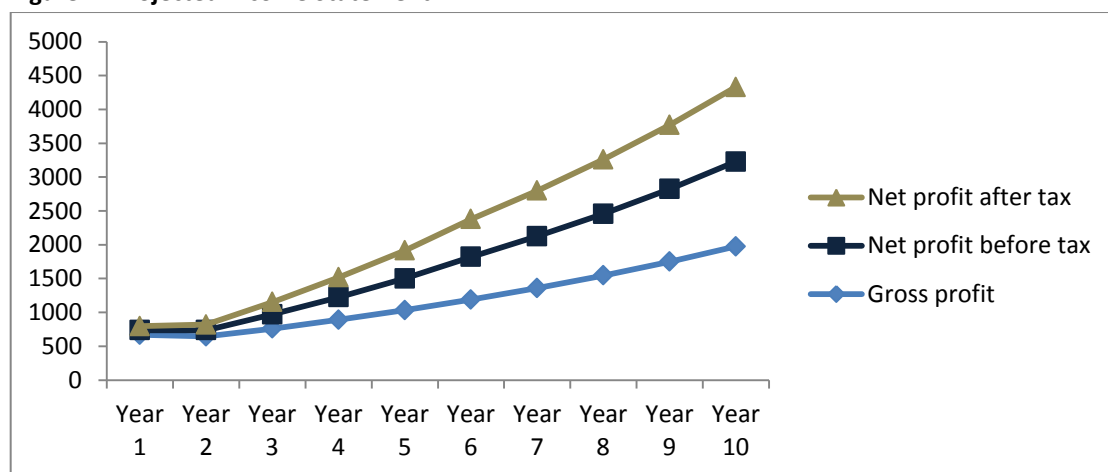
Income Statement

The following table shows the projected income statement of the project. It indicates that gross profit will increase from JD 668.3 thousand in the first year to JD 1.9 million in the tenth year. The net profit before tax will also increase from JD 67.6 thousand in the first year to JD 1.2 million in the tenth year, and the net profit after tax will increase from JD 59.5 thousand in the first year to JD 1.1 million in the tenth year.

Table 39: The Projected Income Statement

Income Statement(in thousand JD)										
Item	Year 1	Year 2	Year 3	Year4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenues	2,193.1	2,386.6	2,597.4	2,827.0	3,077.2	3,349.7	3,646.6	3,970.1	4,322.6	4,706.7
Operating costs (cost of sales)	1,524.8	1,742.4	1,835.7	1,936.3	2,045.0	2,162.2	2,288.7	2,425.4	2,572.9	2,732.2
Gross profit	668.3	644.2	761.7	890.7	1,032.2	1,187.5	1,357.9	1,544.7	1,749.7	1,974.5
Administrative expenses	397.8	425.0	454.0	485.0	518.2	553.7	591.6	632.1	675.4	721.7
Net profit	270.5	219.3	307.7	405.6	514.0	633.8	766.3	912.6	1,074.3	1,252.9
financial expenses	152.9	125.9	98.9	71.9	44.9	-	-	-	-	-
Amoratzation	-	-	-	-	-	-	-	-	-	-
Net profit before tax	67.6	93.4	208.8	333.7	469.1	633.8	766.3	912.6	1,074.3	1,252.9
Tax	8.1	11.2	25.1	40.0	56.3	76.1	92.0	109.5	128.9	150.3
Net profit after tax	59.5	82.2	183.8	293.7	412.8	557.7	674.3	803.1	945.4	1,102.5

Figure 4: Projected Income Statement



Projected Balance Sheet

The following table shows the projected balance sheet of the project during the first ten years. It indicates that total assets will increase from JD 6.8 million in the year of incorporation to about JD 7 million in the tenth year.

Table 40: Projected financial position statement

Projected Balance Sheet (In thousand JD)											
Statement	Year of incorporation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assets											
Cash	256	519	781	1,052	1,354	1,526	2,007	2,721	3,472	4,264	5,102
Receivables	-	183	199	216	236	256	279	304	331	360	392
Inventory	-	81	86	92	97	103	109	116	123	131	139
Other assets	-	22	24	26	28	31	33	36	40	43	47
Total current assets	256	805	1,090	1,386	1,715	1,917	2,429	3,177	3,966	4,799	5,681
Fixed assets	6,540	6,540	6,540	6,540	6,540	6,705	6,705	6,705	6,705	6,705	6,705
Cumulative Depreciation	-	575	1,099	1,624	2,148	2,673	3,197	3,722	4,246	4,771	5,295
Pre-operating expenses	-	-	-	-	-	-	-	-	-	-	-
Net assets	6,540	5,966	5,441	4,917	4,392	4,033	3,508	2,984	2,459	1,935	1,410
Total assets	6,796	6,770	6,531	6,302	6,107	5,949	5,937	6,161	6,425	6,733	7,091
Shareholders Equity And Liabilities											
Accrued Expenses And Payables	-	256	293	308	325	344	363	385	407	432	459
Long Term Loans	1,699	1,399	1,099	799	499	199	-	-	-	-	-
Total Liabilities	-	1,655	1,392	1,107	824	543	363	385	407	432	459
Shareholders Contributions	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097
Retained Earnings	-	18	43	98	186	310	477	679	920	1,204	1,535
Shareholders' Equity	5,097	5,115	5,140	5,195	5,283	5,407	5,574	5,776	6,017	6,301	6,632
Shareholder Equity And Liabilities	6,796	6,770	6,531	6,302	6,107	5,949	5,937	6,161	6,425	6,733	7,091

Cash Flow Statement

The following table shows the projected cash flow statement of the project during the first ten years. It indicates that the cash flow from operation activities will increase from JD 604 thousand in the first year to JD 1.6 million in the tenth year; while the Cash at the ending period will increase from JD 256 thousand in the year of incorporation to JD 5.1 million in the tenth year.

Table 41: The expected cash flows statement

Cash Flow Statement (in thousand JD)											
Statement	Year of incorporation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operation Activities											
Net profit	-	60	82	184	294	413	558	674	803	945	1,103
Depreciation	-	575	525	525	525	525	525	525	525	525	525
Change in working capital	-	(30)	14	(9)	(10)	(11)	(12)	(13)	(14)	(16)	(17)
Cash flow from operation	-	604	620	699	808	926	1,070	1,186	1,313	1,454	1,610
Investing Activities											
Fixed assets	(6,540)	-	-	-	-	(165)	-	-	-	-	-
Cash flow from investment	(6,540)	-	-	-	-	(165)	-	-	-	-	-
Financing Activities											
Capital (Equity)	5,097	-	-	-	-	-	-	-	-	-	-
Loan	1,699	(300)	(300)	(300)	(300)	(300)	(199)	-	-	-	-
dividends	-	(42)	(58)	(129)	(206)	(289)	(390)	(472)	(562)	(662)	(772)
Cash flow from financing activities	6,796	(342)	(358)	(429)	(506)	(589)	(589)	(472)	(562)	(662)	(772)
Net cash flow	256	263	263	270	302	172	481	714	751	792	838
Cash at the beginning period	0	256	519	781	1,052	1,354	1,526	2,007	2,721	3,472	4,264
Cash at the ending period	256	519	781	1,052	1,354	1,526	2,007	2,721	3,472	4,264	5,102

5.7 Financial, Economic and Social Analysis

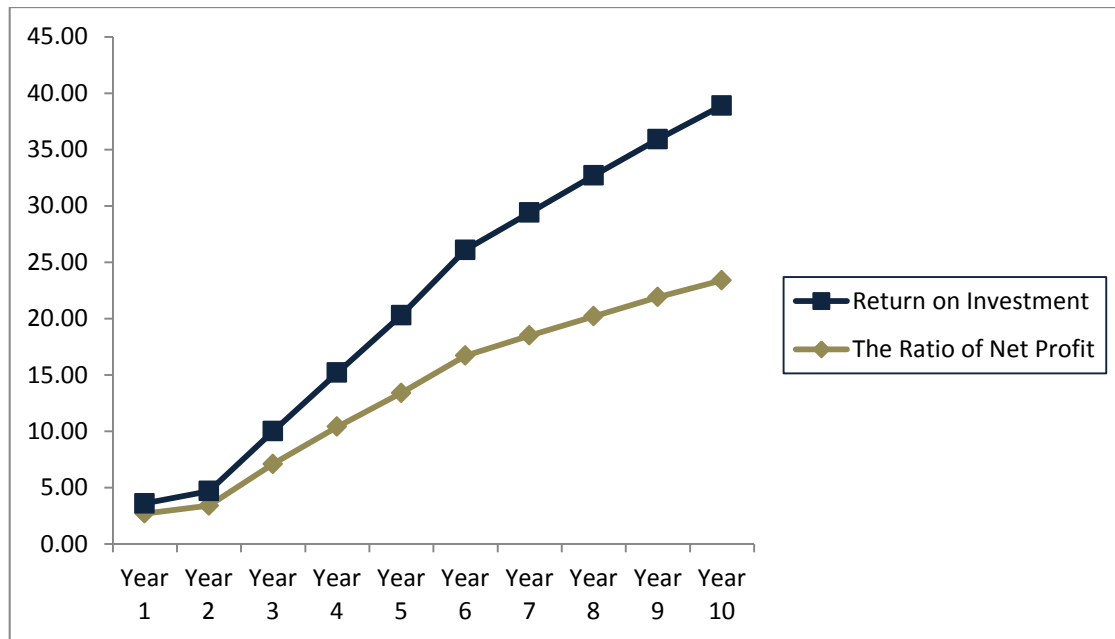
Financial Analysis

The following table shows the financial analysis of the project. It indicates that the net profit ratio will increase from 2.7% in the first year to 23.4% in the tenth year, and the return on investment will increase from 0.9% in the first year to 15.5% in the tenth year.

Table 42: Financial Analysis

Financial Analysis (In Thousand JD)										
Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Assets	6,770	6,531	6,302	6,107	5,949	5,937	6,161	6,425	6,733	7,091
Revenues	2,193	2,387	2,597	2,827	3,077	3,350	3,647	3,970	4,323	4,707
Profits	60	82	184	294	413	558	674	803	945	1,103
Capital (Equity)	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097
Net Profit %	2.7%	3.4%	7.1%	10.4%	13.4%	16.7%	18.5%	20.2%	21.9%	23.4%
Return On Investment (ROI)	0.9%	1.3%	2.9%	4.8%	6.9%	9.4%	10.9%	12.5%	14.0%	15.5%
Return On Capital (ROC)	1.2%	1.6%	3.6%	5.8%	8.1%	10.9%	13.2%	15.8%	18.5%	21.6%
Net Profit On Revenues	2.7%	3.4%	7.1%	10.4%	13.4%	16.7%	18.5%	20.2%	21.9%	23.4%
Assets Turnover (Time)	0.32	0.37	0.41	0.46	0.52	0.56	0.59	0.62	0.64	0.66

Figure 5: The Financial Analysis



Economic Analysis

The following table shows the economic analysis of the project during the first ten years, we conclude that:

- Internal rate of return was 18%. It exceeded four times the rate of return on assets, which means the economic feasibility of the project
- The present value of the project reached about JD 7.1 million. It exceeds the investment with JD 346 thousand, which means the economic feasibility of the project.
- The profitability index of the project reached 1.4 times, which means that the expected value of the project will increase by one time and half of the investment value, which indicates that the project is feasible.
- The project payback period is 7.7 years.

Table 43: The Economic Analysis

Economic Analysis (thousand JD)											
Statement	Year of incorporation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net cash flow from operations and investment	(5,097)	304	320	399	508	626	871	1,186	1,313	1,454	1,610
Terminal Value	-	-	-	-	-	-	-	-	-	-	11,269
Net Cash flow	(5,097)	304	320	399	508	626	871	1,186	1,313	1,454	12,879
Internal Rate of	18.0%										

Economic Analysis (thousand JD)											
Statement	Year of incorporation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Return (IRR)											
Present Value	7,142										
Net present value	2,045										
Profitability Index (Time)	1.40										
Payback period (Year)	7.7										

Social Analysis

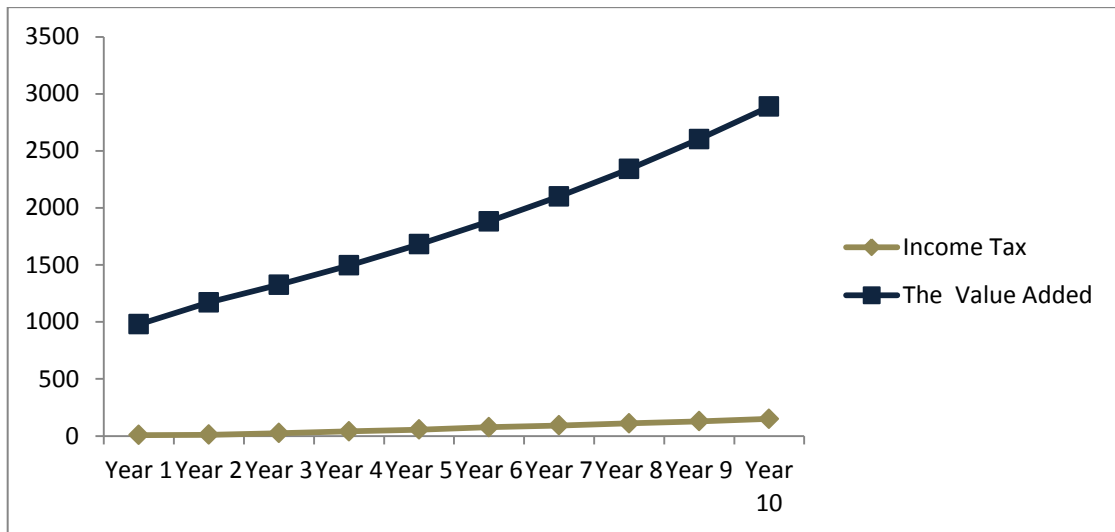
The following table shows the social analysis of the project. It is noticed that the number of staff required for the project will increase from 109 employees in the first year to 169 employees in the tenth year. All these employment opportunities will be for Jordanians.

The added value of the project will also increase from JD 979 thousand in the first year to JD 2.9 million in the tenth year. The income tax will also increase from JD 8 thousand to reach JD 150 thousand in the tenth year.

Table 44: the Social Analysis

Social Analysis										
Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Number of Employees	109	114	120	126	132	139	146	153	161	169
Jordanian employees	109	114	120	126	132	139	146	153	161	169
The added value - thousand dinars	979	1,171	1,326	1,495	1,680	1,881	2,100	2,340	2,602	2,887
Income tax (thousand JD)	8	11	25	40	56	76	92	110	129	150
sales tax value – thousand JD	-	-	-	-	-	-	-	-	-	-
Exports value / imports substitution	-	-	-	-	-	-	-	-	-	-

Figure 6: the social analysis



6. Risk and Sensitivity Analysis

6.1 Risk Analysis

The following table shows the risk matrix analysis that may face the project.

Table 45: Project risk matrix

Risks	Type of Risks	Risk Assessment
Financial Risks	<ul style="list-style-type: none"> ▪ Credit Risk Credit risk represents the risk of the company's financial loss as a result of the customer's default of the contractual obligation or that of the party dealing with the company through a financial instrument. These risks are mainly caused by trade receivables and others. ▪ Liquidity Risk Liquidity risk is the risk resulting from the company's inability to meet its financial obligations at time. The company's liquidity management is to ensure as much as possible that the company always maintain enough liquidity to meet its obligations as they become due and payable in normal and emergency conditions without incurring unacceptable losses or risks that affect the company's reputation. ▪ Risk Of Currency Fluctuation Currency risk is the risk of the fluctuation of the value of financial instrument, due to fluctuations in foreign currency exchange rates. ▪ inflation risk It is the risk associated with the possibility that the 	<ul style="list-style-type: none"> ▪ The financial risks that may face the company are low, because the company payment method is cash ▪ There is no risk of currency exchange, because the company sales and purchases by local currency ▪ There is no risk of inflation because the company's pricing is based on a periodic basis

Risks	Type of Risks	Risk Assessment
	<p>inflation or the rise in the cost of living might lead to the decrease the real value of the investment.</p>	
<p>Business risk (sector risk)</p>	<ul style="list-style-type: none"> ▪ Strategic Risk It is the risk resulting from taking bad decisions by the company's management, or implementing the decisions in a wrong way, or not taking the decisions at the right time; which leads to losses or causes loss of alternative opportunities. ▪ Legal and Regulatory Risks These risks are reflected as a result of non-compliance with laws, guidelines and instructions governing the work. Legal risks are caused by the company's break of the laws governing the work in the state in which the company operates. While regulatory risks arise from the company's violation of laws and standards issued by the regulatory authorities. ▪ Reputation Risk Reputation risk arises from influential negative public views which result in great losses of customers or money. It includes the actions of the company's management or its employees which project a negative image of the company, its performance and its relationships with customers and other stakeholders. Reputation risk also results from circulating rumors about the company and its activities. ▪ Competition Risk Competition risk results from 	<ul style="list-style-type: none"> ▪ The risks are considered low before the company's establishment, because of getting the approval of the official authorities ▪ Reputational risk is very high, as the company deals with very sensitive issues such as food and beverages ▪ Market risk in the short term will be low because of the low competition from the private sector

Risks	Type of Risks	Risk Assessment
Operational Risk	<p>domestic and external competetors and reduces sales and profits.</p> <p>Operational risk involves losses resulting from the failure of internal operations, human resources and systems. It includes:</p> <ul style="list-style-type: none"> ▪ IT Risks They are losses arising from downtime or systems failure due to the infrastructure, information technology, or the lack of systems, and any failure or malfunction in the systems. They include: the crash of computer systems, breakdowns in communication systems, programming errors, computer viruses and opportunities losses due to breakdown. ▪ Human Resources Risk Losses caused by employees or related to them (intentionally or unintentionally). It also includes acts that are intended as methods of cheating, abusing property or circumvent the law, regulations or company policy by officials or employees, as well as losses arising from the relationship with the customer, shareholders, regulators and any third party. 	<ul style="list-style-type: none"> ▪ Operational risks are very low, for the company will contract with specialized technical bodies to develop the required information systems, in order to manage operations ▪ Competitive salaries will be paid ▪ Information security plan will be put in place to safely keep the company information
State Risk	<p>State Risk includes politicians' interference, civil unrest, wars, financial and monetary policies and high level of debts.</p>	<ul style="list-style-type: none"> ▪ State Risk is considered to be low, due to security and political stability; international reports indicate that State Risk is low both in medium and long terms

6.2 Sensitivity Analysis

First: Increase of Investment cost by 10%

The following table shows the results of the sensitivity analysis when investment cost increases by 10%.

Table 46: Investment Increase by 10%

Index	Base	Impact	Change
Internal Rate of Return (IRR)	18.0%	16.2%	1.8%
The Present Value at a discount rate of 13% (in Thousand JD)	7142.4	7013.5	128.9
Net Present Value at a discount rate of 13% (in Thousand JD)	2045.3	1406.7	638.7
Profitability Index (Time)	1.4	1.3	0.2
Payback period (Year)	7.7	8.2	-0.5
The Net Profit Ratio – an average of 10 years	13.8%	13.5%	0.3%
Return on Investment - an average of 10 years	7.9%	7.2%	0.7%
Return on Capital – an average of 10 years	10.0%	9.0%	1.0%
Net profit on Revenue - an average of 10 years	13.8%	13.5%	0.3%
Assets Turnover (Time)– an average of 10 years	0.52	0.47	0.04
The added value - an average of 10 years (in thousand JD)	1846.1	1846.1	0.0
income tax - an average of 10 years (in thousand JD)	69.8	68.8	0.9
sales tax - an average of 10 years (in thousand JD)	0.0	0.0	0.0

The above analysis refers to the feasibility of investment in the project, in light of the high cost of the total investment of the project, which increased by 10%. It is noted that:

- the internal rate of return reaches 16.2%, which is considered high for investment purposes
- the new payback period is 8.2 years, and it is reasonable for recovery purposes
- the return on capital is 9%, which is suitable for investment purposes

Second: Reducing Revenues by 10%

The following table shows the results of the sensitivity analysis when reducing revenues by 10%.

Table 47: reducing revenues 10%

Index	Base	Impact	Change
Internal Rate of Return (IRR)	18.0%	12.4%	5.6%
The Present Value at a discount rate of 13% (in Thousand JD)	7142.4	4873.6	2268.9
Net Present Value at a discount rate of 13% (in Thousand JD)	2045.3	-223.5	2268.9
Profitability Index (Time)	1.4	1.0	0.4
Payback period (Year)	7.7	9.6	-1.9
The Net Profit Ratio – an average of 10 years	13.8%	5.5%	8.2%
Return on Investment - an average of 10 years	7.9%	3.8%	4.1%
Return on Capital – an average of 10 years	10.0%	4.3%	5.7%
Net profit on Revenue - an average of 10 years	13.8%	5.5%	8.2%
Assets Turnover (Time)– an average of 10 years	0.52	0.50	0.01
The added value - an average of 10 years (in thousand JD)	1846.1	1515.3	330.8
income tax - an average of 10 years (in thousand JD)	69.8	30.1	39.7
sales tax - an average of 10 years (in thousand JD)	0.0	0.0	0.0

The above analysis shows the low sensitivity of the project in the case of reducing the revenues or demand by 10%. It indicates that:

- the internal rate of return is 12.4%, which is considered high for investment purposes
- the new payback period is 9.6 years and it is reasonable for recovery purposes
- the return on capital reaches 4.3%, which is suitable for investment purposes

Third: Increasing the Operating Costs by 10%

The following table shows the results of the sensitivity analysis when increasing the operating costs by 10%.

Table 48: Increasing the Operating Costs by 10%

Index	Base	Impact	Change
Internal Rate of Return (IRR)	18.0%	14.5%	3.5%
The Present Value at a discount rate of 13% (in Thousand JD)	7142.4	5690.2	1452.3
Net Present Value at a discount rate of 13% (in Thousand JD)	2045.3	593.1	1452.3
Profitability Index (Time)	1.4	1.1	0.3
Payback period (Year)	7.7	8.9	-1.2
The Net Profit Ratio – an average of 10 years	13.8%	8.0%	5.8%
Return on Investment - an average of 10 years	7.9%	5.4%	2.6%
Return on Capital – an average of 10 years	10.0%	6.4%	3.7%
Net profit on Revenue - an average of 10 years	13.8%	8.0%	5.8%
Assets Turnover (Time)– an average of 10 years	0.52	0.54	-0.03
The added value - an average of 10 years (in thousand JD)	1846.1	1633.4	212.7
income tax - an average of 10 years (in thousand JD)	69.8	44.2	25.5
sales tax - an average of 10 years (in thousand JD)	0.0	0.0	0.0

The above analysis shows the feasibility of the project in light of increasing the operating costs of the project by 10%. It indicates that:

- the internal rate of return is 14.5%, which is considered high for investment purposes
- the new payback period is 8.9 years and it is reasonable for recovery purposes
- the return on capital is 6.4%, which is suitable for investment purposes