

GIZ JORDAN
EMPLOYMENT-ORIENTED MSME PROMOTION PROJECT (MSME)

JORDAN'S TOURISM SECTOR ANALYSIS AND STRATEGY FOR SECTORAL IMPROVEMENT



Authors: Ms Maysaa Shahateet, Mr Kai Partale

Published in May 2019



GIZ JORDAN

EMPLOYMENT-ORIENTED MSME PROMOTION PROJECT (MSME)

JORDAN'S TOURISM SECTOR ANALYSIS AND STRATEGY FOR SECTORAL IMPROVEMENT



Authors: Ms Maysaa Shahateet, Mr Kai Partale

Published in May 2019



Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

وزارة السياحة والآثار
Ministry of Tourism & Antiquities



TABLE OF CONTENTS

| | |
|--|-----------|
| ABBREVIATIONS | 05 |
| EXECUTIVE SUMMARY | 06 |
| 1 INTRODUCTION | 08 |
| 1.1 Context | 09 |
| 1.2 Scope and methodology of study | 09 |
| 2 SECTOR PROFILE | 12 |
| 2.1 Brief sector description | 13 |
| 2.2 Jordan's tourism value chain | 14 |
| 2.3 Jordan's tourism performance: an overview | 16 |
| 2.4 Jordan's tourism competitiveness and business enabling environment | 18 |
| 2.5 International, regional and domestic markets and trends | 21 |
| 2.6 Conditions and implications for Jordan's tourism sector | 22 |
| 3 MSME INFLUENCERS AND SUB-SECTORS | 26 |
| 3.1 Profiling of MSME influencers supporting the sub-sectors | 27 |
| 3.1.1 Tourism MSME supply and employment | 27 |
| 3.1.2 Description of MSME products, services and business models | 29 |
| 3.1.3 Promotion and distribution by MSMEs | 30 |
| 3.1.4 Competitive performance and trends | 31 |
| 3.2 Sub-sector characteristics | 32 |
| 3.2.1 Culture and heritage tourism – priority sub-sector | 33 |
| 3.2.2 Adventure tourism – priority sub-sector | 37 |
| 3.2.3 Faith tourism | 40 |
| 3.2.4 Beach and sun tourism | 41 |
| 3.2.5 Medical and wellness tourism | 41 |
| 3.2.6 MICE tourism | 42 |
| 3.2.7 Film tourism | 43 |



| | | |
|-----|---|----|
| 4 | CHALLENGES AND OPPORTUNITIES | 44 |
| 5 | STRATEGIC INTERVENTIONS | 50 |
| 5.1 | Improving MSMEs' competitiveness in the tourism sector | 52 |
| 5.2 | Enhancing competences of tourism MSMEs and employment | 56 |
| 5.3 | Improving the business climate through policies and governance facilitating MSMEs | 58 |
| 6 | ANNEXES | 61 |
| 6.1 | Bibliography | 62 |
| 6.2 | Sector interviews and validation meetings | 64 |
| 6.3 | Associations / Chambers and Business Service Providers | 66 |



LIST OF FIGURES

| | | |
|-------------------|--|----|
| Figure 1: | Institutional set-up of tourism in Jordan | 13 |
| Figure 2: | Model of a tourism value chain in Jordan | 14 |
| Figure 3: | International tourist overnights 2007-2017 | 16 |
| Figure 4: | Economic contribution of travel and tourism (T&T) | 17 |
| Figure 5: | Top-15 inbound markets – tourist overnights in 2017 (in thousands) | 17 |
| Figure 6: | Average length of stay of the leisure market | 18 |
| Figure 7: | Travel and tourism performance of Jordan, 2017 | 19 |
| Figure 8: | Travel and tourism performance of Jordan, 2011–2017 | 19 |
| Figure 9: | Selected indicators affecting the competitiveness of enterprises | 20 |
| Figure 10: | Selected indicators affecting the human resources situation of enterprises | 20 |
| Figure 11: | Selected indicators affecting the business environment and enabling conditions | 20 |
| Figure 12: | Regional market trends – international arrivals changes (%) | 21 |
| Figure 13: | Support by international development partners | 24 |
| Figure 14: | Total number of registered tourism activities, 2017 | 27 |
| Figure 15: | Geographical distribution of MSME tourism activities, 2017 | 27 |
| Figure 16: | Density of MSME tourism activities by location, 2017 | 28 |
| Figure 17: | Number of employees in different MSME tourism activities, 2017 | 28 |
| Figure 18: | Number of employees in MSME businesses by location, 2017 | 29 |
| Figure 19: | Number of employees by MSME tourism activity, 2017 | 29 |
| Figure 20: | Spend per market in JOD | 31 |
| Figure 21: | Spend per item | 31 |
| Figure 22: | Tourism sub-sectors and prioritised sub-sectors | 32 |
| Figure 23: | Tourism MSMEs around key antiquity sites and No. of visitors 2017 | 33 |
| Figure 24: | Analysis of product scope and differentiation of the culture and heritage sub-sector | 35 |
| Figure 25: | Analysis of the identified culture and heritage tourism market | 36 |
| Figure 26: | Analysis of product scope and differentiation of the adventure travel sub-sector | 38 |
| Figure 27: | Analysis of the identified adventure travel market | 39 |
| Figure 28: | Number of Aqaba visitors 2017 | 41 |
| Figure 29: | Tourist visitors registered in the Dead Sea region 2013–2017 | 42 |
| Figure 30: | SWOT analysis | 45 |
| Figure 31: | Strategic framework for supporting tourism MSMEs in Jordan | 51 |

ABBREVIATIONS

| | |
|--|---|
| ASEZAqaba Special Economic Zone | JSTTAJordan Society of Tourist and Travel Agents |
| ASEZAAqaba Special Economic Zone Authority | JTGAJordan Tour Guides Association |
| ATDIAdventure Tourism Development Index | JTBJordan Tourism Board |
| ATTAAdventure Travel Trade Association | LENSJordan Local Enterprise Support |
| BESTBuilding Economic Sustainability through Tourism | MICEMeetings, Incentives, Conferences, Events |
| DoSDepartment of Statistics | MoTAMinistry of Tourism and Antiquities |
| EUEuropean Union | MSMEMicro, Small and Medium Enterprises |
| FEEFoundation for Environmental Education | NTCNational Tourism Council |
| GDPGross Domestic Product | NTSNational Tourism Strategy |
| GIZDeutsche Gesellschaft für Internationale Zusammenarbeit GmbH | PDTRA ...Petra Development Tourism Regional Authority |
| GoJGovernment of Jordan | RFCRoyal Film Commission |
| ICTInformation and Communication Technology | RSCNRoyal Society for Conservation of Nature |
| ILOInternational Labour Organization | TTCITravel and Tourism Competitiveness Index |
| JEDCOJordan Enterprise Development Corporation | TVETTechnical Vocational Education and Training |
| JHPTAJordanian Handicrafts Producers and Traders Association | UNWTO .United Nations World Tourism Organization |
| JHAJordan Hotel Association | USAIDUnited States Agency for International Development |
| JICJordan Investment Commission | VFRVisiting Friends and Relatives |
| JITOAJordan Inbound Tour Operators Association | VTCVocational Training Corporation |
| JRAJordan Restaurant Association | WEFWorld Economic Forum |
| JREDSRoyal Marine Conservation Society of Jordan | WTTCWorld Travel and Tourism Council |

EXECUTIVE SUMMARY

The GIZ Employment-oriented MSME Promotion Project (GIZ-MSME) aims to support Jordanian MSMEs in line with national strategies by focusing on tourism, among others, as a sector with considerable growth and employment potential.

More specifically, the project aims at improving enterprise competitiveness, enhancing the competences within MSMEs and improving the business and investment climate for MSMEs active in the tourism sector. This study was conducted under the auspices of the GIZ-MSME project, in close consultation with sector stakeholders, to provide a comprehensive understanding of the sectoral structure and current and projected trends, as well as challenges and opportunities for improved competitiveness domestically and abroad.

DEVELOPMENT OF TOURISM IN JORDAN

Jordan's tourism sector contributes substantially to the country's GDP through the creation of employment and exports. Tourism's reliance on human resources and local suppliers generates enormous income potential for MSMEs. Despite the instability in the region and a major drop in tourist arrivals in 2011, Jordan has since managed to maintain a constant level of arrivals, with signs of recovery starting to show in 2017. In recognition of the potential of the tourism industry as an engine of investment, employment and economic growth, the Government of Jordan (GoJ) is in the process of developing its next National Tourism Strategy, with the aim of promoting domestic and international tourism in the country by enabling a competitive business environment which facilitates and encourages investment in the sector.

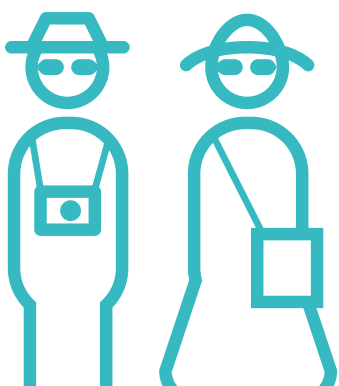
KEY MSMEs SUPPORTING THE TOURISM SUB-SECTORS

The tourism professions licensed by the Ministry of Tourism and Antiquities (MoTA), are predominantly led by MSMEs, with the exception of four- and five-star hotels. For the purpose of this study, these are considered direct influencers of the tourism industry's competitiveness, growth and employment. They include tour operators and travel agents, accommodation providers and tourism restaurants, handicraft producers and tourism transport companies. In addition to the above, the scope of analysis included event companies as well as tourism experience and service providers that are not necessarily licensed by MoTA. Some informal economy tourism experiences will also be considered for support, such as micro and home-based businesses, which there are no mechanisms to capture and quantify at this stage.

TOURISM SUB-SECTORS' DEFINITION

Based on available data and stakeholders' assessment, the following key market segments – defined by a product or experience and served by MSMEs among other service providers – are identified and are referred to as subsectors in this study: culture and heritage tourism; adventure tourism; faith tourism; medical and wellness tourism; beach and sun tourism; meetings, incentives, conventions, exhibitions (MICE) tourism; and film tourism. Having applied criteria for assessing and selecting the most promising as prioritised sub-sectors for MSME support and development, cultural and heritage tourism and adventure tourism were chosen.

Tourism in Jordan is predominantly dependent on cultural tourism focusing on certain globally recognised, iconic sites that are considered anchor products, such as the Nabatean city of Petra and the Roman city of Jerash, in addition to a plethora of biblical sites. Jordan also boasts diversified tourism products and attractions like the Dead Sea, Aqaba, Wadi Rum and various nature reserves and adventure trails. In terms of visitor numbers, the





By engaging employers in sectors like hospitality, Luminus has helped to create workplaces that are more conducive to the participation of women. For example, it encourages employers to allow women to wear the hijab and holds “bring your fathers to work” days to reassure parents about working conditions. Luminus also counsels parents one-on-one to address concerns that could discourage them from allowing their daughters to pursue employment.

cultural and heritage sub-sector is at the fore-front of tourism in Jordan. This sub-sector is defined by a number of tourism products but predominantly led by sites of archaeological interest, mainly Petra, for international visitors, and by city tourism, mainly in Amman, Jerash and Ajloun, for Arab visitors. The definition of the cultural and heritage sub-sector in this study encompasses a range of products including: archaeological sites, city tourism, community-based tourism, festivals, events and museums, and art galleries and craft/artisanal centres. Adventure tourism is an emerging market of great potential for Jordan given its diversified and multifaceted range of products. The key products that form the adventure tourism segment in Jordan are the nature reserves of the Royal Society for the Conservation of Nature, the Wadi Rum Protected Area and the Jordan Trail.

MSMEs’ KEY CHALLENGES IDENTIFIED

The challenges and key factors affecting MSMEs’ performance and competitiveness encompass a range of issues, mainly government policy, legal and regulatory environment, lengthy licensing and permitting processes, business environment and capacity perspectives. Key challenges for

MSMEs in tourism include high operational costs and weaknesses in product design, packaging and marketing. Others relate to limited coordination across public sector institutions and public-private dialogue, and lack of data and statistical information for decision-making.

STRATEGIC OPTIONS FOR PROMOTING MSMEs IN THE TOURISM SECTOR

The suggested interventions for MSMEs in tourism provide a framework that will serve as a guideline for multi-stakeholder participation to adopt and further develop plans and strategies for execution of a comprehensive MSME development programme for the Jordanian tourism sector. They can lead to output-oriented results in promoting MSME competitiveness and access to local and international tourism demand markets through: a) enhanced capacities to advocate for and facilitate MSME support; b) installed mechanisms to bridge the gap between financing institutes and MSMEs/start-ups; c) upgraded and diversified MSME-driven tourism products and experiences; d) strengthened capacities of tourism associations to better serve MSMEs; and e) newly acquired skills among MSME employees and owners.

1 INTRODUCTION



1.1 CONTEXT

The Jordanian economy is currently facing a number of challenges. This is reflected by a negative trade balance, weak business growth and an increasing rate of unemployment, among other factors. The latest official statistics indicate an unemployment rate of 18.3% in 2017¹. At the same time, Jordan's economic growth remains low, with 2.1% gross domestic product (GDP) growth in 2017². This means that not enough job opportunities are being created – only 49,000 in 2016, while the number of job seekers grew by more than 100,000³.

Nevertheless, Jordan's private sector provides opportunities for growth, innovation and employment. In this context, Jordanian micro, small and medium enterprises (MSMEs) play a crucial role in the local economy and in employment creation. The country has more than 156,000 registered businesses, of which 98% employ fewer than 20 people. These businesses account for 40% of Jordan's GDP and employ between 60 and 70% of those employed in the private sector⁴.

Despite the importance of MSMEs in the local economy, these enterprises are often not in a position to compete with foreign companies, partly due to a lack of qualified personnel as well as limited access to finance and business development services. Moreover, administrative, legal and regulatory obstacles make it difficult to establish new enterprises and to invest in MSMEs.

As a response to these economic circumstances, the creation of conditions for increased private investment and improved competitiveness remains indispensable for Jordan to stimulate employment-oriented growth. Such priorities are clearly addressed in the documents “Jordan 2025 – A National Vision and Strategy” and “Jordan Economic Growth Plan 2018–2022”.

To support these purposes, the German Federal Ministry for Economic Cooperation and Development (BMZ) commissioned the GIZ project “Employment-oriented MSME Promotion” with the Jordanian Ministry of Industry, Trade and Supply (MoITS) as its political partner.

The GIZ-MSME project aims to support Jordanian MSMEs in line with national strategies by focusing on food processing, information and communication technology (ICT) and tourism as sectors with considerable growth and employment potential. The project supports the implementation of sectoral and market strategies to boost the prospects of MSMEs. More specifically, the project aims at improving enterprise competitiveness, enhancing the competences within MSMEs and improving the business and investment climate in the selected sectors.

1.2 SCOPE AND METHODOLOGY OF STUDY

To provide all sector stakeholders with a solid basis for designing and implementing effective measures to boost the growth opportunities of tourism MSMEs in Jordan, this study was conducted under the auspices of the GIZ-MSME project in close consultation with sector stakeholders. It aims to provide a comprehensive understanding of the sectoral structure and current and projected trends, as well as challenges and opportunities for improved competitiveness domestically and abroad.

For the purpose of this study, MSMEs are categorised by their number of employees as micro (1–4), small (5–19) or medium (20–99). This is in line with the definitions of the DoS of Jordan, the World Bank's SMEs database, the Central Bank of Jordan and the Jordan Enterprise Development Corporation (JEDCO).

The sector analysis focused on:

- ▶ Providing a thorough quantitative and qualitative description and analysis of the sector's performance, trends and potentials.
- ▶ Defining all relevant sub-sectors and suggesting priority sub-sectors that are the most promising for increased competitiveness.
- ▶ Studying the labour market needs, trends and growth potential of the sector and its sub-sectors in order to identify specific economic opportunities to boost employment.
- ▶ Identifying the underlying policy and institutional issues that affect the sector's and sub-sectors' domestic and international competitiveness.

¹ DoS, Jordan (2017).

² World Bank national accounts data, and OECD National Accounts data files (2017).

³ DoS, Jordan (2017).

⁴ GIZ (2017): Employment Promotion Programme (EPP) Jordan – Economic Trends in Jordan's Local Job Market.

- ▶ Providing strategic options to improve sectoral competitiveness, including a strategic framework and possible areas of intervention.

The methodology followed a multi-method approach, which involved analysing quantitative and qualitative data by applying the following tools:

- ▶ Desk review: At the outset, a desk review was conducted to gain an understanding of the current situation of the sector.
- ▶ Stakeholder workshop: During a first workshop, tourism sector stakeholders gathered to identify and discuss the main drivers of sector growth and potential. This stage also reflected on the value chain and downstream impacts of the sector.
- ▶ Focus groups: The tourism sector expert group also explored the selection criteria for a sustainable sector and sub-sector growth. The identified sub-sectors were prioritised based on the following criteria:
 - ▷ Potential for growth: market prospects, growth, export, competitiveness
 - ▷ Potential for employment
 - ▷ Potential to strengthen the role of women and/or gender equality, and
 - ▷ Ability of innovation and value addition.

Based on available data and stakeholders' assessment, the following key market segments were identified and are referred to as sub-sectors in this study. They are defined by a product or experience and served by MSMEs, among other service providers:

- ▶ Culture and heritage tourism
- ▶ Adventure tourism
- ▶ Faith tourism
- ▶ Medical and wellness
- ▶ Beach and sun
- ▶ Meetings, incentives, conventions, exhibitions (MICE), and
- ▶ Film tourism.

Having applied the four above-mentioned criteria for assessing and selecting the most promising sub-sectors for MSME support and development, the following two were selected from the longlist to be considered as priority sub-sectors:

- ▶ Culture and heritage tourism
- ▶ Adventure tourism.

A participatory approach has been used throughout the study to inform and consult the tourism sector stakeholders on key findings and suggested interventions; information was validated through various forums:

- ▶ Consultations of sector stakeholders at middle-management level, including representatives of professional tourism associations.
- ▶ Themed focus groups: (i) adventure tourism; and (ii) donor agencies engaged in tourism and/or MSMEs' work.
- ▶ Individual meetings with key sector players, such as: tour operators, hoteliers, tourism product development specialists and business owners, and crafts producers.
- ▶ Debriefing workshop to present results, verify information and allow stakeholders to contribute final ideas to the sector strategy and interventions.

In particular, the sector study has focused on identifying market needs, trends and growth potentials through quantitative and qualitative information. The use of qualitative approaches along the tourism value chain has allowed MSMEs and other stakeholders to provide their own views and explanations about the challenges and opportunities. The identified interventions and selected recommendations constitute the foundation of the sector/sub-sector strategy.



2 SECTOR PROFILE

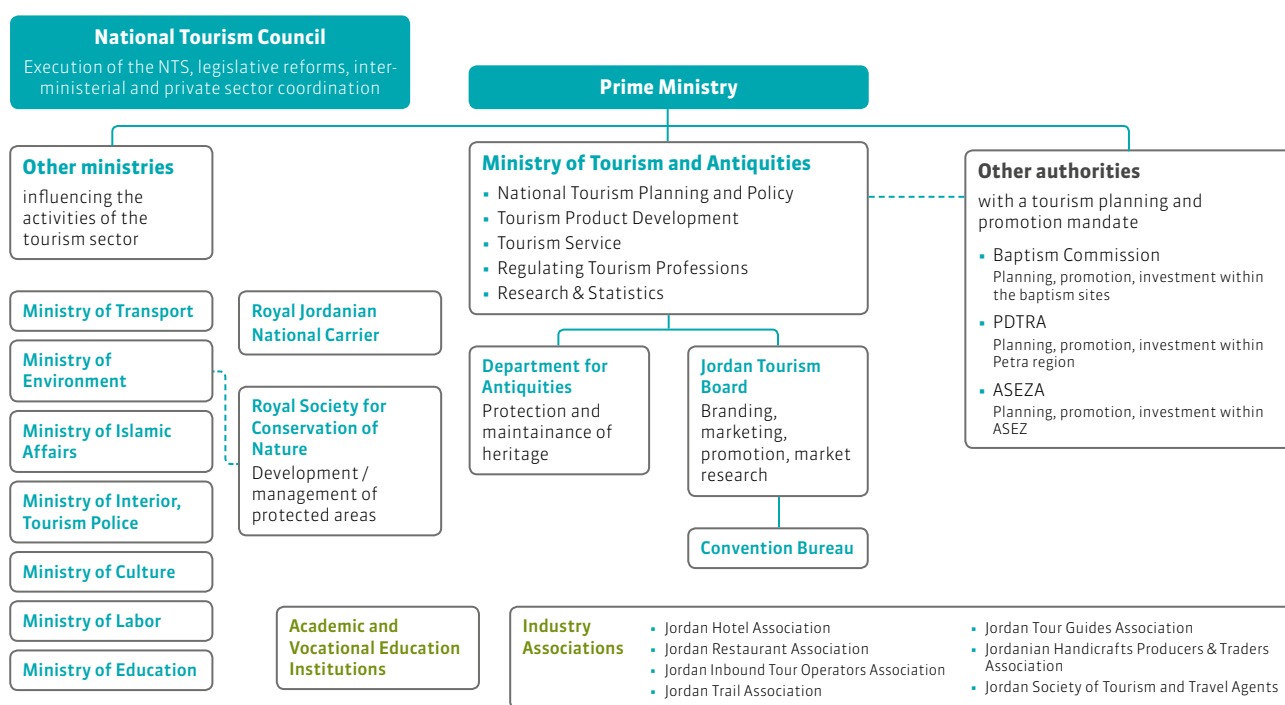


2.1 BRIEF SECTOR DESCRIPTION

The tourism sector is among the most important economic sectors in Jordan as it contributes substantially to the country's GDP through the creation of employment and exports. Tourism's reliance on

human resources and local suppliers generates enormous income earning potential for MSMEs and those living in or near major tourism centres. The positive influence of tourism on other service industries underlines its strategic importance. Tourist inflows foster services such as in the food industry, transport, health and well-being, culture, sports and adventure activities that are of interest to tourists.

Figure 1: Institutional set-up of tourism in Jordan



Source: Research by the authors

The responsibility for ensuring that all stakeholders take cognisance of tourism development in their decision-making process and policies lies with the **Ministry of Tourism and Antiquities (MoTA)**. MoTA is responsible for designing policies aimed at developing Jordan's tourism sector as well as supervising and monitoring tourism programmes at the national level.

Such responsibility requires inter-ministerial and private sector coordination through the **National Tourism Council (NTC)**. Its role is to oversee the execution of the National Tourism Strategy (NTS) and legislative reforms. The NTC is chaired by the Minister of Tourism and the members comprise: the General Secretary for Tourism, the General Director of Antiquities, the Executive Director of Royal Jordanian, the Chief Commissioner of the Aqaba Special Economic Zone Authority (ASEZA),

the General Director of Social Security Directorate and three other members from among private sector actors including tour operators, hotels and others⁵. Tourism is a cross-cutting sector and as such other ministries also have an influence on its activities.

As an independent, public-private sector partnership, the **Jordan Tourism Board (JTB)** is committed to utilising marketing strategies to brand, position and promote the Jordan tourism product as a destination of choice in international markets.

There are three authorities with a tourism planning, promotion and investment mandate. The first is ASEZA, responsible for the management, regulation

⁵ CulTech (2014): Improvement of Mediterranean Territorial Cohesion Through Setup of a Tourist-Cultural Itinerary – Umayyad.

and development of the Aqaba Special Economic Zone (ASEZ). The second is the Petra Development Tourism Regional Authority (PDTRA), which aims to develop the region economically, socially, culturally and as a tourist destination, as well as to contribute to local community development. The third is the Baptism Site Commission, which aims principally to preserve the site as it is and keep it open to pilgrims. The Royal Society for the Conservation of Nature (RSCN) is an independent national organisation devoted to the conservation of Jordan's natural resources.

The **principal sector associations** (tourism professions as described in the MoTA classification), which are taken in this study as representative of the industry, are as follows:

- ▶ The Jordan Hotel Association (JHA) is a non-profit association with the aim to protect the interests of hotels and develop and upgrade them to international standards.
- ▶ The Jordan Inbound Tour Operators Association (JITOA) is a voluntary-membership organisation comprising active tour operator members and associate members (including hotels and hotel chains, event management companies, NGOs, tourist transport companies, educators, tour guides and others) with an interest in improving the quality of the visitor's experience in Jordan.
- ▶ The Jordan Restaurant Association (JRA) is a mandatory not-for-profit membership association which aims to represent classified members of the restaurant industry, including restaurants, entertainment cities, coffee shops, fast food establishments, discos, bars, cabarets and night clubs of one-to-five stars.
- ▶ The Jordan Society of Tourist and Travel Agents (JSTTA) is the association of travel agents in Jordan.
- ▶ The Jordan Tour Guides Association (JTGA) represents the tour guides market and formulates the rules and regulations that govern the tour guide profession.
- ▶ The Jordanian Handicrafts Producers and Traders Association (JHPTA) has a long history in the conservation of Jordanian handicrafts and represents the producers and merchants of these handicrafts.

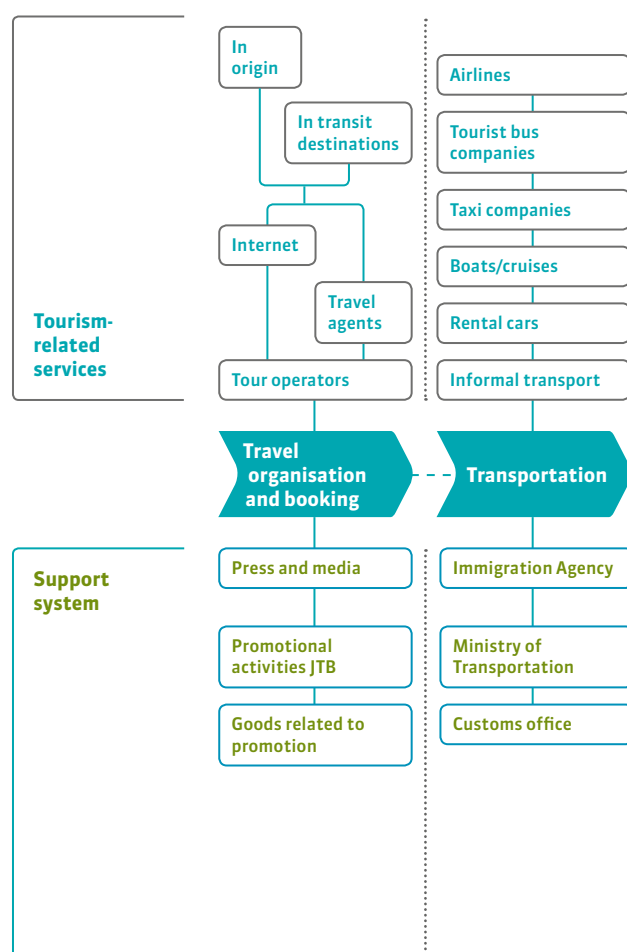
Other associations include: the Jordan Trail Association (JTA), the Jordan Mountaineering Association (JMA) and the Jabal Amman Residents Association (JARA), among others.

2.2 JORDAN'S TOURISM VALUE CHAIN

Tourism is a complex sector with multiple linkages into the rest of the Jordanian economy. In order for the sector to fully exploit its potential, a careful management of the inter-linkages with other parts of the economy is necessary. The tourism value chain examines the role of stakeholders in providing tourism products and services that must meet the needs and expectations of visitors at different stages, from travel planning to concluding the travel experience. It focuses on identifying bottlenecks that impede MSMEs from connecting to the tourism value chain or that make it difficult to reap benefits from tourism and tourist satisfaction.

Activities related to the travel organisation and booking segment take place mainly in the outbound country and are often in the hands of tour operators or

Figure 2: Model of a tourism value chain in Jordan

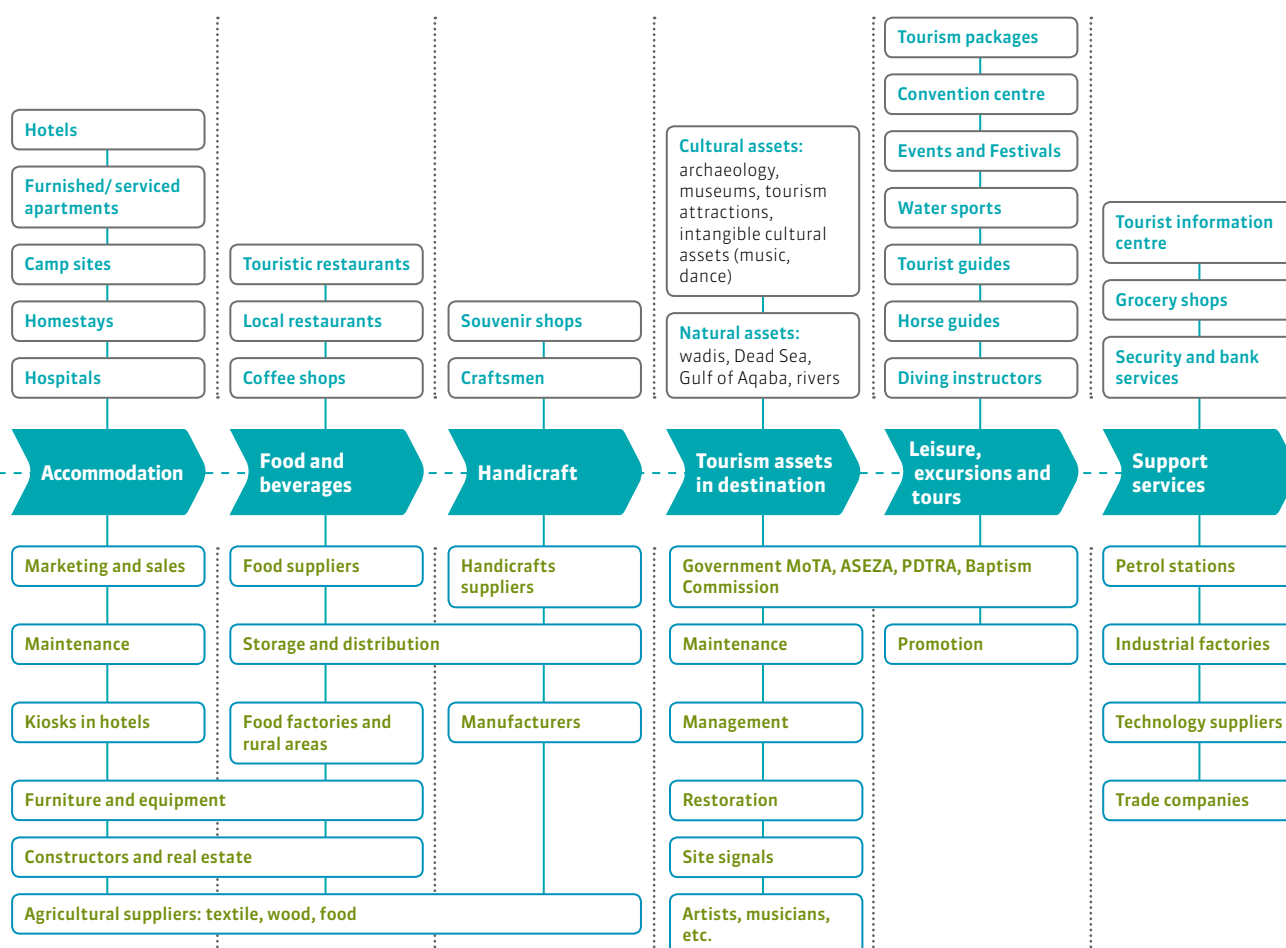


travel agents registered in those countries. However, for the inbound and domestic market the ground handlers, mainly located in Amman (approx. 70%) and other cities, play an important role in making booking arrangements with the local service providers at the destination. At the level of tour operations, a considerable share of the market is held by a small number of MSME operators, such as those listed by the JTB⁶. However, developments in ICT are changing the roles of different players in the organisation and booking segment as it becomes easier for local service providers to reach out directly to potential customers.

Transport activities create the links between outbound and inbound destinations or provide transport options within Jordan. Air transport holds a particularly important position when it comes to inbound tourism, although an important share of travellers enter via the road network by car or bus, mainly from Saudi Arabia, Palestine and Israel. While there are other border points with Iraq and Syria, these currently are not relevant to tourist traffic due to the

political situation in these countries. The availability and quality of airports and road networks are highly relevant for the success of any strategy targeting tourism growth.

Within Jordan, tourism-related activities include activities related to transport, accommodation, food and beverages and handicrafts. The organisation of leisure activities, excursions and tours makes up a further sub-component of the tourism value chain. The upgrading of tourism activities and experiences within the tourism sub-sectors – culture and heritage tourism, adventure travel, etc. – can help diversify tourism products, increase the direct and indirect benefits for local economic development and enhance tourists' holiday experience.



Source: Adapted from OECD/UNWTO/WTO (2013): Aid for Trade and Value Chains in Tourism.

6 JTB website – Jordan Tour Operators.

2.3 JORDAN'S TOURISM PERFORMANCE: AN OVERVIEW

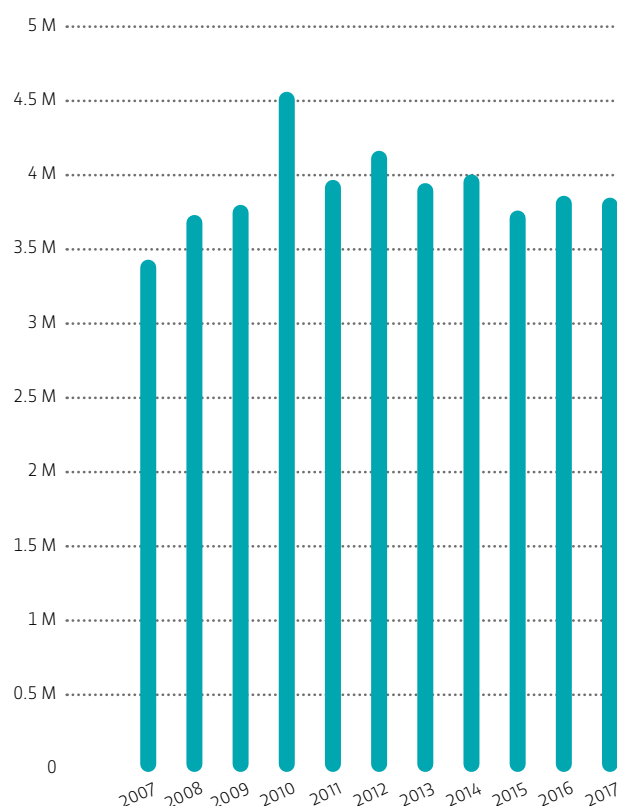
In the past ten years, Jordan has made significant achievements in tourism development, international visitor arrivals remaining at a constant level despite several conflicts in the region. In 2017, the **total number of tourists** was around 4,565,000 of which 3,844,000 were overnight tourists and 722,000 were same-day visitors. This number included 1,459,000 Jordanians residing abroad, of which 1,439,000 were counted as overnight tourists and 20,000 as same-day visitors⁷.

It should be noted that purpose of visit is not captured at border entry points to Jordan. The arrival numbers are therefore not necessarily indicative of the performance of the tourism sector as they include business and military travellers, Palestinian diaspora passing through Jordan, and others. While these groups might impact some tourism activities, they are not typical tourists that contribute to the entire tourism value chain.

According to the latest World Travel and Tourism Council's (WTTC) Economic Impact study of tourism for Jordan in 2018, the travel and tourism sector, as defined by the WTTC, remains an important economic sector in Jordan making a **direct contribution** of JOD 1,452mn⁸ to GDP in 2017, 5.0% of the total. The **total contribution** of travel and tourism to GDP was JOD 5,419.3mn, 18.7% of GDP in 2017.

Visitor exports generated JOD 3,666.1mn⁹, 37.8% of total exports in 2017. This was forecasted to grow by 4.8% pa to JOD 6,404.9mn in 2028, 43.7% of the total¹⁰. According to Jordan's Central Bank, tourism receipts were slightly lower in 2017, amounting to JOD 3,293.6mn in 2017. **Domestic tourism consumption** (i.e. tourism activities of a resident visitor) within

Figure 3:
International tourist overnights 2007-2017



Source: Adapted from MoTA statistical data, various years.

Jordan was JOD 290.6mn in 2016 and **outbound tourism consumption** (when residents of Jordan travel to other countries) was JOD 1.02bn in 2016¹¹.

According to WTTC, travel and tourism **directly** supported 80,500¹² jobs (7.3% of total employment) in 2017. This is expected to rise by 3.7% pa to 124,000 jobs (8.4% of total employment) in 2028. Overall, the total contribution of travel and tourism to employment, including jobs **indirectly** supported by the industry, was 19.2% of total employment (213,500 jobs) in 2017. This is expected to rise by 3.8% pa to 332,000 jobs in 2028 (22.5% of total)¹³.



Direct and indirect employment opportunities in tourism

The tourism sector provides a variety of opportunities for direct employment, self-employment or the establishment of new enterprises along the horizontal value chain. Direct employment opportunities are with private tourism companies, community-based tourism companies, tourism institutions of the state, direct self-employment (freelancing) in tourism, and operation of a private tourism company. Tourism-relevant suppliers and service providers offer additional potential for strengthening the local labour market through tourism along the vertical value chain. Indirect employment opportunities created through tourism are with tourism-relevant suppliers, tourism-relevant service providers, operation of a tourism-relevant supply or service company, and indirect self-employment (freelancing) in tourism.

⁷ MoTA (2018): Statistical Summary 2017.

⁸ JOD 3.49bn in 2016; USAID BEST/MoTA/DoS (2018): Jordan Tourism Satellite Accounts 2016.

⁹ Ibid.

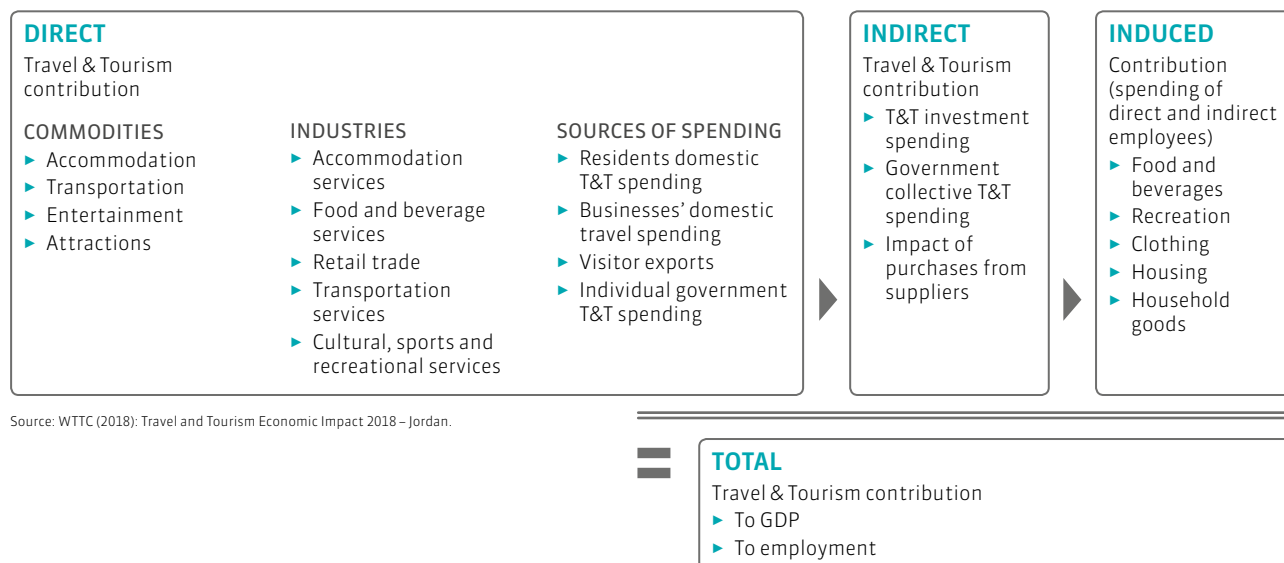
¹⁰ WTTC (2018): Travel and Tourism Economic Impact 2018 – Jordan.

¹¹ USAID BEST/MoTA/DoS (2018): Jordan Tourism Satellite Accounts 2016.

¹² Some 88,506 employees in 2016 (USAID BEST/MoTA/DoS (2018): Jordan Tourism Satellite Accounts 2016).

¹³ WTTC (2018): Travel and Tourism Economic Impact 2018 – Jordan.

Figure 4:

Economic contribution of travel and tourism (T&T)

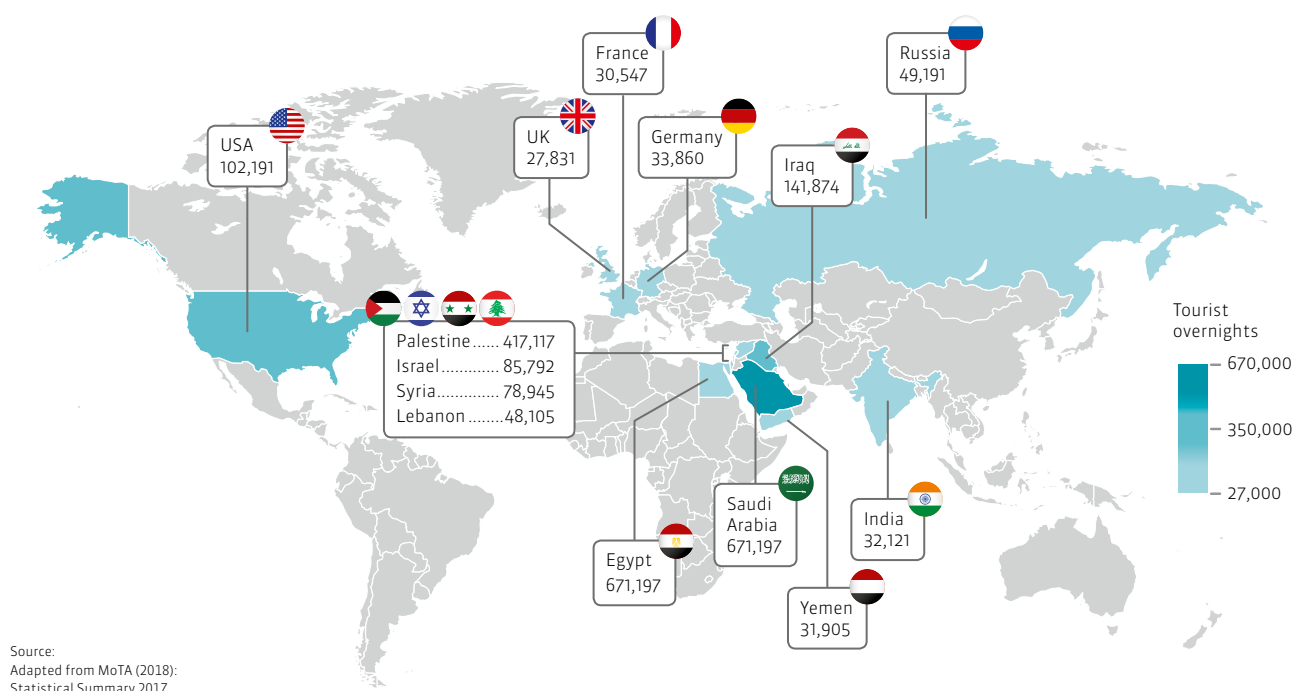
Source: WTTC (2018): Travel and Tourism Economic Impact 2018 – Jordan.

The **top-15 source markets** of Jordan were headed by Saudi Arabia, followed by Palestine, Iraq and the United States of America (USA). The average length of stay was 4.6 days in 2017. Around 83% of all visitors to Jordan stayed overnight, with the remaining 17% being day visitors. Jordanian nationals living overseas make up over one-third (36.3%) of all tourist arrivals, with overnight visitors from Saudi Arabia being the next most significant market (17.9%)¹⁴. Comparing **regional**

vs. out-of-region tourists, visits from Arab and Arab Gulf nationals make up 30%, with those from Europe accounting for 14%¹⁵.

According to the figure below, in the top-ten leisure overnight markets, the **average length of stay** for travellers was 5.9 days¹⁶.

Figure 5:

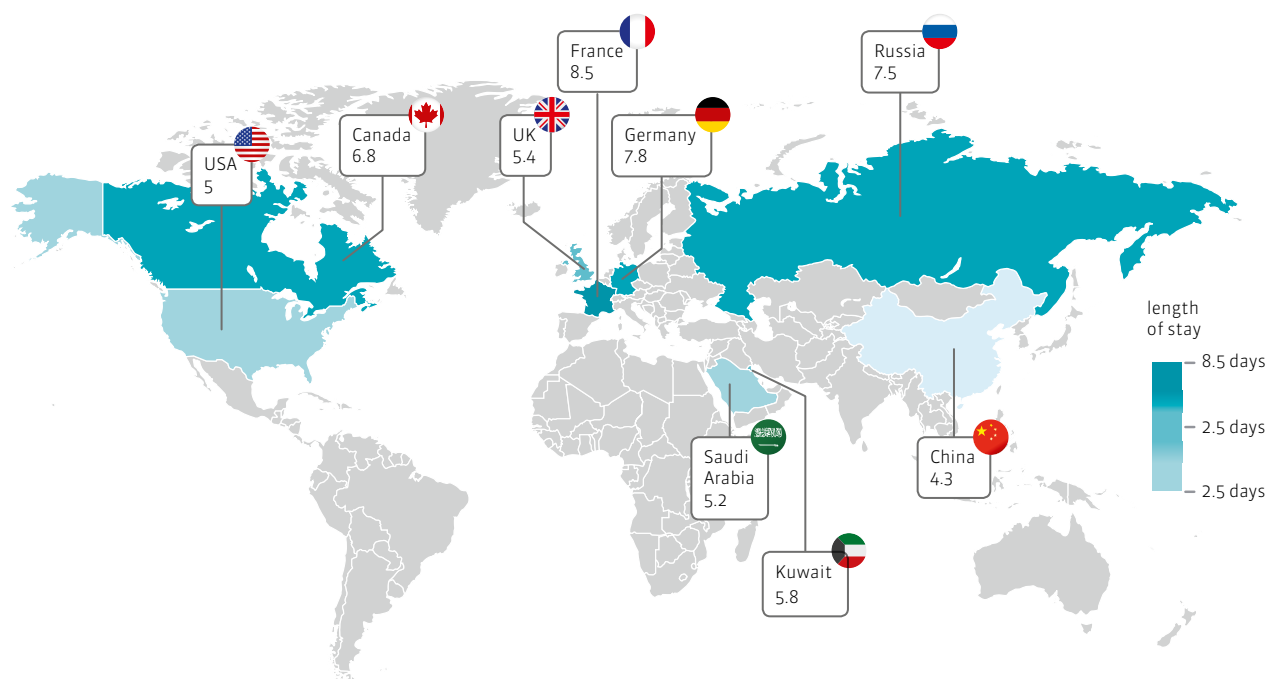
Top-15 inbound markets – tourist overnights in 2017 (in thousands)Source:
Adapted from MoTA (2018):
Statistical Summary 2017.

¹⁴ MoTA/DoS/USAID BEST (2018): Jordan International Tourism Visitor Survey 2016–2017.

¹⁵ Ibid.

¹⁶ Ibid.

Figure 6: Average length of stay of the leisure market



Source: Adapted from MoTA/DoS/USAID BEST (2018): Jordan International Tourism Visitor Survey 2016–2017.

Although the statistical database of MoTA differentiates between Jordanians residing abroad and foreigners, for **domestic tourism** it is more difficult to obtain data. This can be mainly addressed through visits made to archaeological sites or the number of Aqaba visitors (303,610 in 2017). It should also be noted that the last domestic tourism survey took place in 2012.

In terms of **where tourists go when visiting Jordan**, Amman accounts for nearly one-half (48%) of all visits to tourism sites in Jordan, with the next most popular destination being the Dead Sea (9%). Petra and Aqaba both account for 7% of all visits. The popularity of sites varies considerably by nationality. Day visitors tend to focus on three key sites: Petra, Aqaba and Amman¹⁷.



Hot air balloon in Wadi Rum.

2.4 JORDAN'S TOURISM COMPETITIVENESS AND BUSINESS ENABLING ENVIRONMENT

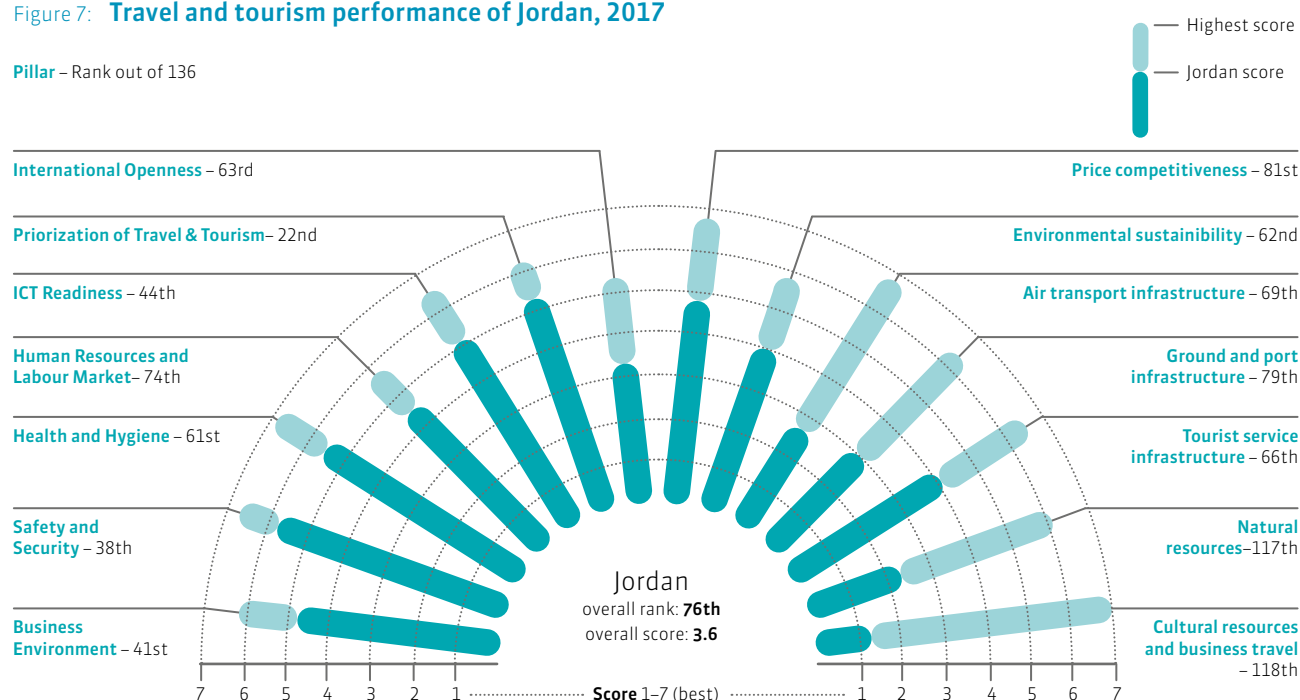
The assessment of the sector's enabling environment is best reflected in the World Economic Forum's (WEF) Travel and Tourism Competitiveness Index (TTCI), which analyses the performance of 136 economies and provides unique insight into the strengths and areas for development within each country towards enhancing its industry's competitiveness. It allows for cross-country comparison, for benchmarking Jordan's policy progress and for making investment decisions related to business and industry development.

In 2017, Jordan was ranked 75th in the WEF's Travel and Tourism Competitiveness Report. Jordan has made remarkable strides in improving its ICT readiness through much broader use of mobile phone technologies. The nation has also managed to maintain a high level of security, outperformed regionally only by the United Arab Emirates (UAE), Oman, Qatar and Morocco. The impact of terrorism has been smaller compared to neighbouring countries, which has helped considerably in maintaining generally constant international tourism arrivals over the past four years. Jordan's

¹⁷ Ibid.

Figure 7: Travel and tourism performance of Jordan, 2017

Pillar – Rank out of 136

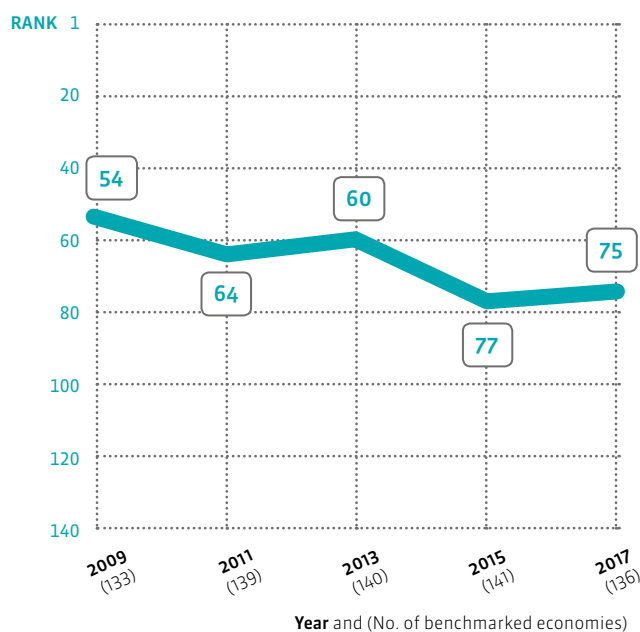


Source: WEF (2017): Travel and Tourism Competitiveness Report 2017.

travel and tourism competitiveness is also driven by high government prioritisation in terms of spending. The country's business environment supports the sector's development through low administrative burden to obtain construction permits¹⁸, well-protected property rights and market concentration. To further develop its travel and tourism competitiveness, the nation should upgrade its air and ground transport infrastructure and focus on its natural and cultural resources, which remain substantially under-valued¹⁹.

Some of the indicators that are affecting the **competitiveness of enterprises** in Jordan and are benchmarked to other economies are marketing, branding and price competitiveness. The country's brand strategy has been rated comparatively weak, whereas the effectiveness of marketing and branding to attract tourists is in the middle range. Digital demands of cultural and natural tourism and the total online search volume related to nature- and culture-related brand tags are both rated low²⁰. Jordan is not a price-competitive destination due to expensive ticket taxes and airport charges, which explains the

Figure 8: Travel and tourism performance of Jordan, 2011–2017



Source: WEF (2017): Travel and Tourism Competitiveness Reports 2011–2017.

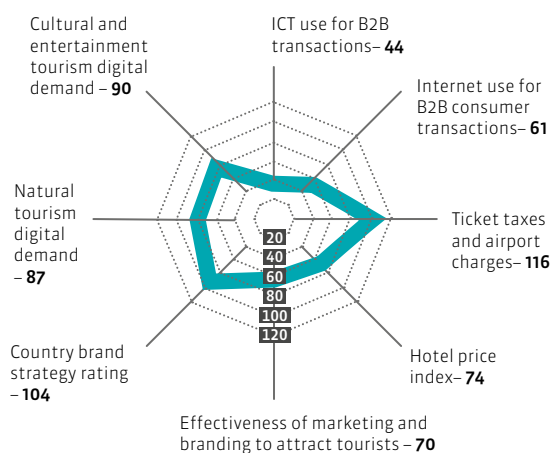
relative cost of access to international air transport services based on the level of airport charges, passenger ticket taxes and value-added taxation. The hotel price index, which evaluates the average price, in US dollars, of first-class hotel accommodation by using the average room rate among first-class hotels in each country over a 12-month period, is rated below average.

¹⁸ However, multi-entity permitting, and licensing processes were raised as a challenge by MSMEs during the interviews for this study.

¹⁹ WEF (2017): Travel and Tourism Competitiveness Report 2017.

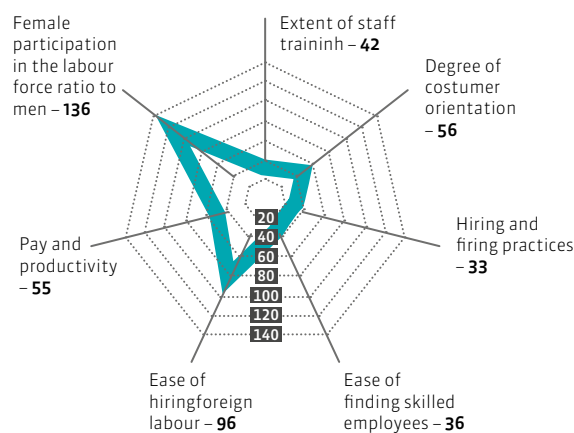
²⁰ Culture-related brand tags: historical sites, local people, local traditions, museums, performing arts, UNESCO, city tourism, religious tourism, local gastronomy, entertainment parks, leisure activities, nightlife and special events. Nature-related brand tags: beaches, adventure and extreme, diving, fishing, hiking, surfing, water sports, winter sports, animal watching, protected areas and sustainable and rural tourism.

Figure 9: Selected indicators affecting the competitiveness of enterprises



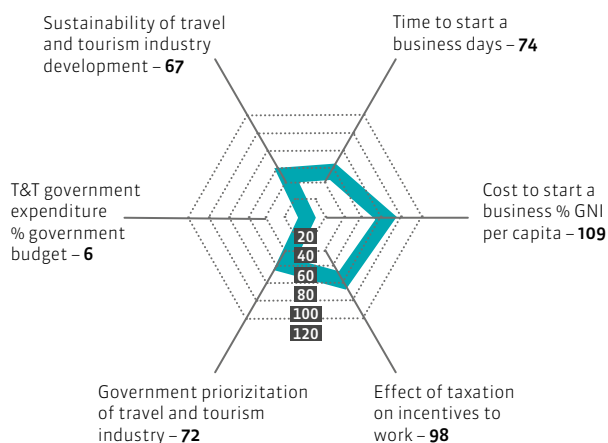
Source: Adapted from WEF (2017): Travel and Tourism Competitiveness Report 2017.

Figure 10: Selected indicators affecting the human resources situation of enterprises



Source: Adapted from WEF (2017): Travel and Tourism Competitiveness Report 2017.

Figure 11: Selected indicators affecting the business environment and enabling conditions



Source: Adapted from WEF (2017): Travel and Tourism Competitiveness Report 2017.

In the category **human resources and labour market**, the WEF Travel and Tourism Competitiveness Report ranks Jordan 74th with above-average performance in the indicators hiring and firing practices, ease of finding skilled employees and extent of staff training. The pay and productivity and degree of customer orientation indicators are just above average, whereas ease of hiring foreign labour and female labour participation were evaluated as rather poor.

The selected indicators of the TCCI that affect the **business environment** are governmental support to the sector, business enabling conditions and sustainability of the tourism sector in general. Although the expenditure of government, which includes transfers and subsidies made by government agencies to provide travel and tourism services in relation to the overall government budget, is high, the prioritisation by the Government of Jordan (GoJ) of the travel and tourism industry only ranges just below average. Time to start a business to complete a procedure with minimum follow-up with government agencies and no extra payments is also in the lower middle range, while the cost to start a business, official fees and fees for legal or professional services, if such services are required by law, are rather high compared to other economies²¹. Also, the effects of taxation on incentives to work are hindering a positive business climate. The sustainability of the development of the travel and tourism industry was rated average.

21 For further details, refer to the methodology by the World Bank: www.doingbusiness.org/en/methodology

2.5 INTERNATIONAL, REGIONAL AND DOMESTIC MARKETS AND TRENDS

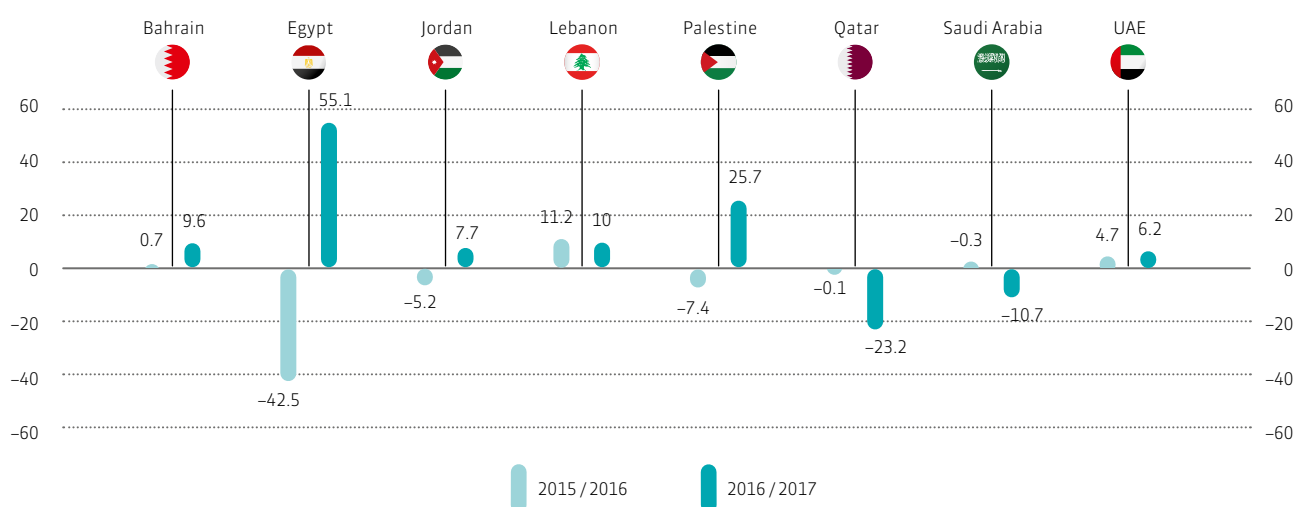
Demand for international tourism worldwide followed the positive trend of previous years with many destinations reporting sound results while a few faced security incidents. Some redirection of tourism flows was observed, though most destinations shared in the overall growth due to stronger travel demand, increased connectivity and more affordable air transport. Jordan performed comparatively well taking into consideration the regional environment. Travel for holidays, recreation and other forms of leisure accounted for just over half of all international tourist arrivals in 2016 (53% or 657 million). Some 13% of all international tourists reported travelling for business and professional purposes and another 27% travelled for other reasons, such as visiting friends and relatives, religious reasons and pilgrimages, health treatment, etc.²² In Jordan, over half (58%) of all overnight visitors travelled for visiting friends and relatives, which is comparatively high, and 18% for leisure. Internationally, city trips were again the main growth driver in 2017 with a rise of 16%, while sun and beach holidays grew by 9%. In contrast, tour holidays dropped back by 2%. Trips to visit friends and relatives showed an even stronger increase of around 8%. In contrast, business trips overall more or less stagnated. MICE trips, making up around 60% of all business trips, showed growth trends and compensated

for a decrease in the number of traditional business trips²³. City trips, visits to cultural sites and the MICE markets were strong drivers with potential in Jordan. “Over-tourism” has become a major problem not just in various high-profile cities but also in relation to other kinds of trips, including visits to archaeological sites and cruises.

Key **regional market trends** indicate that the Middle East (+5%) received 58 million international tourist arrivals in 2017 with sustained growth in some destinations and a strong recovery in others. Egypt led growth both in absolute and relative terms in arrivals, rebounding strongly from previous years. Visitor numbers rebounded from both traditional markets in Western Europe and emerging markets in Central and Eastern Europe, the Middle East and Asia. Promotional efforts and a return of confidence contributed to this recovery. Bahrain, Jordan and Palestine also rebounded robustly, while the United Arab Emirates of Dubai and Lebanon continued to grow at a sustained pace²⁴.

In the future, one new international growth market could be “Muslim millennials”,²⁵ who are expected to travel in much greater numbers over the coming decade: Jordan is already benefiting from a strong regional inbound market. Jordan is widely seen as a pillar of stability in a region that has been disrupted by conflict in recent years. Despite challenging surroundings, Jordan has managed to maintain a positive economic growth, and tourism to Jordan increased in 2017. However, for the **domestic tourism market**, the high cost of domestic tourism, especially with the

Figure 12: Regional market trends – international arrivals changes (%)



Source: Adapted from UNWTO Tourism Highlights 2018 Edition.

22 World Tourism Organization (2017): UNWTO Tourism Highlights 2017 Edition.

23 Messe Berlin GmbH (2018): ITB World Travel Trends Report 2017/2018.

24 World Tourism Organization (2018a): UNWTO World Tourism Barometer.

25 Messe Berlin GmbH (2018): ITB World Travel Trends Report 2017/2018.

low income of a considerable segment of Jordanian society, forces Jordanians to travel to more affordable destinations abroad. The opportunity for boosting domestic tourism lies in the low tourism season: the sector is tackling the seasonality issue in cooperation with the government through programmes such as Al Urdun Ahla, promoting packages within the financial reach of Jordanians.



Al Urdun Ahla programme

The Al Urdun Ahla (Jordan is the most beautiful) programme, supported and implemented by MoTA and the JTB, aims at encouraging Jordanian families to participate in domestic tourist trips to Petra, Aqaba, Wadi Rum and northern governorates, with the ministry covering 40% of these trips' costs. The programme includes a number of festivals in all governorates, in addition to the famous Jerash and Fuheis festivals.

Source: The Jordan Times, Spending on outbound tourism declines in H1, 26 August 2018.

2.6 CONDITIONS AND IMPLICATIONS FOR JORDAN'S TOURISM SECTOR

At a broader international level, tourism growth and competition have increased dramatically²⁶. New destinations are emerging, and the more established destinations are responding by enhancing and diversifying their tourism offers in order to capture as much of this growth as possible. Businesses are seeking ease of operation to compete effectively while the need for greater attention to the sustainable development of the sector is increasingly recognised.

In recognition of the potential of the tourism industry as an engine of investment, employment and economic growth, the GoJ is in the process of developing the next NTS 2018–2022 (after the first 2004–2010 and the second 2011–2015), with the aim of promoting domestic and international tourism in the country by enabling a competitive business environment which facilitates and encourages investment in the sector.

The new strategy is focused on identifying sector needs and priorities for each governorate, enabling local communities to create business opportunities and products with a higher demand. These include new marketing initiatives, adaptations of the

regulatory framework, improvements to facilities, skills and service quality, and improvements to technology and access to finance for companies in the tourism sector²⁷.

POLICY AND INSTITUTIONAL BOTTLENECKS

The current NTS aims to improve the quality and competitiveness of the sector. GoJ support to the tourism industry has been positive in terms of financial contribution but rather limited in terms of political, legal or regulatory support mechanisms for the sector. The main policy and institutional bottlenecks that affect a successful tourism development are the following:

- **Air access:** Air access policy is considered by the industry as one of the most important factors in determining the successful development of the tourism sector. In 2017, Jordan started to move in the direction of attracting low-cost carriers; the sustainability and effect on the sector of this move is yet to be tested.
- **Business environment:** Although considered as one of the major determinants of success in nurturing a flourishing tourism industry, the quality of the business environment in Jordan is generally not perceived as conducive to product development innovation and service excellence.
- **Institutional set-up:** The current institutional structure of the Jordanian tourism sector lacks coordination between support institutions, which generates a rather fragmented institutional landscape that majorly affects the sector's performance.
- **Price competitiveness:** Price competitiveness is a key growth factor that hinders sector performance. The GoJ needs to give special consideration to policies that govern sector competitiveness throughout the tourism value chain.
- **Education and vocational training:** Education and vocational training in Jordan does not reflect market requirements in terms of quality and quantity. Government policies should be directed towards serious intervention in education and training based on sector demand.

²⁶ World Tourism Organization (2018a): UNWTO World Tourism Barometer.

²⁷ UNWTO Commission for the Middle East (2018): Update on Regional Activities.

PROVISION OF SUPPORT SERVICES

The responsibility for ensuring that the hotel and tourism vocational education and training system is supplying the labour market with qualified graduates lies with the Ministry of Education for vocational education, and mainly with the Ministry of Labour/Vocational Training Corporation (VTC) for vocational training. Several private training programmes have opened in the hospitality sector in recent years and this has been seen as key to the sector's success in attracting Jordanian workers. The JHA subsidises the training provided by Amoun College and helps place Jordanian graduates into jobs. The Jordan Education for Employment NGO provides training in both technical skills and soft skills, which are considered more important by the hotels (e.g. commitment and discipline, general communication, English language); it is funded by a variety of international and local organisations. Luminus Education, a privately-operated holding company, operates several training entities, including Al Quds College, which offers vocational training programmes in hospitality. Employers in the sector feel there is a large unmet need for the government to play a role both in training and (especially) in job-matching. As several new hotels and real estate development projects have opened recently, and with a lack of qualified workers, establishments are increasingly recruiting from the staff of other hotels²⁸.

Jordan has very limited local fossil fuel resources and has usually imported almost all of its energy and fuel demand. In recognition of this challenge, successive Jordanian governments have been working closely with international partners to provide financial funds to incentivise corporates and MSMEs to invest in energy efficiency and renewable energy measures. The Central Bank of Jordan set up a JOD 900 million lending programme supporting MSMEs and corporates in industry, tourism, renewable energy and agriculture to improve energy efficiency and increase their use of renewable energy²⁹.

SOCIAL AND ENVIRONMENTAL ISSUES

In 2007, ASEZA initiated the Foundation for Environmental Education (FEE) programme to introduce an international eco-labelling certificate for tourism, marketing Aqaba as a green destination. The Royal Marine Conservation Society of Jordan (JREDS)³⁰ was selected to represent Jordan as a focal entity and has successfully implemented the Green Key and Blue Flag programmes:

Blue Flag: The Blue Flag programme³¹ is a voluntary eco-label for beaches and marinas that serves as a symbol of high quality in the areas of environmental management, water quality, safety and health, environmental awareness and information, which is easily recognisable by tourists and tour operators. Jordan initially applied for certification of one public beach in 2009. This effort was followed by the certification of three private beaches in Aqaba.

► **Green Key:** The Green Key programme³² is an eco-label for tourism facilities that aims to contribute to the prevention of climate change and support sustainable tourism by rewarding and promoting good initiatives. It aims to change the practices and behaviour of tourism stakeholders including enterprises, authorities, guests and local communities, and to involve them in increasing their responsibility towards their own environment. In Jordan, 21 establishments have been awarded with the Green Key international award. This is renewed on an annual basis after a comprehensive audit conducted by JREDS and a national jury. JREDS expanded the Green Key programme to include the desert campsites of Wadi Rum and around Petra, and the first national criteria for the campsites were developed and adopted at the international level.

Governments and local people are also expecting more from the sector in terms of social and economic benefits and the conservation of important cultural and environmental resources. Responsible tourism is gaining recognition as a pragmatic approach to achieving direct results for sustainable development.

Tourism cares in Jordan – social impact through tourism

Tourism Cares and the JTB have launched a “Meaningful Travel Map of Jordan”, researching and documenting 12 experiences that are at once powerful and positive for both travellers and communities. The map, released following 2017’s International Year of Sustainable Tourism for Development, addresses two overlapping trends for tourism today: demand from travellers for authentic, sustainable experiences that make a difference, and the need to use the power of travel to help people and places thrive. Each of the 12 experiences is offered by a non-profit organisation or social enterprise that, in addition to providing a quality cultural experience for travellers, also has a programme for directly benefiting a disadvantaged population.

Source: Tourism Cares/JTB, Meaningful Travel Map of Jordan.

²⁸ ILO (2017): A Challenging Market Becomes More challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market.

²⁹ EBRD/Frankfurt School of Finance Management (2015): Jordan MSME framework – In-depth market study of MSMEs in Jordan.

³⁰ The Royal Marine Conservation Society of Jordan (JREDS), www.jreds.org/en-us/Programs.

³¹ Foundation for Environmental Education, Blue Flag programme, www.blueflag.global.

³² Ibid.



The key challenge is to ensure tourism growth is not at the long-term cost of Jordan's local people, culture and environment. While the principle of sustainability in tourism has long been known and understood, some social and environmental issues remain to be addressed in order to achieve the right balance of growth and sustainability in tourism. These include, but are not limited to, the following:

- ▶ Raising awareness of water scarcity in Jordan, where the consumption of water by tourists competes with residents' needs for water supply.
- ▶ Ensuring that improving the economic well-being of residents through economic growth and job creation is a higher national priority than conservation.
- ▶ Balancing the development of large-scale mass tourism, e.g. in Petra or international chain hotels/resorts in Aqaba and Amman, with the imperative to sustainability.
- ▶ Ensuring cooperation with other economic sectors and inter-ministerial collaboration to harmonise policies and strategies for sustainable development.
- ▶ Planning comprehensively for impacts on local resources, electricity and water supply of large flows of tourists to remote areas.
- ▶ Safeguarding local environments and host cultures as well as sharing common social interests when they are at risk of being negatively affected or exploited.
- ▶ Enabling local communities to have real power in – or access to – the tourism development decision-making process to advocate for their interests.

CURRENT SUPPORT BY INTERNATIONAL DEVELOPMENT PARTNERS

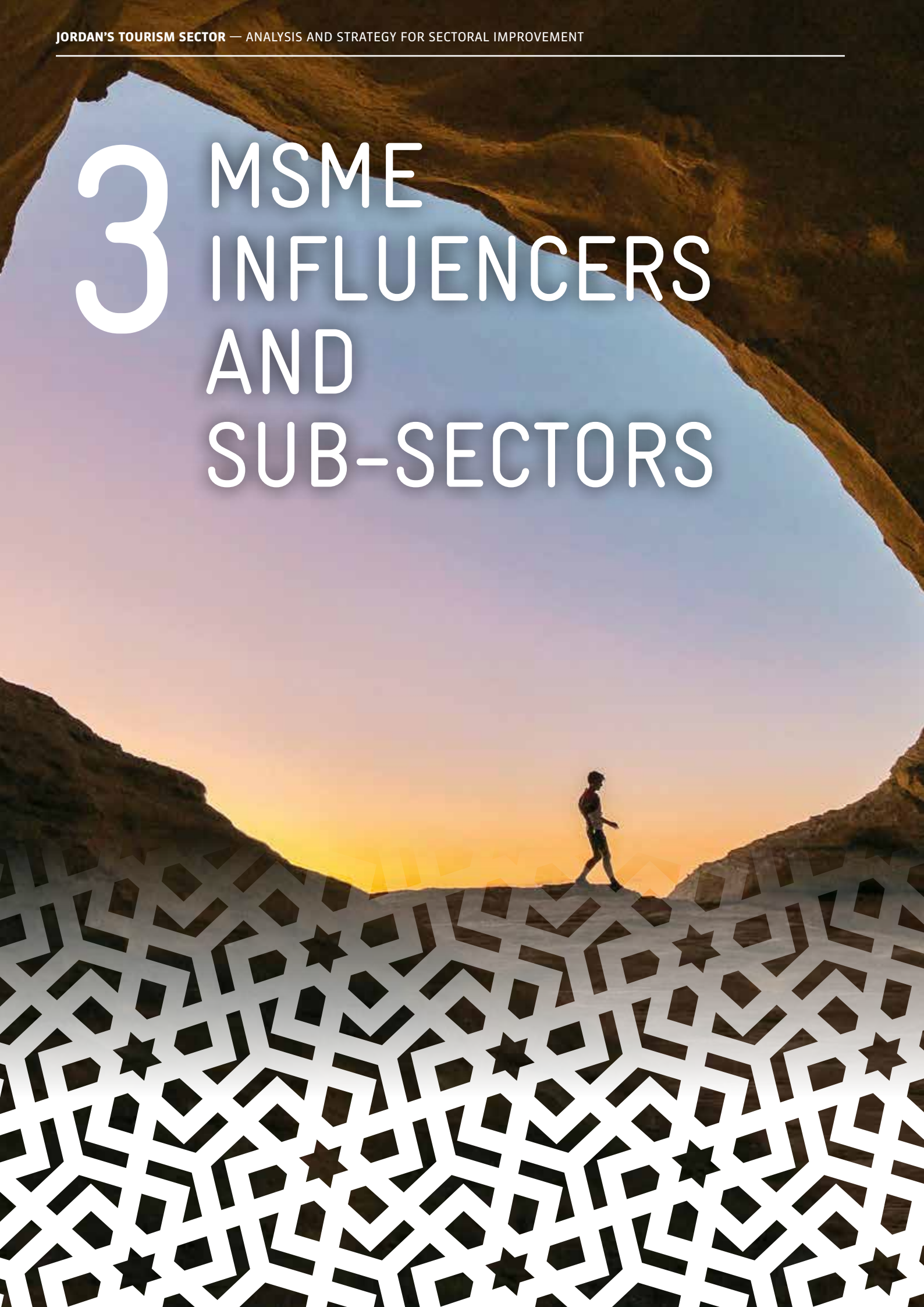
Several international development partners have been recently involved in the development of tourism in Jordan. The United States Agency for International Development (USAID) has the largest presence in the sector, contributing a lot to private sector development. The main support by donors/projects for the tourism sector is listed below:

Figure 13:
Support by international development partners

| | |
|--|--|
| USAID Building Economic Sustainability through Tourism Project (BEST) 2015–2020 | The project works closely with government, non-government and private sector tourism stakeholders to strengthen the country's tourism facilities and services, improve the management and promotion of tourism sites, boost marketing efforts and encourage tourism to secondary sites. |
| USAID Jordan Local Enterprise Support Project (LENS) 2014–2019 | The project focuses on bringing growth and innovation to local communities through, e.g. promoting better policies to encourage business and investment, building stronger local networks and fostering better access to finance. |
| Agence Française de Développement (AFD) | Among the AFD's programmes are a municipal development programme focusing on "sustainable cities" and an infrastructure development programme that has a tourism support element. |
| Japan International Cooperation Agency (JICA) | JICA supports the project "Support for Self-reliant and Sustainable Economic Growth" through assisting tourism sector development and effective utilisation of natural resources. The assistance focuses on infrastructure development in cities/areas with tourism potential like Salt. Another project, "Community-based Regional Tourism Development", ran from 2015 to 2018 in the Petra region. |
| European Union (EU)/Jordanian Action for the Development of Enterprises (JADE) 2017–2020 | JADE is a three-year project, co-funded by the EU, aiming to support the development of an inclusive and innovative private sector – SMEs and start-ups. The associations that have joined from the tourism sector are the JTA and JITO. |
| Embassy of the Kingdom of the Netherlands | The programme "Heritage Value as a Driver for Economic Growth through Participatory Community-based Tourism" aims to invest in the cultural and natural landscape with the community's tangible and intangible heritage. The project's main components include the restoration and rehabilitation of the Al Matan Heritage Village, the development of eco-lodges and the creation of tourism routes. |
| Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH 2014–2019 | The GIZ "Employment-oriented MSME Promotion" project aims to support Jordanian MSMEs by focusing on tourism, food processing, information and communication technology (ICT) sectors. It does so through the implementation of sectoral and market strategies including improving enterprise competitiveness, enhancing competences within MSMEs and improving the business and investment climate in the selected sectors. The project "Sustainable Use of Ecosystem Services in Jordan – Energy and Climate Fund" is aimed at ensuring national policy-making processes take greater account of biodiversity and ecosystem services. The project is cooperating with NGOs, the private sector and local governments to promote selected practical examples from the eco-tourism sector as well as recreation areas for local residents. |
| Global Green Growth Institute (GGGI) | National Action Plan for Green Growth Project is a joint effort between the GGGI and the Ministry of Environment aimed at mainstreaming green growth at the national and sector levels by 2030. It builds on the roadmap laid out in the National Green Growth Plan for Jordan. The objective of the project is to develop the first National Action Plan for Green Growth covering Jordan's six key green growth sectors: agriculture, energy, tourism, transport, waste and water. |



3 MSME INFLUENCERS AND SUB-SECTORS



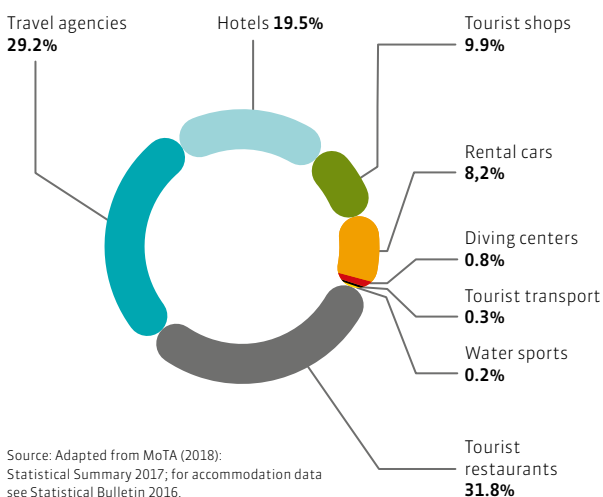
3.1 PROFILING OF MSME INFLUENCERS SUPPORTING THE SUB-SECTORS

For the purpose of this document, the scope of study will focus on the tourism professions licensed by MoTA, in addition to tourism transport companies and cultural events companies that are licensed by other entities. With the exception of four- and five-star hotels (that exceed 99 employees per company), these professions are predominantly led by MSMEs and are direct influencers of the tourism industry. These MSMEs comprise:

- ▶ Tour operator and travel agents.
- ▶ Tourism restaurants³³.
- ▶ Providers of accommodation including hotels, campsites and apartments.
- ▶ Providers of tourism experiences, including providers of diving services, guiding services, recreational activities and experiential tourism activities in general.
- ▶ Handicrafts producers.
- ▶ Event organisers.
- ▶ Tourism transport companies.

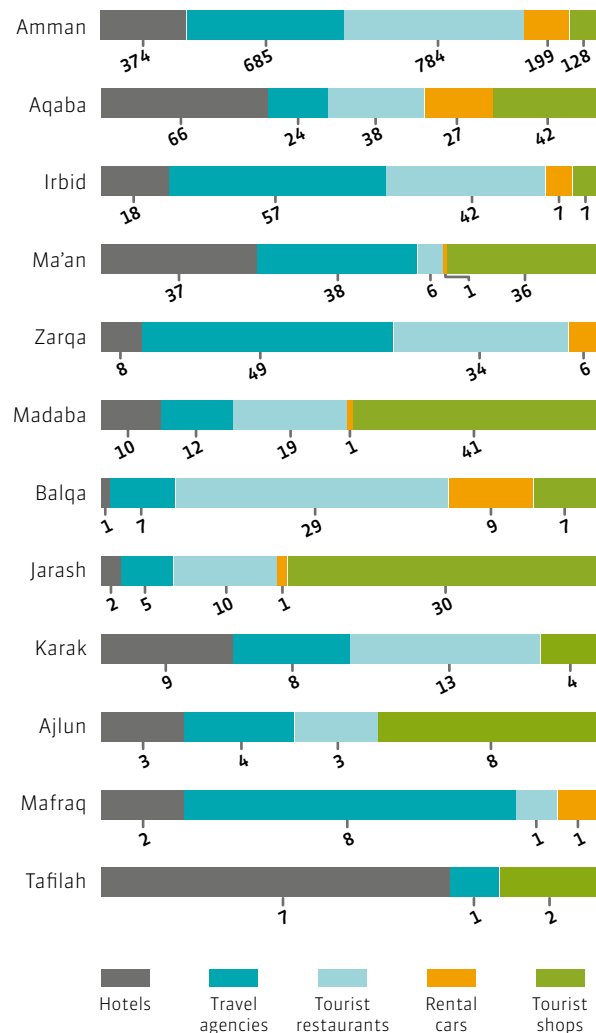
The above list excludes activities undertaken in the informal economy by micro and home-based businesses, as there is no mechanism to capture and quantify

Figure 14: Total number of registered tourism activities, 2017



³³ Tourism restaurants are classified and licensed by MoTA only. They do not include "local restaurants", which are licensed by the municipality and are not classified.

Figure 15: Geographical distribution of MSME tourism activities, 2017



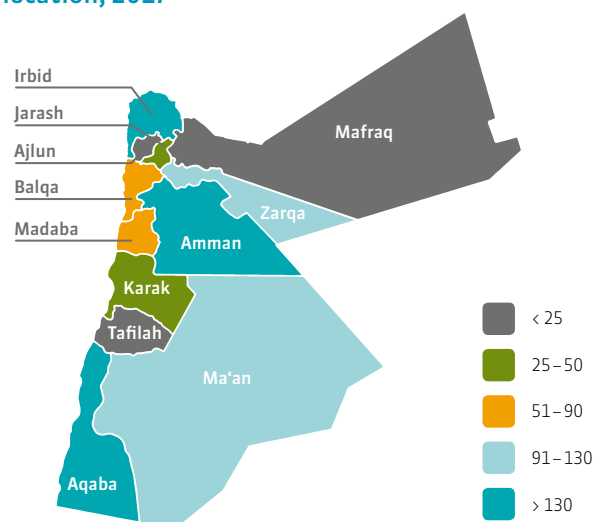
Source: Adapted from MoTA (2018): Statistical Summary 2017; for accommodation data see Statistical Bulletin 2016. (excl. high-end hotels more than 99 employees).

these activities under the scope of this study. They include homestays, home-based experiences, home-based crafts (food and artisanal), Facebook and social media activities, and unofficial escorting and guiding activities.

3.1.1 TOURISM MSME SUPPLY AND EMPLOYMENT

The total tourism activity providers registered with MoTA in 2017 comprised: 601 hotels, 898 travel agencies, 979 tourist restaurants, 252 rent-a-car offices and 305 tourist shops. Another eight transport companies were registered in Amman and 26 diving centres and six water sport enterprises in Aqaba. The number of classified hotels increased from 2010 to comprise 33 five-star hotels, 31 four-star hotels, 57 three-star hotels, 68 two-star hotels and 66 one-star hotels.

Figure 16: Density of MSME tourism activities by location, 2017



Source: Adapted from MoTA (2018): Statistical Summary 2017; for accommodation data see Statistical Bulletin 2016. (excl. high-end hotels more than 99 employees).

When excluding the four- and five-star hotels, which are close to the defined MSME threshold of more than 99 employees per business, the total number of 601 hotels decreases by 64 businesses from Amman, Petra, Aqaba, Dead Sea and Ma'in to a remaining total of 537 MSME accommodation providers.

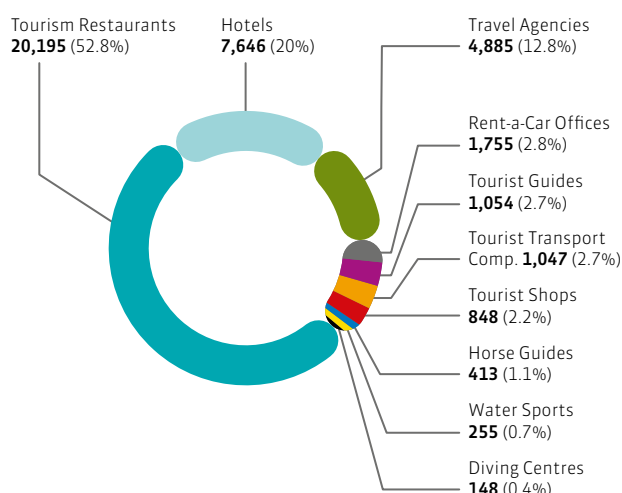
Amman has the highest density, with a total of 2,178 MSME enterprises, followed by Aqaba with 229 (including diving and water sport enterprises), Irbid with 131 and Ma'an governorate (Petra) with 118.

The MoTA figure for employed personnel in the tourism sector is slightly lower compared to the WTTC data mentioned in section one, due to the different categories of tourism activities. According to MoTA, the total number of employees in the sector was 51,270 in 2017 of which 15.9% are foreign labours.

For MSMEs in particular 38,246 employees were registered. The bulk of MSME employment remains within the restaurant businesses, followed by hotels and travel agencies. Major employee changes in comparison to the year before were registered within the categories of horse guides, with a decrease of 42%, and tourist shops, with a decrease of 18.7%. On the other hand, number of employees in car rentals up by 18.9% and the number of employees within all hotel categories increased by 7.1% compared to 2016.

Amman had the most MSME employees, a total of 30,248, followed by other strong tourist locations such as Aqaba, Wadi Rum, and Irbid.

Figure 17: Number of employees in different MSME tourism activities, 2017



Source: Adapted from MoTA (2018): Statistical Summary 2017; for accommodation data see Statistical Bulletin 2016.

Generally, the perception among Jordanians is that work in the hotel and restaurant sector is not appealing, especially on a vocational level. Such employment is regarded as offering low pay, unsocial hours and shift work, work over holiday periods and sometimes a requirement to work away from home in touristic areas, e.g. in Aqaba. However, employment by the large five-star and international hotel companies provides an international exposure that is appealing³⁴.

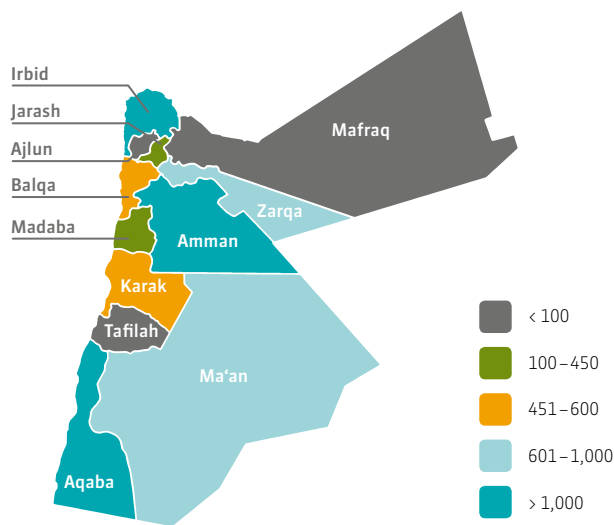
Particularly because of the large number of jobs that are indirectly related to tourism, substantial job opportunities are available for women in the wider tourism economy. Internationally, the employment of females in the hospitality sector is higher than in many other industries. However, in the Jordanian hotel and tourism sector, there is still a low level of female participation in the labour market. Female participation in the tourism workforce stood only at 9% (and 10% in MSMEs) in 2017³⁵. This was mainly due to personal safety concerns over women being employed in isolated areas with male colleagues and to the limited social acceptability of female employment. The highest share of female employment in MSMEs can be found in travel agencies with nearly 27% and only 8% in hotels and 7% in restaurants. Many of the female workers are migrants (largely from the Philippines)³⁶. When benchmarking the ratio of female to male participation in the labour force according to the TTCL, Jordan ranks last out of 136 economies.

³⁴ International Labour Organization (ILO) (2017): A Challenging Market Becomes More Challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market.

³⁵ MoTA (2018): Statistical Summary 2017.

³⁶ ILO (2017): A Challenging Market Becomes More Challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market.

Figure 18: Number of employees in MSME businesses by location, 2017



| | | | |
|-------------------|--------|----------|----|
| Amman | 30,248 | Ma'raq | 40 |
| Aqaba | 1,994 | Ramtha | 20 |
| Wadi Rum & Deesah | 1,206 | Ma'an | 20 |
| Irbid | 1,157 | Russeifa | 17 |
| Petra | 904 | Shobak | 17 |
| Zarqa | 541 | Rwaished | 3 |
| Dead Sea | 443 | | |
| Madaba | 439 | | |
| Jarash | 390 | | |
| Fuhais | 344 | | |
| Balqa | 171 | | |
| Karak | 89 | | |
| Tafiela | 87 | | |
| Al Azraq | 58 | | |
| Ajlun | 58 | | |

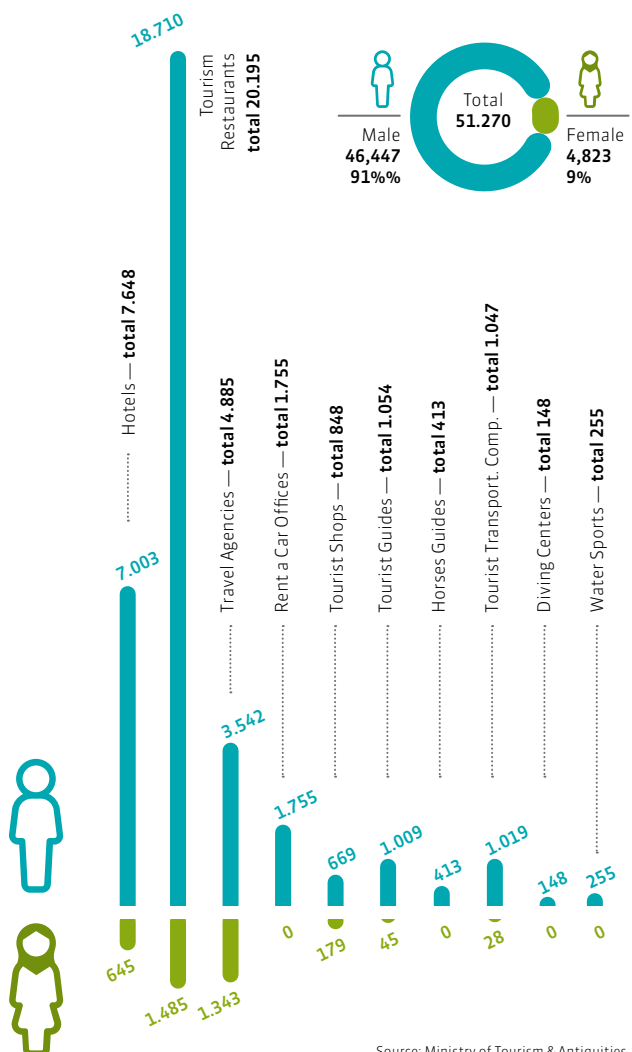
Source:
Adapted from MoTA (2018): Statistical
Summary 2017;
for accommodation data see Statistical
Bulletin 2016. (excl. high-end hotels more
than 99 employees).

There are some jobs that are difficult to fill with Jordanians. In a 2017 study by the ILO, both Jordanian workers and employers confirmed that many jobs in housekeeping, stewarding, food and beverages and warehouses – jobs for which the starting salary is around JOD 200 – are held by migrant workers. Employers often see migrant workers (most often from the Philippines and Egypt) as more disciplined and willing to accept lower wages³⁷. Syrians have found a niche at both the high and low end of the restaurant sub-sector. Employers are generally enthusiastic about hiring Syrians because of their reputation for being good cooks and good at customer service. However, very few are working in the hotel sub-sector. The primary constraint appears to be difficulty in obtaining security clearances. In addition, hotels may be hesitant to make hiring commitments to workers who cannot provide training certificates or references from previous employers³⁸.

3.1.2 DESCRIPTION OF MSME PRODUCTS, SERVICES AND BUSINESS MODELS

Jordan has built its industry around mass tourism: infrastructure has been developed to support organised tours around a familiar circuit. This typically consists of the Dead Sea, Jerash, Um Qais, Madaba, Karak, Petra and Wadi Rum (extended stays may include Azraq Castle, Karak and Aqaba). The sites are served by an infrastructure comprising four- and five-star hotels, a plethora of restaurants and a transport

Figure 19: Number of employees by MSME tourism activity, 2017



Source: Ministry of Tourism & Antiquities

³⁷ Ibid.

³⁸ Ibid.

network built around the needs of the tour operators. Tours are traditionally organised and operated by inbound and outbound tour operators, whose business models are almost entirely focused on attracting similar end-markets, namely travellers from the USA and Europe who are looking for a seven-day, organised vacation to see the “highlights of Jordan”³⁹. According to interviews, the vast majority of Jordanian MSMEs in the sector, excluding the international chain accommodation providers, are family-owned.

Visitor trends in terms of activities undertaken and locations stayed in can be described as follows:

- ▶ Shopping is the most popular activity among visitors to Jordan, accounting for 30% of all activities undertaken. Nature and eco-tourism accounts for 18% of all activities, followed by visiting historic sites (12%). Visitors from different countries have specific preferences for the activities they undertake in Jordan:
 - ▶ Shopping (Palestine, Saudi Arabia, Israel)
 - ▶ Nature and eco-tourism (USA, France, United Kingdom [UK])
 - ▶ Visiting historic sites (China, Russia, USA, UK)
 - ▶ Gastronomy (Syria, Kuwait)⁴⁰.
- ▶ Over one-third (38%) of all visitor nights in Jordan are spent staying with friends or relatives, reflecting the overall dominance of Visiting Friends and Relatives (VFR) visitors (58% of all arrivals). Over one-quarter (28%) of all visitor nights are spent in visitors' own houses or apartments, meaning that two-thirds (66%) of all visitors stay in non-commercial accommodation. In the commercial sectors, apartment rental is the most popular option (almost one-quarter, 24%, of all visitor nights), followed by hotels (8%)⁴¹.

3.1.3 PROMOTION AND DISTRIBUTION BY MSMEs

To a certain extent, some MSMEs are benefiting from the JTB's promotional programme, which includes the production and distribution of promotional information, e-marketing and promotions, above- and below-the-line consumer advertising programmes and campaigns, participation at trade fairs, trade sales visits and workshops, and indestination familiarisation travel trade visits and media familiarisation programmes.

The recent Jordan International Tourism Visitor Survey 2016–2017 reveals interesting results to understand demand-related promotion and distribution behaviour.

The two **main influencing factors** for visitors choosing Jordan for leisure, culture or religious trips are recommendations of travel agents (45%) and friends/relatives (34%). Internet marketing is without doubt becoming the most important part of the marketing mix for the JTB and individual MSMEs alike. It is also important to have servicing methods to deal with enquiries, such as a well-designed website that will track results. However, websites only influence 7% of all visitors, although they are strong influencers for visitors from France and Germany⁴².

When planning a trip for leisure, cultural or religious purposes, the **information resources used** are predominantly travel agencies (35%) followed by friends/relatives (24%) and the internet (23%). Visitors from France, Germany and USA are particularly strong users of the internet for planning, while those from India, Russia and China are significant users of travel agents. Visitors from Saudi Arabia and Kuwait predominantly use previous experience and friends/relatives. Among those visitors using websites for planning, tour operator websites (55%) are the most popular (in particular for visitors from Saudi Arabia, India and Kuwait)⁴³.

Bookings may be made through an intermediary – a tour operator, travel agent or booking agent – or directly with individual MSME providers (e.g. transport and accommodation providers). **Booking** through travel agents (59%) is the most popular method for visitors travelling to Jordan on leisure, cultural or religious trips; however, online channels (social media and online travel agents, hotel/flight booking sites) account for 31% of bookings. Visitors from Russia, China, the USA, the UK, Israel and Germany are most likely to use travel agents to book the trip, while those from Saudi Arabia and Kuwait are strong users of social media sites for booking⁴⁴. MSMEs already have strong visibility through partnerships with online travel agencies and referral and booking websites, which are crucial given the increase of travel bookings that take place online.

On **social media platforms** managed by MSMEs, there is great scope for “chatter” – e-word of mouth – about the respective businesses. Social media helps to enhance the visibility of a tourism brand. This chatter can be passed around closed groups or

³⁹ USAID LENS (2017): Assessment of the Mountaineering Sector in Jordan.

⁴⁰ MoTA/DoS/USAID BEST (2018): Jordan International Tourism Visitor Survey 2016–2017.

⁴¹ Ibid.

⁴² Ibid.

⁴³ Ibid.

⁴⁴ Ibid.

be visible to a much wider audience. Facebook is the most popular type of social media used by visitors to Jordan, followed by Instagram. However, there are key usage differences between the main markets. Visitors from Palestine are significant users of Facebook, while those from Germany, the UK, Saudi Arabia and Kuwait have a higher-than-average usage of Twitter. Google and Instagram are popular with visitors from Russia. YouTube is popular in Israel and Kuwait, and Snapchat with visitors from Saudi Arabia, Kuwait and Lebanon⁴⁵.

3.1.4 COMPETITIVE PERFORMANCE AND TRENDS

Overnight Jordanian visitors account for 38% of all expenditure in the country excluding international transport, followed by visitors from Saudi Arabia (13%), Iraq (6%), Palestine (4%) and the USA (4%). Analysis of the highest-spending markets reveals the biggest spenders per day as follows.

Visitors travelling for religious purposes are the highest spenders per day, at JOD 372; however, this is a very small market in Jordan. Of the most significant markets, medical visitors are the highest spenders (JOD 193 per day), followed by vacation/leisure visitors (JOD 135 per day).

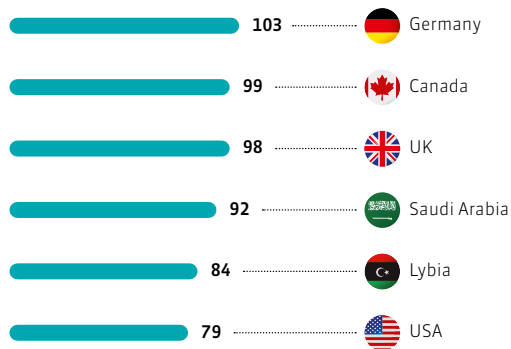
Shopping accounts for over one-quarter (26%) of all overnight visitor expenditure, with food and beverages (17%) being the next most significant single item, followed by entertainment (13%). Accommodation accounts for only 9% of all expenditure, largely due to the significant size of the non-commercial accommodation sector.

Some countries are spending above the average on some items: shopping (Palestine, Jordan), food and beverages (Jordan, Syria), entertainment (Saudi Arabia, Jordan), accommodation (Lebanon, UK), medical services (Libya, Oman).

Overnight visitors who stay in hotels tend to spend more per day (JOD 166) than those who stay in other types of accommodation (suite/apartment hotel JOD 96, rental apartment JOD 47).

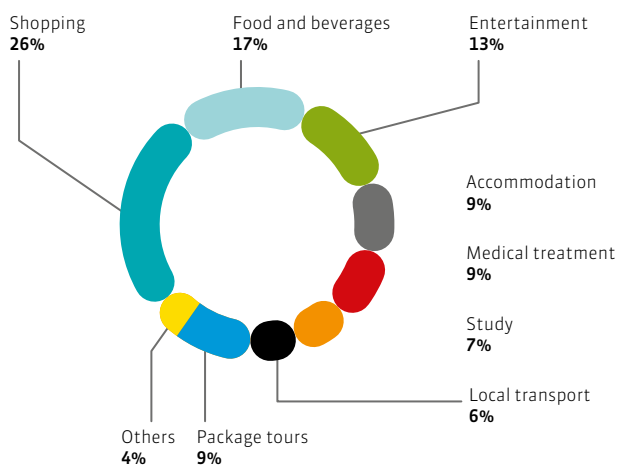
The biggest spenders are those in the 55–65 age group, whose average spend averages JOD 79 per day⁴⁶.

Figure 20: Spend per market in JOD



Source: Adapted from MoTA/DoS/USAID BEST (2018): Jordan International Tourism Visitor Survey 2016–2017.

Figure 21: Spend per item

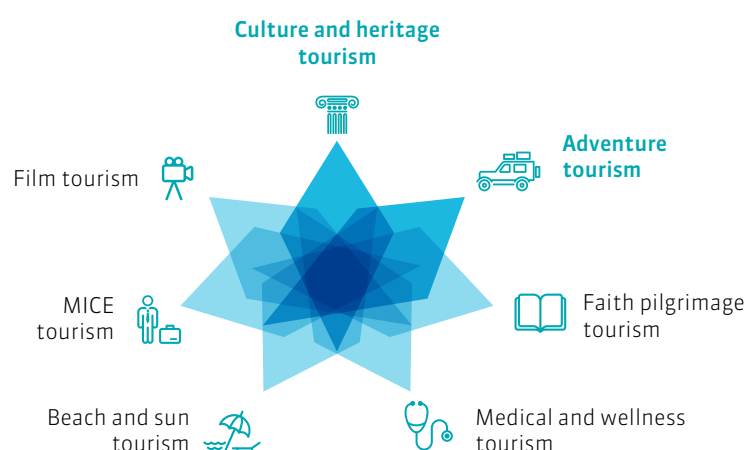


Source: Adapted from MoTA/DoS/USAID BEST (2018): Jordan International Tourism Visitor Survey 2016–2017.

⁴⁵ Ibid.

⁴⁶ Ibid.

Figure 22:
Tourism sub-sectors
and prioritised
sub-sectors



3.2 SUB-SECTOR CHARACTERISTICS

Tourism in Jordan is predominantly dependent on cultural tourism focusing on certain globally recognised, iconic sites that are considered anchor products, such as the Nabatean city of Petra and the Roman city of Jerash, in addition to a plethora of biblical sites. Petra is the most visited tourism heritage site in Jordan and is regarded as the primary iconic site in terms of attracting visitors, especially from Western countries, given its unique cultural significance and global status as a UNESCO World Heritage Site, as well as its nomination as one of the World's Seven Wonders in 2007⁴⁷. Jordan also boasts diversified tourism products and attractions like the Dead Sea, Aqaba, Wadi Rum and other nature and adventure reserves and trails.

The average length of stay for tourist groups in Jordan is around five to seven days, with a variation of combinations of itinerary with Petra as an anchor site. A typical tourist itinerary could include a visit to the Dead Sea and/or Wadi Rum, as well as biblical sites, which will appear under separate market segments/sub-sectors in this document. It should be noted that there is no definite distinction between the various segments/sub-sectors in terms of purpose of visit, and no information on number of tourists per segment or tourism receipts and GDP contribution.

For the purpose of this study the tourism market segments/sub-sectors were identified as shown in the figure and detailed product descriptions for the sub-sectors are given below.

Culture and heritage tourism makes up the largest share of tourism to Jordan and remains the key reason for travel to the country. Archaeological and iconic sites which continue to attract tourists include Petra, Wadi Rum, the Dead Sea, Jerash and the Baptism Site. There are emerging markets alongside this main segment, such as city tourism, festivals and cultural activities, community-based tourism and museums and art galleries.

Adventure tourism involves exploration or travel to remote areas. It includes unique and challenging experiences at nature sites and reserves, in which travellers interact with local populations and connect with their core values. Adventure travel can include numerous activities, such as outdoor adventure activities like canyoneering, rock climbing, hiking and trekking or recreational/adventure activities like zip lines, aero sports, etc.

Faith tourism, given the many religiously significant sites located in the Kingdom, attracts a lot of travellers, either biblical and Islamic tourists (shrines) or Haj pilgrims en route to Saudi Arabia.

Medical and wellness tourism reflects Jordan's advanced healthcare system, which combines over 100 public and private hospitals and around 700 healthcare centres spread across the Kingdom, offering high-quality medical treatment at competitive prices. Jordan has unique selling points to attract wellness travellers, including natural resources such as the Dead Sea and the hot springs in Ma'in, Afra, Burbaita and Himmeh.

Beach and sun tourism is focused on sunbathing, relaxation and water sports, which can be experienced at the beaches and resorts in Aqaba and at the Dead Sea.

⁴⁷ Petra Development and Tourism Regional Authority, www.visitpetra.jo.

MICE tourism is complex, with participants, sponsors, planners, convention and visitor bureaus, meeting venues, accommodation and suppliers all generally being involved in the planning and execution of an event.

Film tourism is emerging globally as an industry in itself and Jordan is developing a relevant track record. Film tourism is effectively driven by filming locations and attracts visitors.



3.2.1 CULTURE AND HERITAGE TOURISM – PRIORITY SUB-SECTOR

The cultural and heritage segment is at the forefront of tourism in Jordan in terms of visitor numbers. This sub-sector is defined by a number of tourism products but predominantly led by sites of archaeological interest. The range of products under this sub-sector are collected under the following categories.

DESCRIPTION OF PRODUCTS AND VISITS

Archaeological sites: Mainly represented by sites of global and historical significance including in Petra, Jerash, Um Qais, Pella and Madaba, and a range of biblical sites, among many other archaeological sites with remains dating back to prehistory. Sector stakeholders depend on numbers of visitors to Petra as the most accurate indication of tourism performance for any given year.

This segment already enjoys a well-established market that is served by a base of MSME service providers. There is potential for expanding and upscaling

private-sector-led experiences and services on and around archaeological sites.

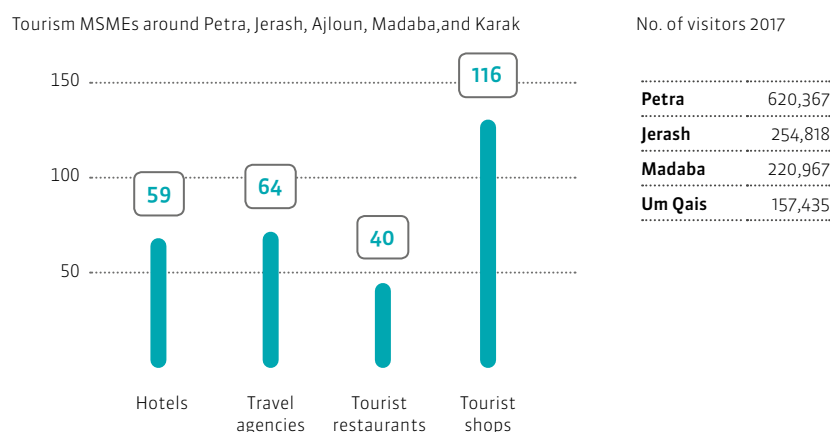
City tourism: Home to the only international airport in Jordan, Queen Alia International Airport, Amman is the primary entry point for international arrivals⁴⁸. The most prominent land border entry point in terms of tourist visits is the southern border with Saudi Arabia.

All visitors coming to Jordan for tourism purposes spend at least one to two nights in Amman as part of a five-to-eight-day itinerary, which includes a visit mainly to the downtown area and the Citadel of Amman. Amman is particularly attractive as a tourism destination to the Gulf market. The Saudi market has been a steady market for Jordan in recent years, exceeding half a million tourists in 2017. The profile of Saudi visitors is more focused on city tourism and shopping than on archaeology and heritage. Given their proximity to Amman, the cities of Madaba, Jerash and Ajloun also attract domestic and Gulf day-visitors besides those culturally driven tourists who visit these cities for their archaeological attractions. The city of Salt represents an opportunity for an emerging product with potential heritage experiences, given its importance to Jordan's modern history and its unique architectural characteristics.

Community-based tourism: The concept of community-based tourism is becoming increasingly appealing to local communities in the rural areas of Jordan, who are now venturing into home-based tourism activities. While it is challenging to quantify the micro businesses that are engaged in such activities, the past few years have witnessed increased momentum among activities that mainly

⁴⁸ King Hussein Airport Aqaba in Aqaba receives limited flights from the region and recently opened to low-cost carriers like EasyJet.

Figure 23: Tourism MSMEs around key antiquity sites and No. of visitors 2017



Source: Adapted from MoTA (2018): Statistical Summary 2017

Source: MoTA, RCSN, JTA statistics.

cater to domestic visitors from Amman. These include the agri-tourism activities introduced by USAID in Salt and being rolled out in Jerash and Ajloun, as well as activities organised by tour operators selling home-based experiences across various locations in Jordan. The importance of this segment is four-fold:

- a. Creating traffic to rural and remote areas that do not necessarily have iconic sites and attractions.
- b. Generating employment through home-based activities.
- c. Increasing female employment, and
- d. Encouraging food and crafts production and creating distribution channels.

Currently, community-based food and beverage provision, transport and logistics and guide services are enabled through the active engagement of some local communities through tour operators, some private companies specialising in experiential tourism, the RSCN, which introduced this concept in the early 90s, and the JTA, among others. The potential of this type of tourism activities for micro businesses is very promising, particularly given that capital investment is not a key factor for success.

Festivals and events: Of the cultural festivals in Jordan, the Jerash Festival, which takes place in July/August, is the most established and prominent, attracting thousands of local and regional visitors and world-renowned artists and performers each year. In the past decade, further momentum has been created, primarily led by private sector companies specialising in events, which have organised world-class concerts, musicals and festivals across the country, including in Amman, Aqaba and Petra and at the Dead Sea.

Museums, art galleries and craft/artisanal centres: Museums and art galleries and artisanal hubs are organically expanding, with the highest concentration being in west Amman. With the exception of the archaeological museums and the Royal Heritage Directorate museums, all galleries in Amman are privately owned.

BUSINESS LINKAGES AND MSMEs WITHIN THE CULTURE AND HERITAGE SUB-SECTOR

The targeted integration of local/regional providers of goods and services into the value chain, with a special focus on MSMEs, supports sustainable economic development and promotes employment in a tourism destination. Issues to be considered and resolved when initiating business relationships with providers of goods and services to the culture and heritage sub-sector of the tourism industry include⁴⁹:

- ▶ Limited access to employees with specialised skills to understand the requirements of the sub-sector, especially outside Amman.
- ▶ Lack of innovation and individuality in tourism offerings and redundancy of offered experiences, in spite of the rich content of this sub-sector.
- ▶ Difficulties in provision of products for larger-demand markets (e.g. cruise groups, mass tour groups at peak season).
- ▶ Weak demand-driven analysis in the design and provision of tourism services and offerings.
- ▶ Limited product price competitiveness due to a larger number of suppliers for the cultural sub-sector.
- ▶ Poor product quality and consistency and quality management.
- ▶ Fluctuation of visitor numbers affecting the consistency and quality of product offering and service delivery.
- ▶ Weak marketing and access to information on the various offerings and experiences.
- ▶ Weak government planning and coordination in relation to product and cluster development priorities.
- ▶ Limited MSME access to investment capital for tourism offerings, supplies, etc.

Authentic crafts, artisanal food, fresh produce and general food production show promising opportunities for cultural tourism-related linkages. Jordan's horticulture products such as fruits, herbs and spices are important components of menus at restaurants and accommodations. One area of linkage support in artisanal food could be branding. Local food, crafts and souvenirs form an essential focus of tourism. The "Made in Jordan" brand could therefore be better utilised and applied to promote the authenticity of local products at tourist sites and in tourist shops, and to support local supply.

Creative industries could add value to tourism experiences and provide a variety of linkage opportunities with the tourism sector. These include cultural tours associated with Jordan's tangible and intangible heritage, marketing of local crafts in hotels, promotion of artists and cultural performances, and exhibits at shows, concerts, festivals, fairs and galleries.

⁴⁹ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (2014): Tourism Planning in Development Cooperation: A Handbook.

COMPETITIVE POSITION AND TRENDS

As for the main travel trends, the search for authenticity and the urge to interact with local people are important motives. Tourism is in general moving towards a focus on more experiential practices: hand-crafts and visual arts that demonstrate traditional craftsmanship; gastronomy and culinary practices; social practices, rituals and festive events; music and the performing arts; oral traditions and modes of expression, including the use of language as a vehicle of intangible cultural heritage; knowledge and practices concerning nature and the universe⁵⁰. When segmenting tourists by age, around a third of the 20 to 39-year-old group is interested in holidays with an emphasis on culture, women being more inclined than men towards cultural activities. The 40 to 45-year-old age group is the largest cultural traveller segment. Tourists in this age group are often culture-motivated. Among the 55 to 70-year-old age group, cultural travel is the most popular type of travel.

In order to understand the economic potential of a sub-sector, it is important to look at how it sits within the business environment and relative to its competitors. Knowing how competitive a sub-sector is nationally and globally is an important indicator of growth potential and can help to identify ways forward to achieve success. Product scope and differentiation analysis helps determine the product position

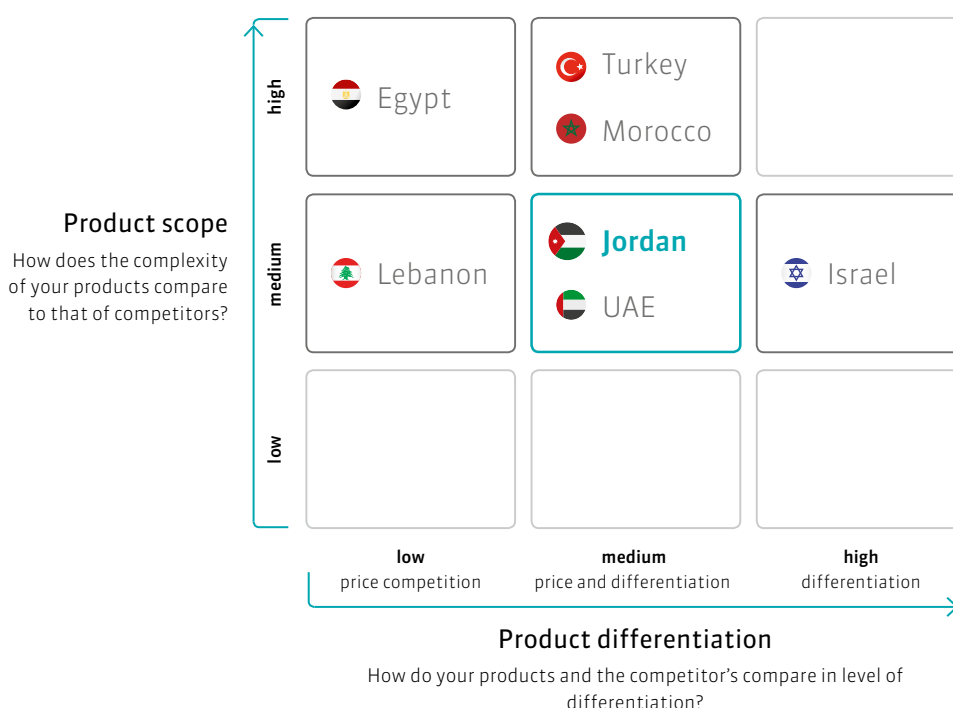
in terms of complexity, variety and value addition. The key elements of the product scope and differentiation analysis in relation to competitors' rankings according to the TTCI are: a) product scope based on the competitive position of cultural resources as the main indicator for cultural heritage tourism; and b) product differentiation based on price competitiveness.

Product diversification could increase value added by improving the development impact of tourism and increasing linkages with the local economy. These could include authentic and experiential leisure-related cultural tourism activities.

MARKET ACCESS ANALYSIS OF THE CULTURE AND HERITAGE SUB-SECTOR

Key to understanding the context of the market analysis and deriving strategic options is the Five Forces Model, which is used to identify aspects of an industry's attractiveness. The objective of this analysis is to ascertain a sectorial strategy and determine the long- and short-term implications of competing in certain product and market segments. This approach provides a means to gain a clear understanding of the attractiveness of the culture and heritage sub-sector and of the market access parameters, and consequently to craft a sub-sector strategy. The main influences on MSMEs in this sub-sector are summarised in the following figure.

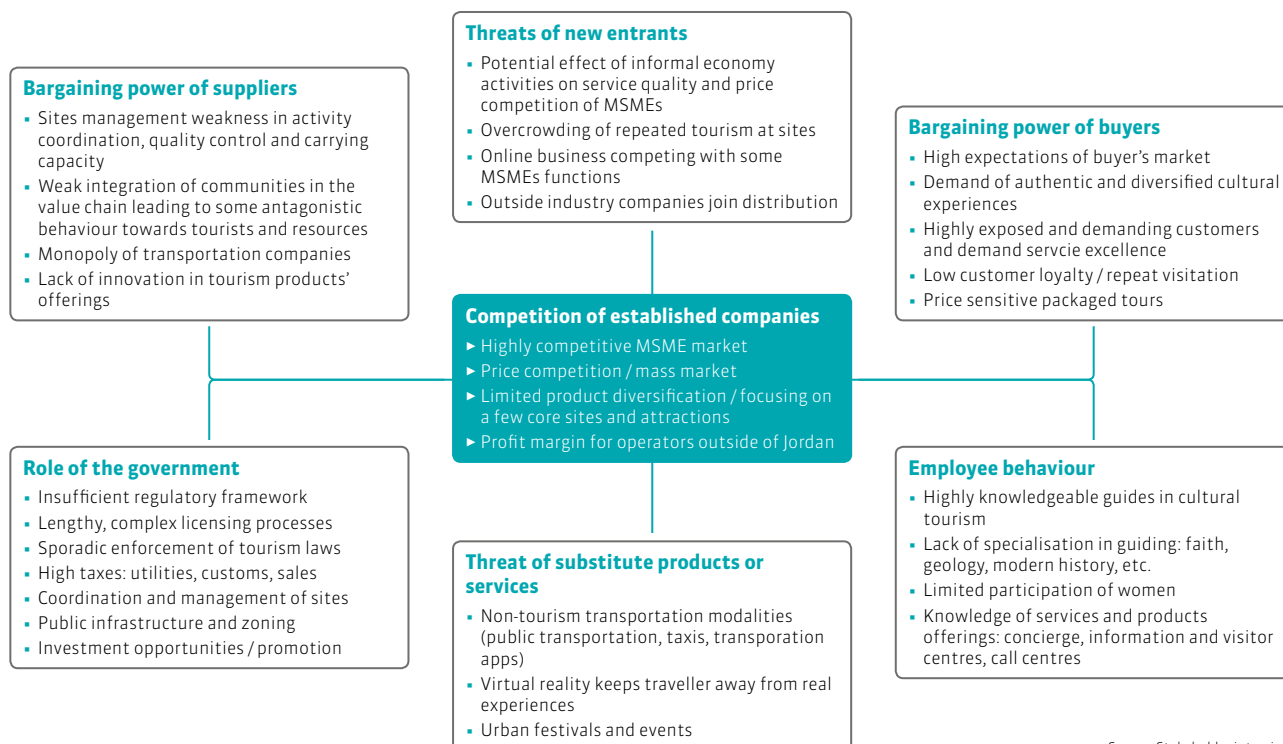
Figure 24: Analysis of product scope and differentiation of the culture and heritage sub-sector



Source:
Adapted from WEF (2017): Travel and Tourism Competitiveness Report, 2017.
(Product differentiation: price competitiveness; product scope: cultural resources.
Indicators: number of World Heritage cultural sites, oral and intangible cultural heritage, cultural and entertainment tourism digital demand)

50 UNWTO (2012): Tourism and Intangible Cultural Heritage.

Figure 25: Analysis of the identified culture and heritage tourism market



Source: Stakeholder interview.

CURRENT AND POTENTIAL OPPORTUNITIES

Cultural tourism is known to have a high development impact with still untapped potentials. Culturally motivated visitors are interested in learning and experiencing the heritage of cities and landscapes by visiting places such as museums, markets and historic buildings.

There is potential for innovation, design and provision of tourism services and offerings when it comes to cultural performances and purchasing of arts and crafts. Cultural tourists are known to spend substantially more than other leisure tourists. The opportunity to involve visitors in cultural experiences also helps foster linkages with domestic craftsmen and artists. In Jordan, which has a large diasporic population, cultural tourism also offers the potential for leisure and educational visits. Festivals, events and performances, as well as the richness of local creative industries, are an important feature of cultural tourism that could be attractive for residents and foreigners alike, including the diaspora; this could present an opportunity for MSMEs.

The emergence of ICT has brought new opportunities for tourism MSMEs, including in audio-visual interpretative forms of cultural heritage, marketing activities, products and services distribution, development of offers, booking, social media, etc. However, the use of such technology is a great opportunity, but it needs to be closely related to the needs and expectations of today's visitors, which are more complex and sophisticated than in the past.



Tourists in front of the Nymphaeum Temple of Jerash.



3.2.2 ADVENTURE TOURISM – PRIORITY SUB-SECTOR

Adventure tourism is an emerging market of great potential for Jordan, given its diversified and multifaceted range of products. The key elements of the adventure tourism segment in Jordan can be summarised as follows.

DESCRIPTION OF PRODUCTS AND SERVICES

RSCN reserves: The RSCN was a pioneer in introducing the concept of eco-tourism to Jordan. Since its inception, the RSCN has established eight protected areas, covering over 1,200 square kilometres.

In the mid-80s and 90s, the RSCN reserves started to evolve into tourism products, incrementally introducing tourism facilities and services. Today, Jordan has eight reserves, seven of which are full-fledged tourism products that receive tourists, engage local communities in the tourism industry and provide a wide range of adventure and eco-tourism activities. The eight reserves are: Shaumari Wildlife Reserve, Azraq Wetland Reserve, Mujib Biosphere Reserve, Ajloun Forest Reserve, Dana Biosphere Reserve, Dibein Forest Reserve, Yarmouk Forest Reserve and Fifa Nature Reserve. The reserves receive around 100,000 visitors per year.

Wadi Rum Protected Area: Managed under the mandate of ASEZA, Wadi Rum was established as a protected area in 1997 and was inscribed as a UNESCO World Heritage site in 2011. Wadi Rum is the most popular and most visited nature site in Jordan, as it is typically included in the “classic” cultural tour itinerary. Wadi Rum offers a wide array of soft to hardcore adventure activities and services, predominantly operated by the local people.

Jordan Trail: Launched officially in 2016, the Jordan Trail is a 650-km-long hiking trail spanning the length of Jordan from Um Qais in the north to Aqaba in the south, incorporating diverse landscapes. The trail offers a 40-day hiking experience passing through 52 villages. After two years of operation, the Jordan Trail was attracting unprecedented attention on international mainstream media platforms. In 2017, it was named as one of the most beautiful hikes in the Middle East and Mediterranean by the renowned travel magazine Condé Nast Traveller. The distinctive advantage of the Jordan Trail is that it attracts traffic to remote villages and towns that are “off the beaten track” and provides economic opportunities to local communities through a wide range of services that can be extended to the hikers. Activities mainly

include homestays, camping, home visits and the provision of transport and guiding services.

There is an active industry already operating with more than 50 hiking and canyoneering MSME operators in Jordan, seven in cycling and two specialising in rock climbing, which vary greatly in the quality of their services and operations. Furthermore, there are a number of events that relate to adventure activities, including the Dead2Red Marathon, “The100” Cycling Challenge, the Tissot Race, the Wadi Rum Marathon and a range of additional trails and excursions along the Jordan Trail. Most adventure operators provide basic services relating to the activity, including transport to the site (typically by rental car or bus). Equipment is provided by the more established firms. In most cases, food and water are included at no additional cost, with the majority of firms offering one bottle of water and store-bought sandwiches from Amman⁵¹.

ANALYSIS OF DEMAND

All the above adventure products encompass a wide array of tourism activities and services that include some or all of the following: camping, hiking, trekking, jeep tours, canyoneering, rock climbing, cycling and mountain biking. The vast majority of tourism services and experiences are operated by local communities around nature sites and reserves; in 2017 visitors numbered 177,569 in Wadi Rum, 99,970 in the RSCN reserves and 7,500 (est.) on the Jordan Trail⁵².

The estimated number of adventure travellers per week is around 800. This is projected to continue to grow over the next few years as consumers worldwide demand new experiences that involve physical activity and the active discovery of culture and nature. Informal, smaller operators and smaller destinations have been able to quickly adapt products to meet demand and are now offering more trips with an element of “adventure”⁵³.

BUSINESS LINKAGES AND MSMEs WITHIN THE ADVENTURE TOURISM SUB-SECTOR

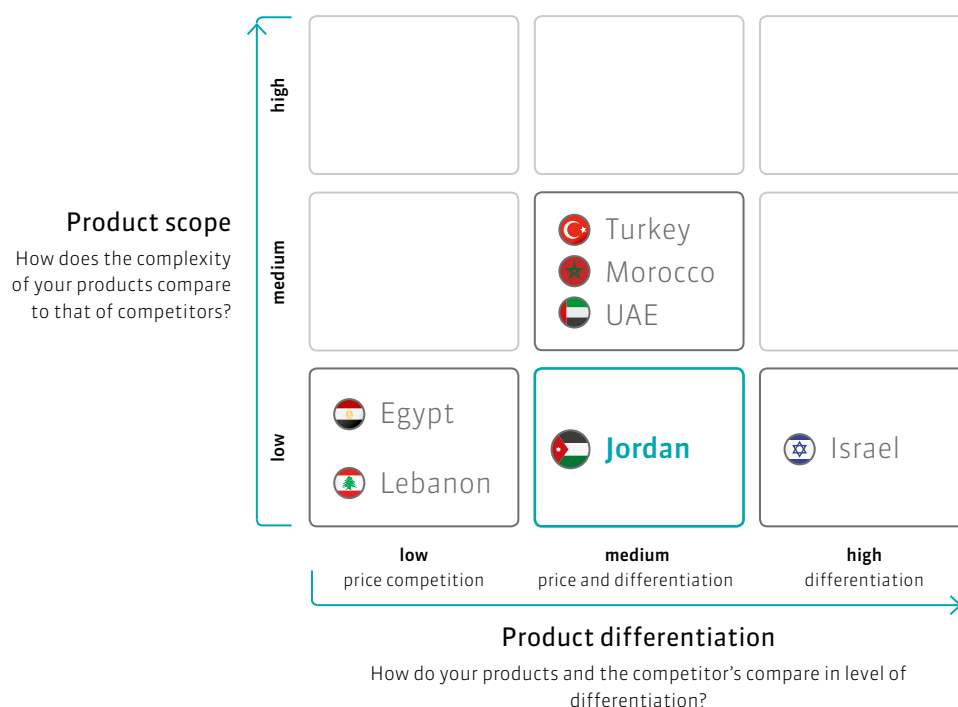
It is difficult to quantify the economic benefit that results from the adventure segment. According to estimates from the USAID Jordan Local Enterprise Support (LENS) Project’s Assessment of the Mountaineering Sector in Jordan 2017, adventure tourism may be generating up to 500 jobs, which may be sustainable due to the fact that this sub-sector is considered a resilient market. In terms of revenue generation for MSMEs, the industry is capable of generating around USD 10,000,000 in direct and indirect revenue in Jordan.

51 USAID LENS (2017): Assessment of the Mountaineering Sector in Jordan.

52 Sources: MoTA, RSCN, JTA statistics.

53 USAID LENS (2017): Assessment of the Mountaineering Sector in Jordan.

Figure 26: Analysis of product scope and differentiation of the adventure travel sub-sector



Source:
Adapted from WEF (2017): Travel and Tourism Competitiveness Report, 2017.
(Product differentiation: price competitiveness; product scope: natural resources⁵⁴.)

In addition to nature sites, reserves and national trails, Jordan also offers recreational activities of an adventure nature. The most prominent provider is the Royal Aero Sports Club of Jordan, which offers experiences in skydiving, ballooning, and flying lessons among others, in addition to some privately-owned ranger and adventure camps across the country.

Issues to be considered and resolved when initiating business relationships with providers of goods and services to the adventure travel sub-sector include:

- ▶ Limited familiarity in this emerging sub-sector with the required range of services and product design/planning requirements for MSMEs.
- ▶ Relatively new set of skills and training requirements for sector employees, e.g. in specialised guiding, escorting, find and rescue, logistical services.
- ▶ Control of product quality and standards as the sub-sector is predominantly led by the informal economy in the delivery of products and services, e.g. local unlicensed guides, homestays, informal transport services.
- ▶ Safety, security and reliability of services.
- ▶ Seasonality of adventure experiences affects all-year business.
- ▶ Uncertainty of potential visitor volumes, due to lack of information and methods to capture self-guided tours.
- ▶ Complexity of some logistical services in remote

areas, such as food packaging, storage and delivery, transport, first aid, connectivity and communication infrastructure.

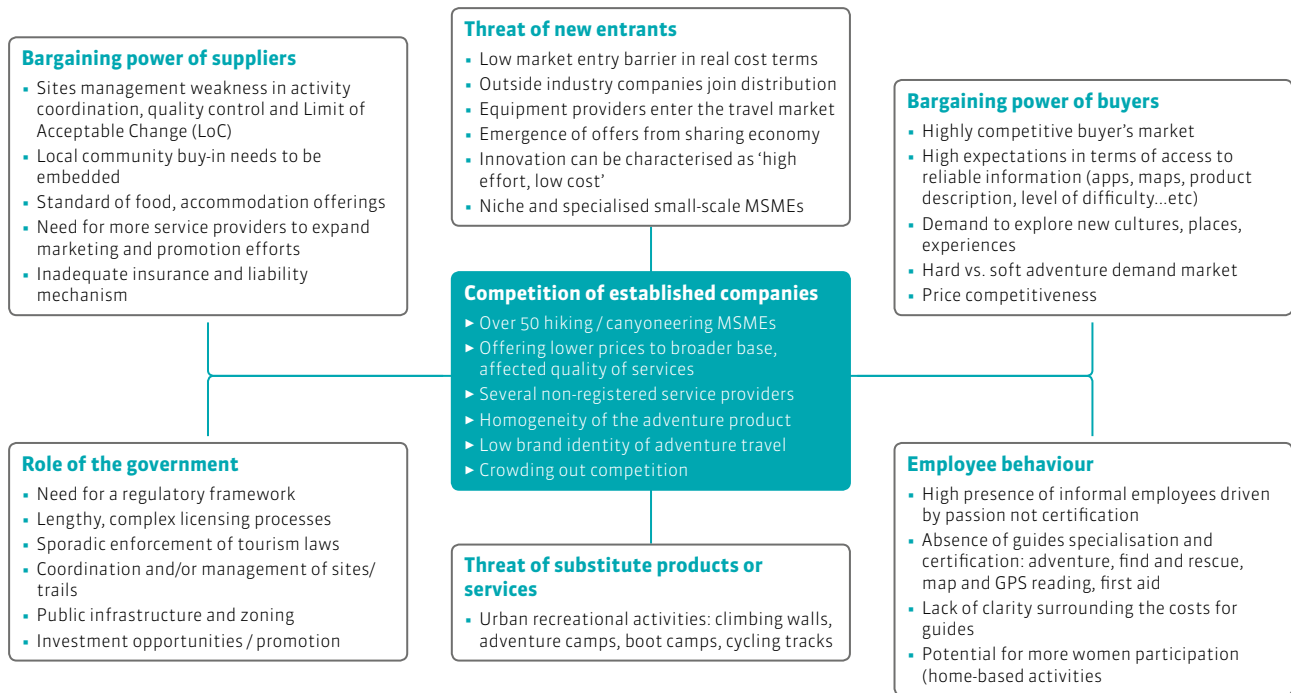
- ▶ Buy-in of local communities and fair distribution of opportunities.
- ▶ Planning for environmental impact in the long run.
- ▶ Marketing and ease of access to information about products and services.
- ▶ Capacity for packaging of adventure itineraries, individualised travel experiences and online booking platforms.
- ▶ Absence of a system for licensing of adventure guides.⁵⁴

COMPETITIVE POSITION AND TRENDS

Adventure tourism is one of the fastest-growing sectors in the industry, according to the Adventure Travel Trade Association (ATTA). Active and adventure trips, especially “softer” adventures, are growing in popularity across demographics. Experiences that are customised for individuals are also especially sought-after. Importantly, adventure trips are by no means just for the middle-aged male traveller. In terms of visitor profiling, ATTA's Industry Snapshot suggests that the demographics for adventure travel skew slightly towards female customers (53% to 47%). Nearly half

⁵⁴ Indicators: number of World Heritage natural sites, total known species, total protected areas, natural tourism digital demand, attractiveness of natural assets

Figure 27: Analysis of the identified adventure travel market



Source: Stakeholder interviews

(45%) of adventure tourism customers are over 50 years old. The same report says that “desire among clients for a more customized experience is clearly growing”, with many firms reporting that clients are increasingly looking for completely customized trips. According to the United Nations World Tourism Organization (UNWTO) Global Report on Adventure Tourism (2014), “by 2030, 57% of arrivals will be in emerging economies as travellers are ever more interested in discovering unspotted destinations”⁵⁵.

The Adventure Tourism Development Index 2016 (ATDI)⁵⁶ scorecard is the only country-level ranking for adventure tourism competitiveness that incorporates data from non-subjective sources on government policy, safety and security, health, natural resources, cultural resources, adventure activity resources, entrepreneurship, humanitarian aspects, tourism infrastructure and branding. According to ATDI, in the Middle East and North African category, Jordan is ranked as the second-highest-scoring country in the region. Israel ranks first, the UAE third and Qatar and Saudi Arabia fourth and fifth, respectively. Jordan, like its neighbour Israel, scores highly in the adventure activity resources, entrepreneurship and infrastructure and sustainable development categories.

Product scope and differentiation analysis helps determine the product position in terms of complexity, variety and value addition. The key elements of the product scope and differentiation analysis in relation to competitors' rankings according to the TTCL are: a) product scope based on the competitive position of natural resources as a main indicator for adventure travel; and b) product differentiation based on the price competitiveness.

MARKET ACCESS ANALYSIS OF THE ADVENTURE SUB-SECTOR

Keeping an eye on the key competitors is crucial to understanding the market access parameter and crafting a sub-sector strategy for the adventure travel market. However, other aspects could also have a major influence on the ability of an MSME to continue competing in a highly competitive environment. They are summarised in the following figure:

MARKETING IMPLICATIONS

Marketing for individual adventure travellers remains a challenge for Jordan, where connectivity via air, access to information on adventure products and ground transport to rural areas have to be improved. Branding and quality guarantees for adventure rural tourism supported by the JTB could strengthen the positioning of this sub-sector and enhance tourists' rural experience.

⁵⁵ UNWTO (2014): Global Report on Adventure Tourism.

⁵⁶ ATTA/George Washington University (2017): The Adventure Tourism Development Index 2016.

CURRENT AND POTENTIAL OPPORTUNITIES

Travellers seeking nature and recreational/adventure experiences are an opportunity: according to ATTA research, they represent a fast-growing market globally and are becoming more resilient, being less affected by the political unease of the region. Such travellers are primarily interested in experiencing the natural attractions of Jordan by engaging in physical outdoor activities such as walking, hiking or cycling. The country features numerous villages and rural areas which have thus far been little commercialised and remain off the beaten track. Visitors could be enticed to support local craftsmen and agricultural producers by purchasing local products.

Although at present this tourism segment is generally small, MSMEs have played a crucial role commercialising it, as it can usually only be accessed through specialist tour operators. There are potentials to develop and promote more “adventure tourism” products: mountain biking tours, horse riding tours, paragliding and climbing. There is also potential to combine the hiking/adventure tourism offer with local experiences such as cooking lessons, local language work-shops and craft making workshops. The long-distance Jordan Trail provides market access to less-accessible villages. There is great potential for development of community-based tourism to offer food through local restaurants, medical assistance, public conveniences and increased transport and logistics.



3.2.3 FAITH TOURISM

DESCRIPTION OF PRODUCTS AND SERVICES

There are 34 identified biblical sites and sites of archaeological interest across Jordan, five of which have been declared by the Vatican as designated pilgrimage sites. These are the Baptism Site, the Hill of Elijah, Machaerus (Mukawir), Anjara and Mount Nebo.

Jordan also has a special significance in the history of Islam, having served as the focal point from which Islam first started to spread outside the Arabian Peninsula. Jordan is home to more than 20 shrines to Prophet Mohammed's companions, the Desert Castles of the Umayyad Dynasty, the Cave of the Seven Sleepers and many other Islamic sites, spread throughout the country.

MSMEs relevant to this sub-sector include tour operators and on-site service providers such as guiding providers, specialised craft and gift retailers, event

companies for themed events and baptismal services (Baptism Site), handicraft producers, and on-site transport providers (golf carts).

ANALYSIS OF DEMAND

In spite of the Vatican's designation of the pilgrimage sites and its confirmation of the Baptism Site as the exact spot of Jesus's baptism, this sub-sector is still not performing to its full potential based on low visitor numbers. Currently, visits to these sites take place only as part of cultural and heritage itineraries and packaged tours; according to statistics, visitors to the Baptism Site did not exceed 100,000 in 2017⁵⁷.



Jordan's share of religious trips to the region:

- ▶ One to two nights of a 9 to 10-night Israel itinerary
- ▶ A two to four-day “add on” package post the Israel trip (mostly featuring Petra)

Source: JTP Christian Faith Tourism Strategy, 2018

In the region, this market segment is dominated by Israel/Palestine, with 24% of total visitors to Israel visiting for purposes of pilgrimage, totalling 325,000 in 2017. This is due to the concentration of biblical attractions of global significance and a strong positioning as the Holy Land⁵⁸.

Among the Islamic Shrines, Maqam Abu Ubaydah is the most visited, with around 54,000 visitors/year, comprising 95% Jordanian families and school trips⁵⁹. As for the Desert Castles, they attracted around 11,500 visitors in 2017. Ninety-nine per cent of Desert Castle visitors are foreigners on a combined cultural and heritage itinerary, as opposed to visiting for religious reasons.

COMPETITIVE POSITION AND TRENDS

Given the prospective market growth of this segment, the JTB has recently initiated a standalone Christian faith strategy to look into new source markets with a focus on group travellers with a specific interest in Christian faith pilgrimage. The strategy distinguishes between faith pilgrimage and the typical combined cultural/religious tour by defining the faith pilgrim “as someone who journeys to a place deemed sacred or holy for the primary purpose of religious devotion and/or spiritual growth”⁶⁰.

To date, there is no clear strategic direction from the GoJ on how to build on the wealth of Islamic sites and grow the potential market.

⁵⁷ Stakeholder Interviews.

⁵⁸ USAID/BEST and JTB (2018): Christian Faith Tourism Strategy.

⁵⁹ Statistics of Abu Ubaydah Ibn Al-Jarrah holy site.

⁶⁰ USAID/BEST and JTB (2018): Christian Faith Tourism Strategy.



3.2.4 BEACH AND SUN TOURISM

DESCRIPTION OF PRODUCTS AND DEMAND

Aqaba is Jordan's outlet to the sea and encompasses the entire Jordanian coastline of 27 kilometres. Aqaba's tourism offering is diversified: in addition to its strength as a Red Sea destination, its proximity to Wadi Rum and Petra makes it a unique destination that offers sea, nature, soft adventure and heritage. A distinctive product that is referred to as the "Golden Triangle"⁶¹ gives Aqaba an advantage in terms of product diversity, compared to similar destinations in the region.

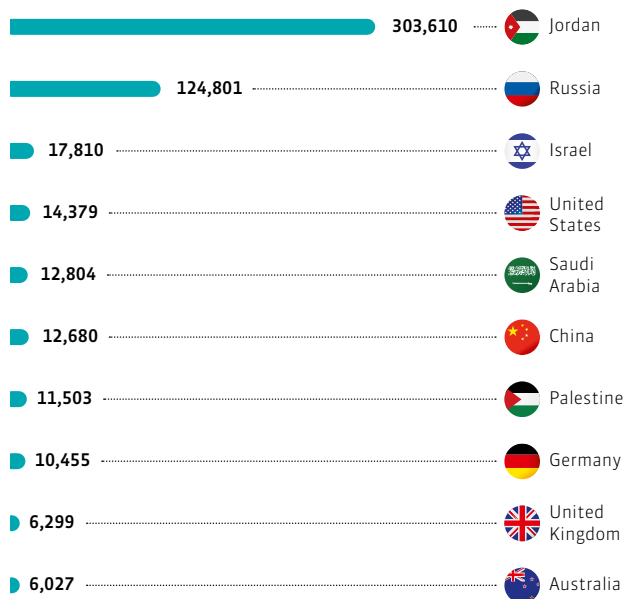
The vast majority of Aqaba visitors are driven by general leisure purposes. Aqaba holds the highest concentration of hotels in Jordan after Amman, including resorts and high-end-brand hotels with beach access and a range of local and chain hotels with no access to the beach. Residential tourism has also been emerging, with a considerable number of mega mixed-use projects such as Tala Bay, Saraya, Ayla and Marsa Zayed.

The city centre of Aqaba offers a pedestrian-friendly area and a hub for local shopping, restaurants and fast food outlets, one-to-four-star hotels and souvenir shops. The city centre offers great potential for the presentation of local heritage and culture as well as delivery of tourism experiences and services; however, it is poorly presented and operates at a mediocre service standard. As a beach-front city, Aqaba also has an opportunity to expand its limited product offerings in water sports, diving, boat trips and yachting and museums and education centres on marine life, among many other potentially MSME-led activities.

ANALYSIS OF DEMAND

Visitor profiling for Aqaba can be quite challenging, given that the tourism data is dependent on hotels as the primary source of statistics. As the primary beach-front destination in Jordan, the domestic market is significant in Aqaba. Jordanian visitors numbered around 300,000 in 2017, followed by 125,000 Russian visitors as the second-largest market. Aqaba's markets also include Israel, North America, Saudi Arabia, Palestine and Germany, with China and Australia being two emerging markets in 2017. In 2017, Aqaba received 38 cruise ships with 54,000 visitors.

Figure 28: Number of Aqaba visitors 2017



Source: ASEZA Tourism Directorate statistics.

COMPETITIVE POSITION AND TRENDS

Despite Aqaba's unique mix of easily accessible and diversified products, the vast majority of international tourists visit the city as part of a "classic" Jordan tour as opposed to a standalone visit with increased length of stay⁶². With the open-skies policy that has been adopted by Aqaba Airport and the introduction of low-cost carriers⁶³, there is an opportunity for tour operators to focus on the unique offering of the Golden Triangle as part of a Red Sea destination package with increased length of stay.



3.2.5 MEDICAL AND WELLNESS TOURISM

DESCRIPTION OF PRODUCTS AND DEMAND

Medical tourism: Jordan is considered a regional leader in medical tourism. In 2010, the country was ranked by the World Bank⁶⁴ as the most important medical tourism destination in the Arab World, and the fifth-most-important worldwide. Medical tourism is a fundamental part of Jordan's tourism; modern healthcare services, skilled medical experts and low prices are the chief characteristics of the market⁶⁵. Jordan boasts the latest technologies within its

⁶¹ The Golden Triangle is a term that is used to describe three attractions Aqaba, Wadi Rum and Petra, as means of branding and positioning.

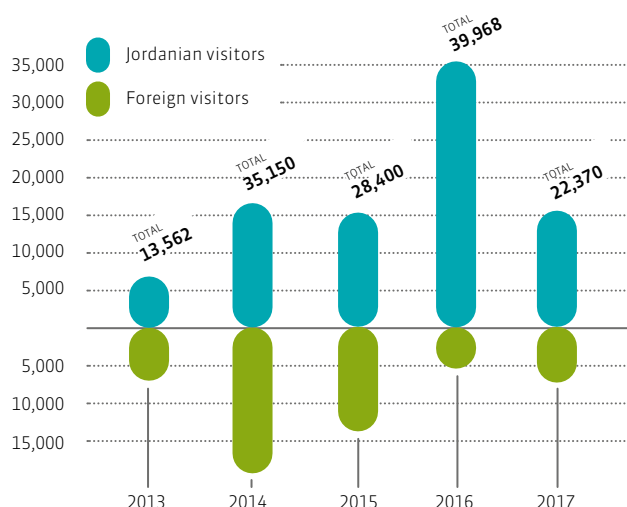
⁶² Aqaba Tourism Marketing Strategy 2010–2015.

⁶³ By the end of November 2018, EasyJet will be operating flights from England and Germany to Aqaba.

⁶⁴ Jordan: Managing medical tourism, Economic News by the Oxford Business Group, 2 February 2012.

⁶⁵ Beichl, L. (2009): Market demand assessment and marketing strategy for medical tourism, USAID Jordan economic development.

Figure 29: Tourist visitors registered in the Dead Sea region 2013–2017



Source: Adapted from MoTA (2018): Statistical Summary 2017; various years.

medical facilities as well as highly educated and well-trained doctors and medical staff.

Medical tourism generates revenues of over USD 1 billion annually⁶⁶. Jordan expects 300,000 medical tourists to visit Jordan in 2018. This is expected to generate revenues of USD 1.5 billion. A total of 106 hospitals currently serve Jordan's population and around 250,000 patients from neighbouring countries annually⁶⁷.

Historically, the majority of medical tourists come from the neighbouring markets, such as Yemen and Libya⁶⁸. Numbers of such tourists have declined dramatically in recent years due to the results of the Arab Spring and the Saudi–Yemen war.



The average medical tourist to Jordan

spends US\$5,500 per stay, which compares with the \$515 spent by a conventional tourist. Patients customarily arrive with family members with extended stay and expenditure.

Source: Jordan Vision 2020 V2.0 – Medical Services

MSMEs relevant to this sub-sector include tour operators, accommodation providers (hotels, apartments, hostels) and online service platforms and mobile application service providers.

Wellness tourism: Wellness tourism differs from medical tourism in that it is related to less invasive and non-surgical procedures, often spa-type treatments which are intended to promote relaxation, fitness and health⁶⁹. The latest available data, from 2015, suggest

that approximately 400,000 wellness tourists visited Jordan in that year and generated approximately USD 437,500 million⁷⁰.

Jordan is blessed with many natural resources including different hydrothermal mineral water springs⁷¹, curative mud, the sea and other health assets. Geothermally heated water, for example in mineral or thermal pools, steam pools and saunas, can be used to relax and heal the body. Other favoured treatments include facial treatments, sauna/steam baths and full-body massages. Jordanian hot springs such as Himma and Ma'in incorporate large resorts, which offer unique therapeutic services to treat people with skin conditions and diseases of the circulatory system.

Accurate data on the number of tourists and excursionists to the Dead Sea is nearly impossible to find. The numbers of wellness tourists who undertake a one-day excursion to the Dead Sea from the place where they are staying is unknown. Thus, the provided data is indicative at best.

Based on the assumption that wellness tourists stayed approximately one week at the Dead Sea, there were 156,600 person-nights in 2017 and 279,800 person-nights in 2016. The number of person-nights divided by the number of days within a year will give us an approximate number of tourists by the Jordanian shore of the basin. Thus, it is possible to assume 545 visitors per day in 2015 and 673 per day in 2014.

Statistics for visitors to the Ma'in and Himma hot springs are even more difficult to find than statistics for the Dead Sea. These tourists are likely to amount to only a small fraction of the Dead Sea wellness tourists.

MSMEs relevant to this sub-sector include providers of recreational activities in the vicinity of the Dead Sea and hot springs: water parks, beach camping and spas and restaurants.



3.2.6 MICE TOURISM

DESCRIPTION OF PRODUCTS AND DEMAND

Jordan has most of the necessary ingredients to enhance its competitive edge and increase its market share in the global MICE industry. Two key elements are: a) availability of high-profile conference and meeting facilities and connected infrastructure; and

⁶⁶ U.S. Department of Commerce's International Trade Administration: Healthcare Resource Guide: Jordan.

⁶⁷ Ibid.

⁶⁸ Jordan Vision 2020 V2.0 – Medical Services Strategy.

⁶⁹ Ababneh, Abdelkader. (2017): Background and perspectives of medical and health tourism in Jordan.

⁷⁰ Global Wellness Institute (2017): New Data and Trends on Middle East-North Africa Wellness Travel at Arabian Travel Market.

⁷¹ Harahsheh, S. S. (2002): Curative tourism in Jordan and its potential development. Bournemouth University.

b) Jordan's iconic heritage sites and cultural experiences, which make it a compelling destination for incentive travel.

The King Hussein Bin Talal Convention Centre at the Dead Sea is the largest convention facility in Jordan. In addition, Jordan has a wide range of convention facilities located within global-brand hotels.

MSMEs relevant to this sub-sector include companies for event management and logistics, tour operators arranging site-seeing itineraries, and transport companies.

ANALYSIS OF DEMAND

There is no specific established platform that provides data and statistics or profiling and trends of convention activities in Jordan. According to the newly established Convention Bureau under the JTB, Jordan mostly attracts medical conferences and associations' regular/annual board meetings. The average attendance per conference ranges between 300 and 600 participants. For some consecutive years, Jordan hosted the World Economic Forum on the Middle East. In spite of the limited number of conferences hosted in Jordan in 2017, the World Science Forum (WSF) had a major impact, with 3,000 participating scientists, policymakers, activists and experts⁷².



"For Jordan, the revenue from MICE is around \$50 million, which equates to about 1.7 % of the country's total revenue"

Source: A Strategy for Developing Jordan's MICE Sector 2014 – 2019

COMPETITIVE POSITION AND TRENDS

Among the key challenges in the MICE sub-sector, according to the JTB, is the insufficient and expensive air connectivity to Jordan and lack of a specialised meetings industry. In spite of the challenges, Jordan still fosters an encouraging environment for MICE tourism due to its excellent incentive travel positioning particularly among European and North American companies, in addition to its authentic and compelling local content and heritage attractions to enhance delegates' experiences. To that end, the JTB in its strategic direction identified the pharmaceuticals, medical, humanities, IT and religious sectors as priority sectors for MICE-related tourism, with a focus on the Arab countries, Europe and Asia as priority source markets⁷³.

⁷² The Jordan Times: 2017 World Science Forum to be held in Jordan, Press Release.

⁷³ USAID/BEST and JTB: A Strategy for Developing Jordan's MICE Sector 2014–2019.



3.2.7 FILM TOURISM

DESCRIPTION OF PRODUCTS AND DEMAND

Jordan started to attract film production opportunities in the 1960s with the shooting of Lawrence of Arabia in Wadi Rum; this was followed by Indiana Jones and the Last Crusade, shot in Petra in the 80s. These productions helped put the two iconic sites on the tourism map.

As film-induced tourism is growing steadily worldwide, Jordan, with its globally recognised attractions, has an opportunity to build on this momentum and increase the number of visits driven by film locations. The Royal Film Commission (RFC) was established in 2003 with the main objectives to foster film culture in Jordan, build the film industry and facilitate film production missions.



During its shooting, the Martian film:

- ▶ Spent over JD2 million in 55 days
- ▶ Hired 135 Jordanian crew members
- ▶ Engages 20 Jordanian companies in filming
- ▶ Occupied 5,400 hotel room nights
- ▶ Created 549 job opportunities

Source: RFC press release at The Jordan Times, 2016

According to the RFC, more than 134 foreign movies were shot in Jordan between 1960 and 2010. The past decade witnessed major film productions including The Martian in 2015 and Star Wars: Rogue One in 2016. To date, there is no source of official data that measures the impact of film tourism in terms of visits, tourism receipts and job creation –with the exception of estimated figures declared by the RFC to the effect that the filmmaking business has generated around JOD 150 million.

COMPETITIVE POSITION AND TRENDS

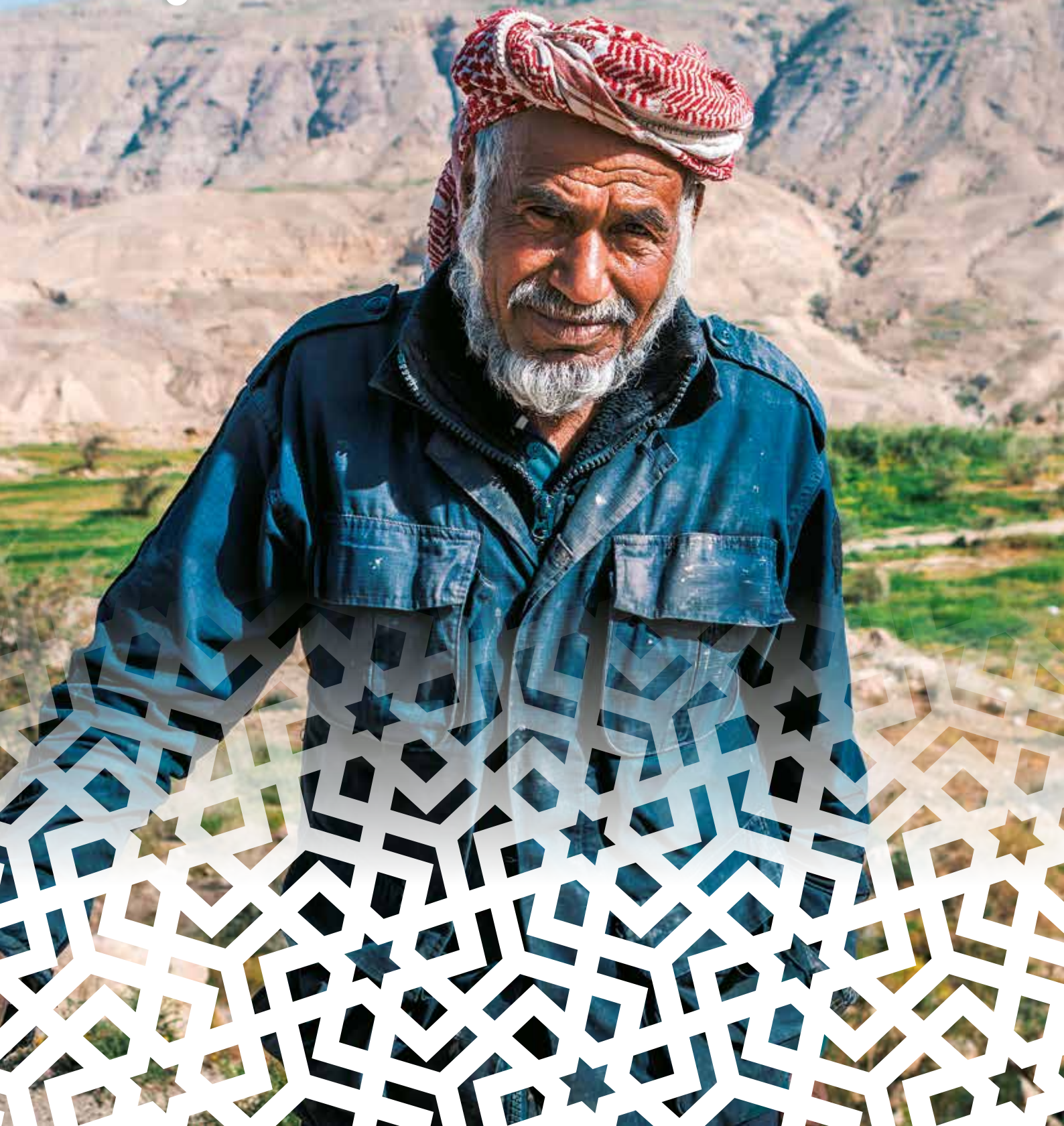
The opportunities presented by film tourism are three-fold:

- ▶ Promotion of Jordanian attractions globally to a broad audience.
- ▶ Instigation of economic opportunities for the tourism industry during the shooting phase.
- ▶ Development of film locations into tourism products and experiences, building packaged tours around them.

In 2017, the JTB launched a standalone strategy for film tourism⁷⁴ to build on this momentum.

⁷⁴ USAID/BEST and JTB: Jordan Film Tourism Strategy, 2017.

4 CHALLENGES AND OPPORTUNITIES



The following SWOT analysis focuses on the strengths, weaknesses, opportunities and threats of the tourism sector.

Figure 30: **SWOT analysis**⁷⁵



⁷⁵ Based on qualitative interviews and focus group meetings; NTS 2011–2015; JTB (n.d.); Return to Growth 2017–2019.

MSMEs' KEY CHALLENGES IDENTIFIED

This section lists the findings on key factors affecting MSMEs' performance and competitiveness: government policy, legal and regulatory environment, business environment and capacity perspectives.



1) POLICY PLANNING

- ▶ There are high operational costs for the various tourism MSMEs/activities due to taxation policies, particularly in Amman. In 2016, the Jordan Investment Commission introduced an incentive scheme for tourism investments in governorates, excluding Amman governorate. However, 72% of tourism services are based in Amman.
- ▶ There is an absence of incentives and tariff reductions on basic services and utilities for tourism including electricity, energy, etc. In spite of the significance of the tourism sector to Jordan's economy, the government still does not perceive it as an export sector in terms of incentives and tariff exemptions.
- ▶ There is a lack of coordination across public sector entities in decisions that affect the sector's performance and competitiveness.
- ▶ Tourism industry engagement and participation in sector policy formulation is weak. There is no systematic mechanism at MoTA to engage industry stakeholders in decisions at strategic and policy level. The Tourism Law includes an article that calls for the creation of a National Tourism Council, which exists but is perceived by the sector as dormant and ineffective.
- ▶ Government investment in robust research and development is lacking, with proper statistical information needed for market analysis.
- ▶ and the Civil Defence Directorate of the Ministry of Interior. Other governmental bodies, such as the Ministry of Interior and the Intelligence Department, may also be involved for certain activities that are perceived, by the government, to involve a security concern. With the absence of a one-stop-shop service to streamline the work of the involved governmental bodies, the permitting and licensing process is perceived as lengthy and complicated.
- ▶ The licensing process is particularly challenging for innovative business ideas that do not fall under the traditional categories of the licensing/classification system. With the lack of constant update of by-laws and legal instructions with emerging concepts in tourism; the licensing of innovative business ideas may be hindered and delayed.
- ▶ Laws and regulations are constantly changing, and there is a lack of a comprehensive assessment of relevant implications affecting the sector performance.
- ▶ The application of laws and regulations may be inconsistent across the various tourism activities. This can be attributed to weak law enforcement, either due to the absence of law enforcement mechanisms or due to weak understanding and interpretation on the part of government officials of the provisions of laws and regulations.
- ▶ The by-laws that govern professional tourism associations do not allow these to pursue loans, which limits their capacity to invest in initiatives that serve their members such as training, marketing and business development.



2) LEGAL AND REGULATORY ENVIRONMENT

- ▶ Permit costs of municipalities are perceived as inflated and inconsistent. The method for calculation of permit fees is perceived as non-systematic by the tourism industry.
- ▶ There is a multi-entity permitting and licensing process that features all or a combination of the following entities: MoTA, the Ministry of Industry and Trade, the Ministry of Municipal Affairs (represented by local municipalities), the Ministry of Health



3) WORKFORCE DEVELOPMENT

- ▶ There is a lack of interest and commitment among the workforce in the tourism sector in general and specific groups in particular (e.g. waiters, kitchen staff, housekeeping, stewards, etc.). This can be attributed to several factors: some are cultural, and others related to low wages and limited career growth prospects.
- ▶ A gap between supply and demand among the qualified workforce (at the hospitality training level) leads to foreign employment across the sector. While this issue applies through-out the country, it is a particular challenge outside Amman.

- ▶ There is a gap between the education system, at the academic level, and tourism sector needs.
- ▶ Hospitality colleges have limited capacity and there are limited numbers of VTC graduates. The training provided is good for entry level but does not prepare graduates to provide up to the standard of special services.
- ▶ There is some leakage of trained employees into the Gulf market and/or between sector professions; in particular, there is leakage of hotel staff into the Gulf and of restaurant staff into hotels.
- ▶ Mechanisms for job placement programmes between vocational institutions and the tourism industry are limited.
- ▶ There is weak participation of women in the tourism sector in general, particularly in the hotel business.
- ▶ Issues related to high interest rates, proper book-keeping and provision of required financial information and statements, provision of acceptable collaterals, repayment scheduling, grace periods and financing amounts, hinder the willingness of MSMEs to pursue lending.
- ▶ Banks in Jordan primarily follow “assets”-based lending practices as opposed to international best practices of “cash flow”-based lending; hence, they give more weight to customer solvency than submitted feasibility studies.
- ▶ There is a lack of awareness among prospective borrowers of existing loan guarantee programmes that may help in easing the collaterals requested by lending banks.

B) MICRO FINANCING

- ▶ There is a lack of statistics and proper market needs studies for products and services that can be supported through micro funding.
- ▶ Limitations imposed by the Central Bank of Jordan’s laws and regulations hinder the enhancement of service standards for borrowers, particularly in the area of digitised services.
- ▶ There is some weakness in post-lending services, particularly in the provision of market linkages to the products and services.
- ▶ Some micro-funding institutions find it challenging to reach out to potential borrowers in remote areas. This is partly related to the insufficient number and distribution of learning centres of some micro-lending institutes.
- ▶ Prospective borrowers may have weak capacity to formulate business ideas to secure finance.
- ▶ Micro funds’ beneficiaries have limited marketing and outreach capacity to promote their products. There is also an absence of hubs, events and opportunities to channel their goods.
- ▶ There is limited interest in some localities in pursuing micro-lending. This is predominantly due to the dominant culture, which most often discourages entrepreneurship and self-employment as opposed to government employment, which is considered more stable and less risky.



4) ACCESS TO FINANCE

A) BANK CREDIT LOANS

- ▶ There is an absence of tourism-oriented finance products and loans that respond to the individual needs of each type of tourism business. This lack of flexibility on the part of financial institutions to design finance products that cater for tourism needs can be partially attributed to the stringent laws of the Central Bank of Jordan (CBJ), which aim to ensure a strong guarantee of repayment and almost risk-free financing. As a result, the financing schemes available in the market are designed and implemented from an accounting and risk management point of view.
- ▶ Banks lack understanding of tourism businesses and therefore fall short of meeting the needs of tourism MSMEs. In particular, bank credit officers have limited understanding of the seasonality factor that applies to many tourism businesses.
- ▶ Financing products offered by different banks to tourism MSMEs are limited to a small segment of businesses within the sector.
- ▶ There is a limited capacity of micro and small firms to prepare project financial and cash-flow statements, project feasibility studies and business plans, creating an obstacle towards pursuing credit loans.

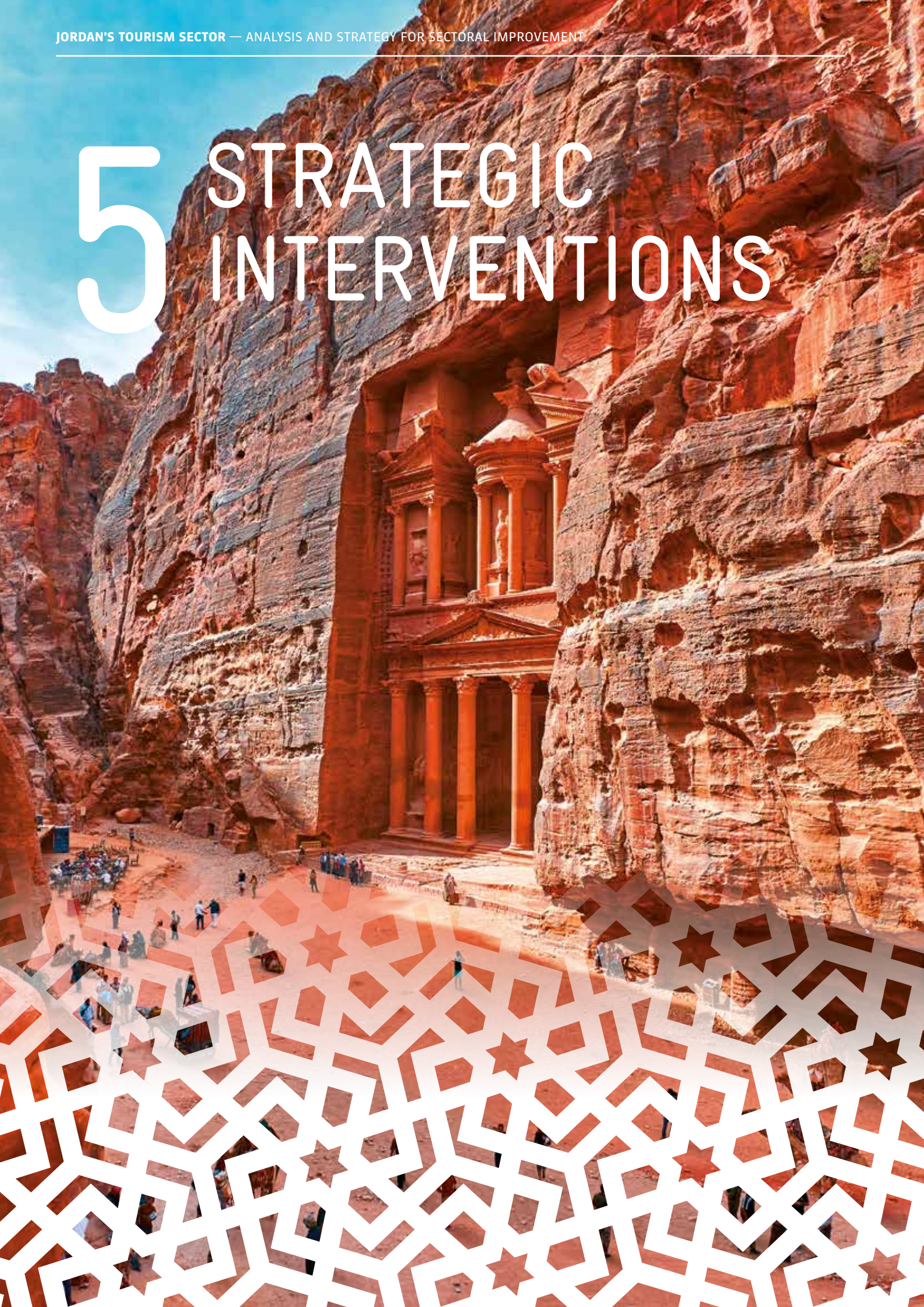


5) MANAGEMENT, OPERATIONAL AND TECHNICAL CAPACITY OF MSMEs

- ▶ There is weak capacity in innovation and diversification among tourism offerings, products and packages.
- ▶ Challenges exist in raising the standard and quality of service; there is a lack of interest in upgrade and development among MSMEs. This lack of interest is attributed to low visitor traffic and a political environment in the past decade that has led to decreased focus on tourism products and services.
- ▶ Weak governance, management and operational capacity is a problem among MSMEs.
- ▶ Many MSMEs have limited abilities in producing business plans and feasibility studies.
- ▶ There may be weaknesses in product design, packaging and marketing.
- ▶ There is limited interest, investment and capacity among MSMEs to keep up with the fast-growing trends in digitisation and online presence; there is also limited interest in marketing, promotion and sales, which weakens the competitive edge of MSMEs, particularly tour operators. There are few experienced and well-trained staff in the area of digital marketing and social media to manage this type of business model.
- ▶ The informal economy and illegal operators and service providers often compete with registered and licensed MSMEs. This affects not only the MSMEs' competitiveness, pricing and sales, but also the credibility and image of the tourism offerings.



5 STRATEGIC INTERVENTIONS



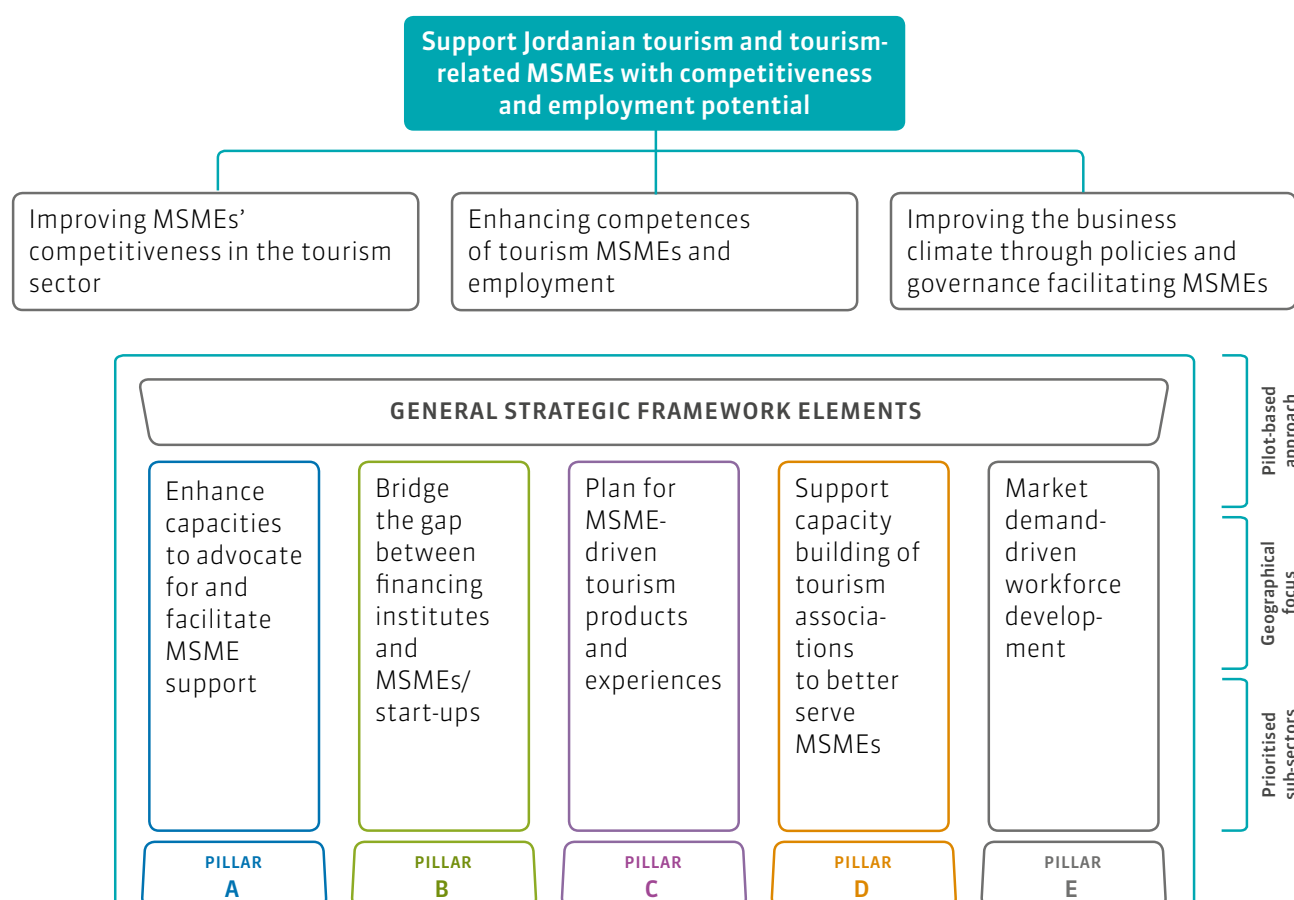
Based on the overall sector analysis and identification of sub-sector priorities, objectives must be defined for the sector. To address the challenges and opportunities, the following objectives should be realised to foster employment-oriented MSME promotion in the tourism sector in Jordan:

- ▶ Improve enterprises' competitiveness in the tourism sector
- ▶ Enhance competences of tourism MSMEs, employment and decent work
- ▶ Improve the business climate through policies and governance.

Such strategic interventions can help achieve output-oriented results in promoting MSME access to local and international tourism demand markets, establishing partnerships between the private sector and innovation-oriented institutions, establishing information platforms for MSMEs' decision-making and inculcate new skills among MSME employees and owners.

The suggested interventions provide a framework that will serve as a guideline for multi-stakeholder participation to adopt and further develop plans and strategies for execution of a comprehensive MSME development programme for the Jordanian tourism sector.

Figure 31: **Strategic framework for supporting tourism MSMEs in Jordan**



5.1 IMPROVING MSMEs' COMPETITIVENESS IN THE TOURISM SECTOR

Activities aimed at improving MSMEs' competitiveness in the tourism sector are focused on brand development, promotion of the tourism sector in key market segments and product development. This requires strategic interventions in relation to issues of market access, product quality and the resilience of the sector. There is a clear need for strong institutions to support the sector and for sound data to inform tourism planning and management.

Product development will be a core focus, with detailed activities elaborated for the priority sub-sectors identified. It is anticipated that further planning for implementation of these activities will lead to increased brand recognition and elevation of Jordan's tourism products. Promotion within a sustainable business environment and tailored marketing campaigns will provide trade members and customers a range of key benefits.




To improve MSMEs' competitiveness in the tourism sector and its sub-sectors, small businesses in the local economy should be integrated along the supply chain and sustainability in general addressed by strategic interventions.

The strategy proposes the following interventions to develop MSMEs and improve their competitiveness in tourism.

| Intervention Pillar B: Identify and support MSME businesses with innovation (SHORT / MEDIUM TERM) | | | |
|--|--|---|------------------------------------|
| Description | <ul style="list-style-type: none">▶ Create a mechanism to identify and engage with start-ups or existing businesses that have innovative business ideas that provide value-added and sustainable solutions for Jordan's tourism sector.▶ Existing lending platforms can be utilised as means of accessing innovative concepts and business ideas. | Partners Donor agencies, lending agencies, investment funds, MoTA, associations | Micro- and small-sized enterprises |
| | Activities <ul style="list-style-type: none">▶ Screen the sector for innovative start-ups▶ Establish partnerships with lending institutes to adopt and support innovative business ideas▶ Provide support with business planning and pitching▶ Conduct tourism start-up competition▶ Mentor successful start-ups▶ Promote their business solutions | | |

| Intervention Pillar C: Tourism product and services development and diversification (SHORT TERM) | | | |
|---|---|--|------------------------------------|
| Description | <ul style="list-style-type: none">▶ Foster the diversification and expansion of experiential products within the tourism sub-sectors (culture and heritage and adventure travel).▶ Facilitate the involvement of MSMEs in the development of new and improved tourism products and services in existing anchor sites and tourism destinations, as well as in new areas and potential products that are opened for tourism development.▶ Foster tourism activities along adventure trails and encourage community-based tourism and agritourism as means to diversify the tourism product and attract tourism traffic to areas of Jordan that do not necessarily have a renowned antiquity/heritage site or attraction.▶ Design a programme of themed seminars for MSMEs on best practice in product development and experiential tourism activities, including: themed events on and around key historic sites, audio guides, innovative interpretation services and mobile apps, agritourism and community-based tourism. | Partners MoTA, local governments (municipalities and governorates), Ministry of Industry and Trade | Micro- and small-sized enterprises |
| | Activities <ul style="list-style-type: none">▶ Develop a tourism product development strategy and implementation action plan; match product development with market demand▶ Develop master plans for priority tourism clusters▶ Institutionalise a system driven by MoTA for solicitation of MSME investment in tourism services and experiences on and around tourism sites and tourism clusters▶ Develop a map of potential experiences and services at key tourism sites with MSME investment▶ Develop and institutionalise a monitoring and evaluation system for the management of MSME investments within tourism sites▶ Collaborate with municipalities to design and introduce Community-based Tourism and plan for tourism offerings around it▶ Develop and implement a national handicrafts development strategy | | |

| Intervention Pillar C: Introduce tourism service quality and standard development programmes (MEDIUM / LONG TERM) | | | |
|---|--|--|-------------------------------------|
| Description | <ul style="list-style-type: none">Develop a programme with various instruments that is designed for Jordanian tourism with the aim of systematically promoting and securing on-going quality and standard development of tourism MSMEs.The programme's objective would be to improve the overall quality of products and services within the tourism industry, such as accommodation, restaurants and crafts, and service providers such as tour guides, tour operators and others, with a service quality development programme.MoTA currently deploys a reliable classification system and inspection mechanism, mainly for hotels and restaurants. Other forms of service quality control systems should be created to govern other tourism professions to ensure harmony and quality standards across the entire tourism value chain. | Partners MoTA, relevant ministries/entities per type of profession: Ministry of Health (MoH), Jordan Standards and Metrology Organization (JSMO) | All MSME levels |
| Activities | <ul style="list-style-type: none">Maintain and improve existing classification systems of hotels and restaurantsEstablish a quality certification programme for tourism establishments, hotels, restaurants and attractionsDeliver awareness, marketing and promotion of the service quality certification programmeFunctioning monitoring and complaint system to continuously analyse demands and their satisfaction through delivered services | | |
| Intervention Pillar C: Facilitation of demand-driven business linkages (MEDIUM / LONG TERM) | | | |
| Description | <ul style="list-style-type: none">Improve MSMEs' competitiveness through greater adoption of market value chains, particularly handicrafts producers, agri-products and informal home-based producers, based on the local context for tourism markets.Create sustainable hubs and online access for display and sales of authentic handicrafts under the umbrella of the Handicrafts Producers Association.Create sustainable backward linkages between micro producers, farmers, artisanal food and craft producers, service providers and the tourism sector (hotels, camp sites, restaurants, tour operators), as well as other commercial outlets.Support local producers and service providers with information and marketing to respond to the demand requirements for locally sourced products including food products, fresh produce and handicraft and other creative industries' products and services (e.g. cultural tourism tours, themed experiences) related to the tourism value chain.Strengthen the branding of local produce by using the country-of-origin effect of the label "Made in Jordan", which has a significant influence on consumer perceptions and behaviours. This can serve for export products and also emphasise the quality of local products. | Partners MoTA, local governments (municipalities and governorates, JTB, tour operators, int'l development partner | Micro- and small-sized enterprises |
| Activities | <ul style="list-style-type: none">Survey and identify the existing product lines with potential to be promoted as authentic Jordanian productsProvide market analysis-driven feedback on product and packaging enhancementOrganise matchmaking events and themed festivalsCreate permanent hubs and outlets for Jordanian products and handicraftsCreate platforms and build the capacity of producers in online presence and e-commerceEstablish links between suppliers and the tourism industrySupport the outreach of producers with branding and marketing | | |
| Intervention Pillar D: Build cooperation and business ties through conferences, trade fairs and networking (SHORT TERM) | | | |
| Description | <ul style="list-style-type: none">Organise technical conferences/support events on topics such as digitalisation, access to finance, risk and business continuation management, manpower requirements and service quality, to better emphasise internal marketing for knowledge sharing.Enable networking opportunities through conference and trade fair participation among the prioritised sub-sectors of culture and heritage tourism and adventure travel.JTB and tour operators to optimise their participation in international trade shows to highlight priority sub-sectors and anchor tourism products. Invest in marketing and promotional collaterals and packages that enhance product outreach.Develop trade contacts and relations at specialised trade fairs through branded JTB exhibition stand, sub-divided into smaller exhibition spaces for sub-sector product exhibitors (e.g. tour operators, camp sites). The fair forms the basis for the development of new ideas, global approaches and targeted marketing. | Partners JTB, associations, private sector | Small- and medium-sized enterprises |
| Activities | <ul style="list-style-type: none">Exclusive booth at the fair in partnership with and/or under JTBInclusion in a special promotional package to be sold at trade showsPR activities around and during trade shows (e.g. media release, media conference)Special promotional fliers to promote package | | |

| Intervention Pillar D: Strengthen the existing private sector associations  (MEDIUM TERM) | | | |
|---|--|---|-----------------|
| Description | <ul style="list-style-type: none"> ▶ Support the strengthening of the professional tourism industry associations (JHA, JITO, JRA, JSTTA, JTGA, JHPTA) with a strategic business development and improved services for MSME members in terms of advocacy and lobbying, products and services, marketing and outreach as well as training. | Partners Associations | All MSME levels |
| Activities | <ul style="list-style-type: none"> ▶ Assess/enhance governance and organisational models of tourism industry associations ▶ Review/enhance associations' mandate to better serve and advocate for prospective MSME members ▶ Develop strategic business development plan including training and development, tour packaging, quality and sustainability management, special services for members ▶ Institutionalise the training function at key tourism associations and support fostering of private/public partnership in training for excellence | | |
| Intervention Pillar D: Facilitate partnerships among and with MSMEs, business service providers, research institutes and academia  (SHORT TERM) | | | |
| Description | <ul style="list-style-type: none"> ▶ Promote the cooperation of MSMEs with business service providers, research institutes and academia to gather tourism information, disseminating scientific and technological research results in tourism and applying them in tourism operations of MSMEs. ▶ Cooperate in scientific research and training with other domestic and overseas institutes and universities. | Partners Research institutes and academia | All MSME levels |
| Activities | <ul style="list-style-type: none"> ▶ Identify interesting collaboration topics, such as: <ul style="list-style-type: none"> ▷ Visitor management and heritage interpretation ▷ Digitalisation and tourism ▶ Establish formalised partnerships ▶ Carry out joint research studies | | |
| Intervention Pillar D: Foster competitiveness through e-tourism to support MSMEs' business information sharing and management  (MEDIUM TERM) | | | |
| Description | <ul style="list-style-type: none"> ▶ Foster Jordan's and MSMEs' competitiveness through the creation and adoption of e-tourism systems, e.g. information collection and sharing, learning and qualification, promotion and distribution, business performance. ▶ Initiate actions around tourism e-business schemes, build consensus among professional associations in tourism and crafts, local operators and the tourism business community on e-business tourism solutions. ▶ Equip key public and private stakeholders with required organisational and technological tools and promote strategic cooperation and partnerships in e-tourism. ▶ Set up tourism information and communication platform and knowledge database to serve as a platform for information exchange between tourism partners in Jordan. It could provide the most important information on policies and strategies, research and marketing, tourism guidelines, education and training options, incentives and tender opportunities, sector news, etc. It could be created under the leadership of the JTB with the support of MoTA and the professional sectoral associations. | Partners JTB, MoTA, Associations | All MSME levels |
| Activities | <ul style="list-style-type: none"> ▶ Technical advice and support on e-tourism options and tools ▶ Organisation of workshops and specialised e-tourism seminars ▶ Capacity-building activities include analysis of the digital footprint of selected destinations ▶ Training of high-level public officials and private decision-makers ▶ Develop information and communication platform | | |

| Intervention Pillar D: Promote MSME access to local and international tourism demand markets digitally   (MEDIUM TERM) | | | |
|---|---|--|-------------------------------------|
| Description | <ul style="list-style-type: none"> ▶ Effectively stimulate the market and promote the diversity of Jordan's product offering for the prioritised sub-sectors adventure and culture tourism. ▶ MoTA will pay special attention to the creation of well-designed and targeted sub-sector product offerings and JTB will build on these with effective marketing structures – both for inbound and domestic promotion. ▶ JTB to focus on content development and market-focused product campaigns that add value to the marketing approach. ▶ Themed products lead to direct purchasable offers, where JTB presents the product to the potential source markets, which can later be leveraged by MSME's service operators through offers, packages and bookings. | Partners MoTA, JTB, tour operators | Small- and medium-sized enterprises |
| | Activities <ul style="list-style-type: none"> ▶ Develop digital marketing strategy and campaigns for target sub-sectors ▶ Produce short videos profiling sub-sectors and local communities ▶ Build partnerships with digital tourism platforms ▶ Encourage user-generated content through social media ▶ Identify, engage and support influencers ▶ Encourage tour operators to engage in/subscribe to existing digital marketing platforms | | |

| Intervention Pillar D: Tourism data and market intelligence to support MSMEs' planning and decision-making   (MEDIUM / LONG TERM) | | | |
|--|--|--|-----------------|
| Description | <ul style="list-style-type: none"> ▶ Develop/use applied statistics and market intelligence that especially MSMEs, MoTA, JTB and associations can use in demand-customer oriented planning, product development and marketing. ▶ Set up a tourism intelligence system and cooperation of authorities and tourism industry associations for data collection and knowledge management. ▶ Studies, reports and statistics on key market demand profiles, benchmarking and trends forecasting will inform and facilitate marketing decisions and strengthen MSMEs' travel trade knowledge base. | Partners MoTA, DoS, JTB, research institutes | All MSME levels |
| | Activities <ul style="list-style-type: none"> ▶ Maintain the inbound/outbound survey created by MoTA to monitor key source market profiling ▶ Initiate studies that are sub-sector-specific to study trends and growth per sub-sector ▶ Maintain and update MoTA's existing Tourism Satellite Account | | |


5.2 ENHANCING COMPETENCES OF TOURISM MSMEs AND EMPLOYMENT


Capacity building and enhancing MSME competences in delivering good services is an ongoing task that will gradually increase the level of service and professionalism of personnel within the tourism sub-sectors and Jordan's tourism overall.


Several short-, medium- and long-term activities have been identified to improve the human capital in the sector. This will be achieved by expanding the expertise and capacities of skills providers (e.g. training institutions such as existing hospitality schools, universities) and employers. Activities under this strategic objective will be inextricably linked to the important issue of female and youth employment and entrepreneurship. It is expected that the sector will be a major employer of young people in the future and the skills development, youth employment and entrepreneurship angles must be strengthened.

Skills assessment and provision of relevant training and capacity building as such, as well as improving access to finance, are considered strategic interventions.

| Intervention Pillar A: Implement specialised technical assistance programmes for MSME support schemes    (SHORT / MEDIUM TERM) | | | |
|--|--|---|-----------------|
| Description | <ul style="list-style-type: none">▶ Create a platform to extend specialised technical support to the various types of tourism MSMEs and/or their associations as well as other tourism-related businesses.▶ With the support of international development partners this platform could take the form of a Business Consulting Unit that MSMEs could approach seeking technical support in a specific business area they identify.▶ These business areas could vary per the specific need of a given MSME. They could include among others: governance, operations, financial planning, accounting, product development, marketing, strategic planning. | Partners Int'l development partners, MoTA, associations, JEDCO | All MSME levels |
| | Activities | | |

| Intervention Pillar B: Bridge the gap between available financing institutes/government incentives and MSMEs/start-ups   (MEDIUM TERM) | | | |
|---|--|--|-----------------|
| Description | <ul style="list-style-type: none">▶ MSMEs' access to finance has been always a challenge in Jordan. In spite of the momentum of a number of international development partners' projects that have supported access to finance initiatives, and the existence of national lending institutions/programmes, there is still potential for further advocacy and facilitation of access to finance transactions.▶ A major area of support should be geared towards improving the technical ability of MSMEs to pursue funding and improving MSMEs' awareness of funding programmes and government incentives.▶ Support from international development partners should consider the development of a scheme that subsidises interest rates that are endured by MSMEs through lending. | Partners Jordan Investment Commission (JIC), commercial banks, lending institutions and micro funds, int'l development partners | All MSME levels |
| | Activities | | |

| Intervention Pillar E: Conduct training needs analysis of MSMEs on regional and local level  (SHORT / MEDIUM TERM) | | | |
|--|--|--|-----------------|
| Description | <ul style="list-style-type: none"> ▶ Carry out an analysis of the conditions for training and development and the labour demand of the tourism market in selected destinations. ▶ The overall training needs analysis should be prepared in light of the current needs as well as projected growth and development of the regional and/or local destination (new areas to be developed, focus on defined sub-sectors). | Partners Ministry of Labour, Ministry of Education, MoTA, associations, VTCs/schools | All MSME levels |
| Activities | <ul style="list-style-type: none"> ▶ Conduct a market workforce gap analysis to identify training enhancement needs ▶ Assess viability of TVET and other hospitality training programmes to respond to market needs assessment ▶ Carry out a rapid training needs assessment for key hospitality personnel, particularly for hotels and restaurants | | |


| Intervention Pillar C: Capacity-building programmes within the specialised technical assistance programmes for MSMEs  (SHORT / MEDIUM TERM) | | | |
|---|--|---|-----------------|
| Description | <ul style="list-style-type: none"> ▶ Develop and establish market-based approaches for capacity-building programmes through key institutions, such as associations and business development providers, to secure sustainability of measures. ▶ Provide management and skills training to local communities/MSMEs in various aspects of development and management of tourism businesses to provide them with better opportunities to seek employment in the tourism sector. ▶ Conduct training for MSME managers and marketeers in prioritised tourism sub-sectors (culture and heritage, adventure) and those who work in different types of institutions/sub-sectors and business associations relating to tourism activities, e.g. on business opportunities from tourism, how to run and market a small business (café, handicraft shop, homestay), business regulations and standards that apply to tourism businesses, and financing of tourism businesses including via micro credit. ▶ Conduct training programmes to address immediate training needs already identified/known by the sector to serve the emerging needs of the industry. | Partners Int'l development partners, associations, training providers | All MSME levels |
| Activities | <ul style="list-style-type: none"> ▶ Development of training modules and seminars with tailored materials that meet local needs ▶ Carry out mentoring programmes, learning groups, visits to best-practice companies ▶ Conduct specialised training: <ul style="list-style-type: none"> ▷ Management training (business management, marketing planning, fundraising and access to finance, innovation in tourism product development and packaging, evaluation of promotional activities) ▷ E-tourism and language training (digital marketing and SEO, marketing content development, IT-based services and products, English for tourism) ▷ Guides' training (faith/biblical guiding, adventure guiding – hiking and cycling, city/town walking trails guiding) | | |










5.3 IMPROVING THE BUSINESS CLIMATE THROUGH POLICIES AND GOVERNANCE FACILITATING MSMEs




The improvement of the business climate is linked to the recognition of tourism in development policies and the presence and implementation of a clear tourism strategy that embraces sustainability principles. This requires a well-established tourism system with a clear governance structure based on a functioning public–private and public–public dialogue, well-developed policies and a strengthened management to roll out destination strategies and evaluate and monitor activities to guarantee improvement of the business climate.




The strategy will involve an enhanced focus on policies, the facilitation of a conducive business environment for tourism operators and an enhanced investment climate for domestic and international investors. Once public–private dialogue is functioning, improved regulations can be derived. Activities will focus directly on advising on legislation and policies and on improving the business environment through financial support and incentive schemes for MSMEs and investors.

The strategic interventions will look at tourism governance structures, including building local institutional and business capacity, promoting MSMEs and cooperatives in sub-sectors and how they relate to destination development. They also consider the presence of structures and mechanisms for engaging public, private and third-sector stakeholders, including local communities, at different levels.

| Intervention Pillar A: Improve tourism MSME legislative and policy framework  (MEDIUM / LONG TERM) | | | |
|---|--|--|-----------------|
| Description | <ul style="list-style-type: none"> Assess the regulatory framework for MSMEs based on the sector challenges identified in the report. Improve the business climate for MSMEs by formulating tourism policies with improved regulations to ease the licensing and permitting process and enable efficient MSME performance in tourism products, experiences and services. Create a mechanism to incorporate non-traditional and innovative tourism products that currently do not fall under a clear category for licensing and permits, e.g. revising the existing hotel classification to incorporate boutique hotels. Other examples would be recreational activities like boots camps of adventure, paintball, etc. Mechanisms are required for the proper enforcement of by-laws that govern tourism professions, particularly the handicrafts by-law. The handicrafts by-law supposedly governs the sales and display of crafts at souvenirs shops, whereby 70% of goods should be of Jordanian origin. This is not enforced at all, which is affecting the performance of the crafts sector. | Partners MoTA, Ministry of Industry and Trade, municipalities | All MSME levels |
| | <ul style="list-style-type: none"> Amend licensing and permitting regulations in terms of process, requirements and pricing. Other regulatory aspects could be related to facilitating access to energy optimisation solutions for medium enterprises Create a one-stop-shop licensing and permitting hub for tourism MSMEs Incorporate non-traditional and innovative tourism products in licensing and permitting Create a mechanism for the enforcement of by-laws that govern tourism professions which are not strictly executed | | |

| Intervention Pillar A: Facilitate public–public and public–private dialogue to facilitate MSME role in tourism    (MEDIUM TERM) | | | |
|---|--|--|-----------------|
| Description | <ul style="list-style-type: none">▶ It is envisioned that MoTA play an advocacy role supporting public–public coordination to facilitate MSME establishment and work.▶ Also, MoTA should revive and activate the platforms and councils that were created to engage the tourism private sector and associations in tourism-related decisions. Such platforms will be important mechanisms to support maturing the tourism sector towards accomplishing the goals and objectives set out in the NTS. | Partners MoTA | All MSME levels |
| | <ul style="list-style-type: none">▶ Institutionalise and reactivate the Tourism Council that was created▶ MoTA to adopt an advocacy and facilitation role with other governmental bodies affecting tourism activity, above all: the Ministry of Interior, the Ministry of Culture, the Ministry of Municipal Affairs and relevant municipalities▶ Establish mechanism for coordination with municipal councils with regard to tourism▶ Engage/partner with governorates and municipalities to improve investment and infrastructure for businesses in areas beyond the Amman region | | |
| Intervention Pillar A: Support MSME through destination and cultural heritage planning    (SHORT TERM) | | | |
| Description | <ul style="list-style-type: none">▶ Develop a plan for a destination supporting the MSME business environment which outlines the future development, management and promotion of tourism in the destination. The plan should include agreed roles, responsibilities and collaboration mechanisms of key stakeholders in the sector.▶ The plan will provide guidance on such topics as conservation of cultural and environmental heritage, visitor management, physical planning, supply chain strengthening, enterprise development, institutional strengthening, capacity building and communications including marketing, local information provision for visitors and communication with tourism MSMEs and local communities.▶ Address the site management issue and the availability of services and engagement with the local community (service management guidelines, subcontracting to private sector, upgrading existing shops). | Partners Municipalities and tourism stakeholders in selected region | All MSME levels |
| | <ul style="list-style-type: none">▶ Carry out relationship and trust building with destination stakeholders and identify priority topics to be addressed by MSMEs and areas to be developed▶ Encourage multi-stakeholder collaboration, bring key stakeholders together and formulate a work plan▶ Define activities in the work plan covering tourism development in the region, with particular reference to conserving heritage resources and strengthening the tourism supply chain, including MSMEs▶ Strengthen the implementation capacities of MSMEs, tourism associations and concerned authorities | | |
| Intervention Pillar A: Establish a cluster-based coordination and management approach with MSMEs    (MEDIUM / LONG TERM) | | | |
| Description | <ul style="list-style-type: none">▶ Arrange a regional and/or local cluster-based coordination and management of MSMEs in selected locations to enhance MSMEs' business environment.▶ The cluster approach will assist in increasing tourism through building an informal private-sector-driven partnership structure in close cooperation with the public sector.▶ Development/coordination/distribution of tourism products, developing marketing strategies (and promotion of the destination and of the tourism businesses in the destination) and creating visitor information/support centres for tourists.▶ Creation of synergies through cooperation with tourism service providers/MSMEs and coordination of activities between the different spatial levels. | Partners Private sector | All MSME levels |
| | <ul style="list-style-type: none">▶ Assess existing institutional and organisational structures at local level▶ Set up a stakeholder forum for cluster coordination and management▶ Work out agreement on collaboration in activities and action plan development▶ Strengthen links with business sector in regions▶ Support implementation of activities | | |

| Intervention Pillar B: Introduce financial support and incentive schemes to respond to MSMEs' requirements    (MEDIUM / LONG TERM) | | | |
|--|---|--|-----------------|
| Description | <ul style="list-style-type: none">▶ Introduce subsidies and incentive schemes for MSMEs to foster the business climate of the sector.▶ Enhance the financial support and incentive regime for MSMEs to address MSME requirements for investments in business operation optimisation. | Partners Government, JIC, commercial banks, lending institutions | All MSME levels |
| | <ul style="list-style-type: none">▶ Advocate for subsidies and incentive schemes for accommodation and restaurants▶ Develop financial support and incentive schemes for MSMEs to incorporate renewable energy and new technology | | |

| Intervention Pillar B: Enhance the capacity of authorities to promote and attract investment in the tourism economy targeted at MSMEs    (MEDIUM TERM) | | | |
|--|--|---|-----------------|
| Description | <ul style="list-style-type: none">▶ Promote investments in regions and provide direct support to potential investors and MSMEs in the tourism economy.▶ Use existing investment promotion policies as the starting point, together with relevant information from development plans of selected locations.▶ Participants will be trained to identify tourism investment opportunities.▶ Make arrangements for the provision of support and financial services (micro credit, matching grants, capital attracted through joint ventures) to enable MSMEs to make required investments. | Partners MoTA, JIC, JTB, associations, local authorities, MSMEs | All MSME levels |
| | <ul style="list-style-type: none">▶ Map tourism investment opportunities▶ Identify the financial services and business development services that MSMEs require▶ Communicate investment opportunities and applicable incentives to domestic investors▶ Provide required business development services | | |

ANNEXES

6



6.1 BIBLIOGRAPHY

- Aqaba Special Economic Zone Authority (ASEZA): **Tourism Directorate**, statistical data.
- Ababneh, Abdelkader. (2017): **Background and perspectives of medical and health tourism in Jordan**. Alfunon Alshabiya (popular arts). 128-134.
- Adventure Travel Trade Association (ATTA)/George Washington University (2017): **The Adventure Tourism Development Index 2016: An Adventure Travel Scorecard**, sixth edition. <http://www.adventureindex.travel/docs/ATDI16-web.pdf>
- Beichl, L. (2009): **Market demand assessment and marketing strategy for medical tourism**, USAID Jordan economic development, Amman.
- CulTech (2014): **Improvement of Mediterranean Territorial Cohesion through Setup of Tourist—Cultural Itinerary – Umayyad**, Draft 3 of Final Report. <http://cultech.net/sites/default/files/Tourism%20in%20Jordan%20for%20webWP5%5B1%5DDraft3.pdf>
- Department of Statistics (2017): **Jordan Statistical Yearbook 2017**. <http://dosweb.dos.gov.jo/DataBank/Yearbook2017/Population.pdf>
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (2014): **Tourism Planning in Development Cooperation: A Handbook, Bonn and Eschborn**. www.giz.de/expertise/downloads/giz2014-en-tourism-handbook.pdf
- European Bank for Reconstruction and Development (EBRD)/Frankfurt School of Finance Management (2015): **Jordan MSME Framework – In-depth Market Study of MSMEs in Jordan**, Frankfurt.
- Foundation for Environmental Education: **Blue Flag programme**, www.blueflag.global
- Foundation for Environmental Education: **Green Key programme**, www.greenkey.global
- Global Wellness Institute (2017): **New Data and Trends on Middle East-North Africa Wellness Travel at Arabian Travel Market**, Press Release, Miami, 25 April 2017. <https://globalwellnessinstitute.org/press-room/press-releases/global-wellness-institute-releases-new-data-and-trends-on-middle-east-north-africa-wellness-travel-at-arabian-travel-market>.
- Harahsheh, S. S. (2002): **Curative tourism in Jordan and its potential development**. Bournemouth University, United Kingdom, 3(1), 45-78.
- International Labour Organization (ILO) (2017): **A Challenging Market becomes More Challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market**, Beirut. https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_556931.pdf
- Jordan 2025 – A National Vision and Strategy** (2015)
- Jordan Action for the Development of Enterprises (JADE) (2017): **Economic & Business Diagnosis**, Amman.
- Jordan Tourism Board (JTB) (n.d.): **Return to Growth 2017–2019**, Amman.
- Jordan Tourism Board (JTB) website: **Jordan Tour Operators**. <http://international.visitjordan.com/VisitorToolbar/TourOperators/JordanTourOperators.aspx>
- Jordan Tourism Board (JTB): **Tourism Cares, Meaningful Travel Map of Jordan**, www.GoLocalJordan.com
- Jordan Vision 2020 V2.0: **Medical Services Strategy**.
- Messe Berlin GmbH (2018): **ITB World Travel Trends Report 2017/2018**, Berlin.
- Ministry of Tourism and Antiquities (MoTA): **Tourism Statistical Bulletin – Yearly/Monthly Reports**, various years, Amman.
- Ministry of Tourism and Antiquities (MoTA) (n.d.): **The National Tourism Strategy 2011–2015 For Jordan**, Amman. http://mota.gov.jo/Documents/NTS_2011-2015_English.pdf
- Ministry of Tourism and Antiquities (MoTA)/Department of Statistics (DoS)/USAID Building Economic Sustainability through Tourism (BEST) (2018): **Jordan International Tourism Visitor Survey 2016–2017**, Amman.
- Organisation for Economic Co-operation and Development (OECD), World Trade Organization (WTO), World Tourism Organization (UNWTO), (2013): **Aid for Trade and Value Chains in Tourism**. https://www.wto.org/english/tratop_e/devel_e/a4t_e/global_review13prog_e/tourism_28june.pdf
- Oxford Business Group: **Jordan – Managing medical tourism**, Economic News, 2 February 2012, <https://oxfordbusinessgroup.com/news/jordan-managing-medical-tourism>.
- Petra Development and Tourism Regional Authority: <http://www.visitpetra.jo/DetailsPage/VisitPetra/DidYouKnowDetailsEn.aspx?PID=4>
- The Economic Policy Council: **The Jordan Economic Growth Plan 2018 – 2022 (JEGP)**. <http://www.ssif.gov.jo/Upload-Files/JEGProgramEnglish.pdf>

The Jordan Times: **Spending on outbound tourism declines in H1**, 26 August 2018.

www.jordantimes.com/news/local/spending-outbound-tourism-declines-h1

The Jordan Times: **2017 World Science Forum to be held in Jordan**, Press Release, May 10, 2017, <http://www.jordantimes.com/news/local/2017-world-science-forum-be-held-jordan>

The Royal Marine Conservation Society of Jordan (JREDS): www.jreds.org/en-us/Programs.

UNWTO Commission for the Middle East (2018): **Update on Regional Activities**, 44th meeting, Sharm El Sheikh, Arab Republic of Egypt, 8 May 2018. http://cf.cdn.unwto.org/sites/all/files/pdf/regional_activities-2017-2018_add_e.pdf

USAID (2013): **Jordan Tourism Sector Assessment – Challenges Today, Opportunities Tomorrow, Business Environments for Agile Markets (Beam)**, Amman.

USAID Building Economic Sustainability through Tourism (BEST) Project (n.d.): **Sources of Financing for Jordan's Tourism Sector 2017, Amman**. <http://bestprojectjo.org/sites/default/files/Access%20to%20Finance-ENGLISH.pdf>

USAID Building Economic Sustainability through Tourism (BEST) Project (2017): **Jordan Tourism Competitiveness Index 2016 – Analytical Report**, Amman.

USAID Building Economic Sustainability through Tourism (BEST) Project/Ministry of Tourism and Antiquities (MoTA)/Department of Statistics (DoS) (2018): **Jordan Tourism Satellite Accounts 2016**, Amman.

USAID Building Economic Sustainability through Tourism (BEST) Project/Jordan Tourism Board (JTB) (n.d.): **A Strategy for Developing Jordan's MICE Sector 2014–2019**, Amman.

USAID Building Economic Sustainability through Tourism (BEST) Project/Jordan Tourism Board (JTB): **Jordan Film Tourism Strategy**, 2017, Amman.

USAID Building Economic Sustainability through Tourism (BEST) Project/Jordan Tourism Board (JTB) (2018): **Christian Faith Tourism Strategy**, Amman.

USAID Economic Growth through Sustainable Tourism Project/Jordan Tourism Board (JTB) (n.d.): **A Strategy for Developing Jordan's MICE Sector**, Amman.

USAID Jordan Tourism Development Project II (2009): **National Strategy for Tourism Handcraft Development in Jordan 2010–2015**, Amman. http://mota.gov.jo/Documents/handcraft_EN.pdf

USAID Local Enterprise Support (LENS) Project (n.d.): **Experiential Tourism Toolkit**, Amman.

USAID Local Enterprise Support (LENS) Project (2016): **Micro and Small Local Accommodation Businesses Development Meetings, Final Report**, Amman.

USAID Local Enterprise Support (LENS) Project (2017): **Assessment of the Mountaineering Sector in Jordan**, Amman. http://jordanlens.org/sites/default/files/LQ_Final%20Report%20Adventure%20Tourism%20Report%20.pdf

U.S. Department of Commerce's International Trade Administration: **Healthcare Resource Guide: Jordan**, 21 February 2017, https://2016.export.gov/industry/health/healthcareresourceguide/eg_main_108593.asp

World Bank (2018): **Doing business methodology**, www.doingbusiness.org/en/methodology

World Bank national accounts data, and OECD National Accounts data files (2017). <https://data.worldbank.org/country/jordan>.

World Economic Forum (WEF) (2017): **The Travel & Tourism Competitiveness Report 2017**, World Economic Forum, Geneva. http://www3.weforum.org/docs/WEF_TTCR_2017_web_0401.pdf

World Tourism Organization (UNWTO) (2012): **Tourism and Intangible Cultural Heritage**, UN-WTO, Madrid.

World Tourism Organization (UNWTO) (2013): **Sustainable Tourism for Development Guide-book**, Madrid. <https://www.e-unwto.org/doi/pdf/10.18111/9789284415496>

World Tourism Organization (UNWTO) (2014): **Global Report on Adventure Tourism**, Madrid. <http://affiliatemembers.unwto.org/publication/global-report-adventure-tourism>

World Tourism Organization (UNWTO) (2017): **UNWTO Tourism Highlights 2017 Edition**, Madrid. <https://www.e-unwto.org/doi/pdf/10.18111/9789284419029>

World Tourism Organization (UNWTO) (2018a): **UNWTO World Tourism Barometer, UNWTO**, Madrid. http://cf.cdn.unwto.org/sites/all/files/pdf/unwto_barom18_01_january_excerpt_hr.pdf

World Tourism Organization (UNWTO) (2018b): **UNWTO Tourism Highlights 2018 Edition**, Madrid. <https://www.e-unwto.org/doi/pdf/10.18111/9789284419876>

World Travel and Tourism Council (WTTTC) (2018): **Travel and Tourism Economic Impact 2018 – Jordan**. www.wtttc.org/-/media/files/reports/economic-impact-research/countries-2018/jordan2018.pdf

6.2 SECTOR INTERVIEWS AND VALIDATION MEETINGS

| Validation Workshop | Representatives of | |
|---|--|--|
| Validation workshop to confirm sub-sectors | <ul style="list-style-type: none"> ▶ Ministry of Tourism and Antiquities ▶ Jordan Tourism Board ▶ Jordan Inbound Tour Operators Association ▶ Jordan Hotel Association ▶ Jordan Restaurant Association ▶ Jordan Handicrafts Association ▶ EU-Jordan Action for the Development of Enterprise project (JADE) | |
| Donor Agencies Focus Group | Attendant | Title |
| Embassy of the Kingdom of the Netherlands | Faouz Ibrahim | Private Sector Development Officer |
| USAID Building Economic Stability through Tourism (BEST) | Razan Qousous | Business Enabling Environment Component Leader |
| USAID Building Economic Stability through Tourism (BEST) | Wajeeh Saqf El-Hait | Access to Finance Component Manager |
| USAID Jordan Competitiveness Program (JCP) | Mirna Fakhouri | Senior Project Management Associate |
| Mercy Corps | Tala Momani | Senior Project Manager |
| Private Hospital Association (PHA) | Yasmin Walwed | Communication Specialist |
| Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH | Diana Hollmann, Ziad Maayta | Team Leader Technical Advisor |
| Adventure Focus Group | Attendant | Title |
| Jordan Trail Association | Bashir Daoud | General Manager |
| Terhaal Adventures | Rakan Mehیار | Partner |
| Local Enterprise Support Project (LENS) | Mays Bakleh | Senior Economic Specialist |
| Experience Jordan | Jawad Aburumman | Local Trips Manager/Tour Guide |
| RSCN | Nadeen Salameh | Eco Tourism Sales Manager |
| Jordan Mountaineering Association (JMA) | Raad Qudah – Vice President | Vice President |
| Jordan Mountaineering Association (JMA) | Murad Arslan | Board Member |

| One-on-one Interview | Interviewee | Title |
|--|-------------------|---|
| Al-Baraka Destinations | Muna Haddad | Founder/ Managing Director |
| Jordan Select Tours | Seif Saudi | Owner/ Manager |
| Nebo Tours | Hanna Sawalha | Owner/ General Manager |
| By the Lemon Tree B&B | Guido Romero | Owner |
| Silsal | Samar Habayeb | Managing Partner |
| Eco View – Ranger Camp – Jerash | Thaer Ayyash | Owner |
| USAID Building Economic Stability through Tourism (BEST) | Badee Yacoub | Quality Assurance, Research and Education Development Manager |
| Locanda Boutique Hotel | Saad Darwazeh | Owner |
| Alpha Transport | Chafiq Hayek | General Manager |
| Development and Employment Fund | H.E Farouq Hadidi | General Manager |
| Micro Fund for Women | Iyad Nino | Deputy General Manager for Strategic Planning and Operations |
| Innovative Startups and SMEs Fund (ISSF) | Mohab Murrar | General Manager |
| Luminus Education | Rasha Manna | Advisor |
| Luminus Education | Suzane Gregolaite | Head of Hospitality Department |
| Jordan Hotel Association | Vatche Yargantian | General Manager |
| Jordan Hotel Association | Hakim Al-Hindi | Chairman |
| Jordan Hospitality and Tourism Education Company | Hakim Al-Hindi | General Manager |
| I-Jordan (events company) | Lana Al Sakka | Managing Partner |
| 16th of May (events company) | Hana Zureiqat | Managing Partner/ Founder |
| Tourism Restaurants Association JRA / Romero Group | Haitham Gousous | Board of Directors Member at JRA Partner at Romero Group |
| JITOA – General Manager | Lina Al Khaled | General Manager |
| Tourism Guides Association | Hassan Ababneh | Chairman of the board |
| Jordan Handicrafts Producers Association | Raed Badri | Chairman |
| Jordan Handicrafts Producers Association | Omar Tahat | Deputy Chairman |
| Conservation of Nature | H.E. Khaled Irani | Chairman of the board |

6.3 ASSOCIATIONS / CHAMBERS AND BUSINESS SERVICE PROVIDERS

| | |
|--|---|
| Jordan Tourism Board (JTB) | The JTB was officially launched in March 1998 as an independent public-private sector partnership committed to using marketing strategies to brand, position and promote the Jordan tourism product as a destination of choice in international markets. |
| Jordan Hotel Association (JHA) | The JHA is a non-profit association founded in 1969 with the aim to protect the interests of hotels and develop and upgrade them to international standards. |
| Jordan Inbound Tour Operators Association (JITOA) | JITOA was established in 2003 as an official non-profit, private NGO and business association. JITOA is a voluntary-membership organisation whose membership comprises active tour operators and associate members (including hotels and hotel chains, event management companies, NGOs, tourist transport companies, educators, tour guides and others) with an interest in improving the quality of visitors' experience in Jordan. |
| Jordan Restaurant Association (JRA) | The JRA is a mandatory not-for-profit membership association brought into being by Law no. (47) in 2002. Created by MoTA, the association is supported by classified restaurant owners to represent and serve Jordan's growing restaurant industry. The JRA represents over 650 classified members including restaurants, entertainment cities, coffee shops, fast food establishments, discos, bars, cabaret and night clubs of one-to-five stars. |
| Jordan Society of Tourist and Travel Agents (JSTTA) | The JSTTA was founded early in 1960 in Jerusalem through the efforts of industry pioneers. It is now the only association of travel agents in the Hashemite Kingdom of Jordan. It is currently located in Amman. It is a recognised entity both internally and externally due to the efforts and cooperation of its loyal members, travel agents in Jordan. |
| Jordan Tour Guides Association (JTGA) | The JTGA organises the tour guides market through rules and regulations that govern the profession while promoting the association and its service locally, regionally and internationally. |
| Jordanian Handicrafts Producers and Traders Association (JHPTA) | The JHPTA has a long history in the conservation of Jordanian handicrafts and plays a big role in supporting the producers of these handicrafts. Its members number some hundreds of handicraft producers and merchants. |
| Jordan Trail Association (JTA) | The JTA was formed in July 2015 to take on responsibility for the development of the trail and its maintenance, in addition to facilitating its accessibility and providing comprehensive information regarding the trail. The JTA supports the economic development of local communities through job creation, as well as the overall economy, helping to create minimum-impact tourism which promotes an outdoor culture and environmental awareness. |
| Jordan Mountaineering Association (JMA) | The JMA was started by seven founding members and was registered at the Ministry of Social Development on 11 January 2018. Its mission is to support Jordan's mountaineering community and develop, promote and preserve sites for future generations. Started by representatives of the mountaineering community in Jordan, the JMA was the first step towards professionalising the sector and ensuring all Jordanians can benefit from their country's natural advantages. |
| Jabal Amman Residents Association (JARA) | JARA was launched in 2004 to preserve the Jabal Amman district's rich history and promote cultural events. It hosts many of the outdoor markets in Jabal Amman. These provide a direct opportunity for the local community to sell their products and offer tourists the opportunity to interact with the local community. |



PUBLISHED BY

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Registered offices in Germany:
Bonn and Eschborn

Employment- oriented MSME Promotion Project (GIZ/ MSME)

GIZ Office Jordan

Mohamed Baseem Al- Khammash St. 13, Sweifieh
Amman 11190 – Jordan

T +962 (0) 6586 8090
F +962 (0) 6581 9863
E giz-jordanien@giz.de

www.giz.de

ON BEHALF OF

The German Federal Ministry for Economic Cooperation and Development (BMZ)

AUTHORS:

Ms Maysaa Shahateet and Mr Kai Partale

DESIGN:

derMarkstein.de

PHOTO CREDITS/SOURCES:

Photos on Title, pages 2, 8, 12, 18, 25, 36, 61: Jordan Tourism Board
Photo page 7: Luminus Technical University College
Photo page 11: Ben & Gab (CC), Flickr.com
Photos pages 26, 44, 76: Ali Barqawi
Icon “Column” on pages 32 & 33: Giuditta Valentina Gentile, Noun Project
Icon “Book” on pages 32 & 40: Sergey Demushkin, Noun Project
Icon “Beach” on pages 32 & 41: Bernar Novalyi, Noun Project
Icon “Film” on pages 32 & 43: Rose Alice Design, Noun Project
Photo page 49: Svitlana Sokolova, Shutterstock
Photo page 50: Truba7113, Shutterstock
All other icons by Martin Markstein, derMarkstein.de

The content of this publication is the sole responsibility of
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

The analysis of the tourism sector in Jordan has been developed by the Employment-oriented MSME Promotion Project (MSME). The project is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) in partnership with the Jordanian Ministry of Industry, Trade and Supply (MoITS). GIZ commissioned ICON-INSTITUT GmbH and Arabian Business Consultants for Development to conduct the analysis of the tourism sector in Jordan.

