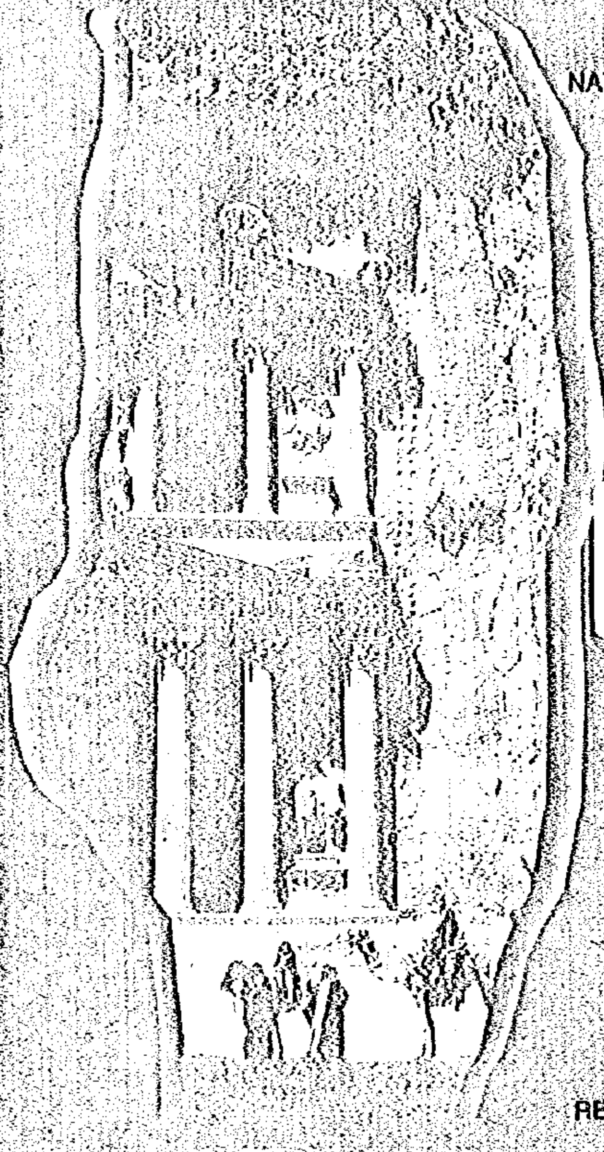
MINISTRY OF TOURISM AND ANTIQUITIES
THE HASHEMITE KINGDOM OF JORDAN

JAPAN INTERNATIONAL COOPERATION AGENCY
(JICA)

THE STUDY ON THE TOURISM DEVELOPMENT PLAN IN THE HASHEMITE KINGDOM OF JORDAN



PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY
(TOURISM DEVELOPMENT)

FINAL REPORT

FEBRUARY 1996

NIPPON KOEI CO., LTD.
PADECO CO., LTD.
REGIONAL PLANNING INTERNATIONAL CO., LTD.

NISTRY OF TOURISM AND ANTIQUITIES
THE HASHEMITE KINGDOM OF JORDAN

JAPAN INTERNATIONAL COOPERATION AGENCY
(JICA)

THE STUDY
ON
THE TOURISM DEVELOPMENT PLAN IN THE HASHEMITE KINGDOM OF

JORDAN

PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY
(TOURISM DEVELOPMENT)

FINAL REPORT

FEBRUARY 1996

NIPPON KOEI CO., LTD.
PADECO CO., LTD.
REGIONAL PLANNING INTERNATIONAL CO., LTD.

1129796 [7]

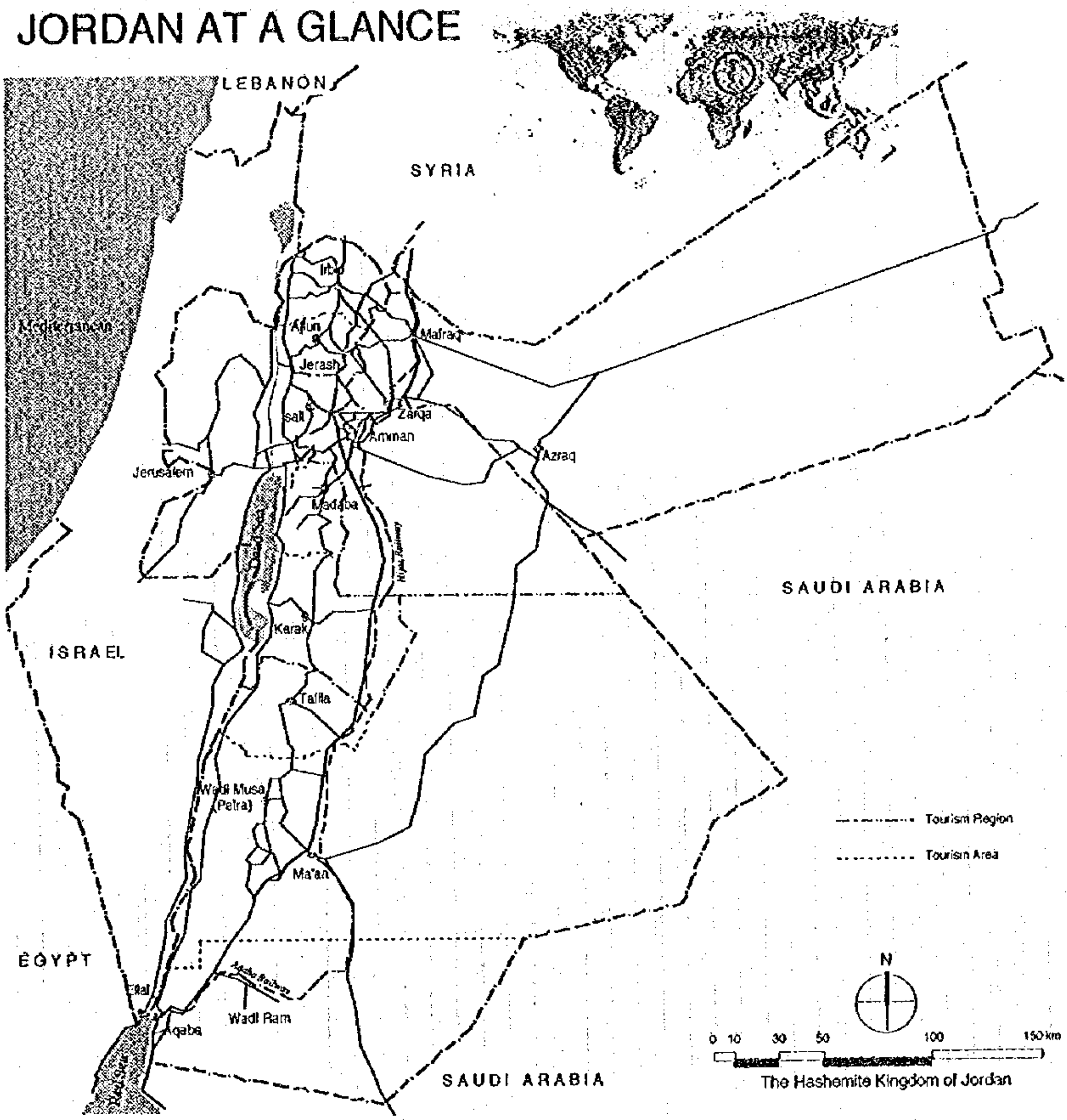
Exchange Rate

(as of February 1996)

US 1.0 $ = 0.708 Jordan Dinar

Spelling of geographical names: cities, tourist sites, etc., in this report is based on the authorized maps issued by the Royal Jordanian Geographic Center.

JORDAN AT A GLANCE

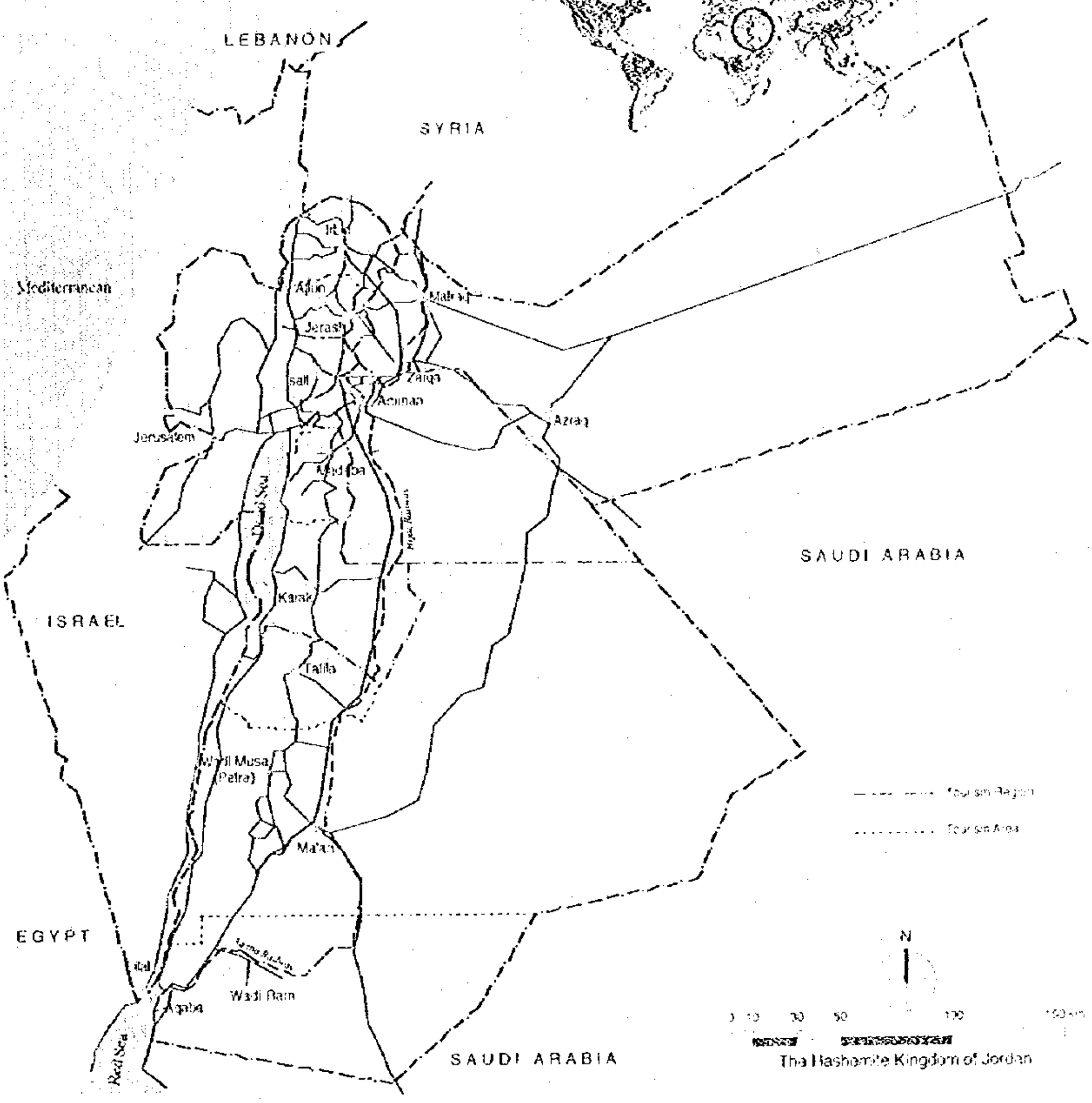


Independence	25 May 1946
Form of State	Constitutional Monarchy
Capital	Amman (Population 1,568,000 in 1994)
Area	89,000 square km (80%: Desert, 20 %: Highland)
Population	4,095 thousand (1994)
Language	Arabic (English, French)
Religion	Islam (93 %) Others (7 %)

	1991	1992	1993
Population (thousand)	3,453	3,949	4,102
GDP (US$ million)	3,881	4,406	4,893
GDP per capita (US$)	1,120	1,130	1,190

Source: World Bank

JORDAN AT A GLANCE



Independence	25 May 1946
Form of State	Constitutional Monarchy
Capital	Amman (Population 1,568,000 in 1994)
Area	89,000 square km (80%: Desert, 20 %: Highland)
Population	4,095 thousand (1994)
Language	Arabic (English, French)
Religion	Islam (93 %) Others (7 %)

	1991	1992	1993
Population (thousand)	3,453	3,949	4,102
GDP (US$ million)	3,881	4,406	4,893
GDP per capita (US$)	1,120	1,130	1,190

Source: World Bank

TABLE OF CONTENTS

Part I : National Tourism Development Strategy and Policy
Volume 1 : Tourism Development

LIST OF TABLES

LIST OF FIGURES

Part I : National Tourism Development Strategy and Policy
Volume 2 : Sectoral Development

LIST OF TABLES

LIST OF FIGURES

Part II : Development Plans for Priority Areas

LIST OF TABLES

LIST OF FIGURES

Abbreviations

ARA	:	Aqaba Region Authority
BOT	:	Build, Operate and Transfer
CERM	:	Cultural Environment Resources Management
CIDA	:	Canadian International Development Agency
DOA	:	Department of Antiquities
DOE	:	Department of Environment (of the MMRAE)
EIA	:	Environmental Impact Assessment
EIB	:	European Investment Bank
EMTA	:	Eastern Mediterranean Tourism Association
GAM	:	Greater Amman Municipality
GCC	:	Gulf Cooperation Council
GDP	:	Gross Domestic Product
GEC	:	General Environment Corporation
GOJ	:	Government of Jordan
GTZ	:	Gesellschaft für Technische Zusammenarbeit
HQ	:	Headquarters
IDB	:	Industrial Development Bank
IEE	:	Initial Environmental Examination
ILO	:	International Labor Organization
JATA	:	Japan Association of Travel Agents
JD	:	Jordan Dinar(s)
JETT	:	Jordan Express Tourist Transport
JIC	:	Jordan Investment Corporation
JICA	:	Japan International Cooperation Agency
JTB	:	Jordan Tourism Board
JTB	:	Japan Travel Bureau
JTI	:	Jordan Tourism Investment
JVA	:	Jordan Valley Authority
MEMR	:	Ministry of Energy & Mineral Resources
MENA	:	Middle East and North Africa
MICE	:	Meeting, Incentive, Convention and Event
MIGA	:	Maltilateral Investment Guarantee Agency
MIS/TDN	:	Management Information System/Tourism Data Network
MMRAE	:	Ministry of Municipal, Rural Affairs and Environment
MOA	:	Ministry of Agriculture

MOE	:	Ministry of Education
MOHE	:	Ministry of Higher Education
MOIT	:	Ministry of Industry and Trade
MOL	:	Ministry of Labor
MOP	:	Ministry of Planning
MOT	:	Ministry of Transport
MOTA	:	Ministry of Tourism and Antiquities
MPWH	:	Ministry of Public Works & Housing
MWIWA	:	Ministry of Water, Irrigation & Water Authority
NGO	:	Non Governmental Organization
NIC	:	National Information Center
OECF	:	Overseas Economic Cooperation Fund of Japan
QAIA	:	Queen Alia International Airport
RJ	:	Royal Jordanian Airlines
RSCN	:	Royal Society for the Conservation of Nature
SDC	:	Salt Development Corporation
SDF	:	Saudi Development Fund
SIT	:	Special Interest Tourism
SSC	:	Social Security Corporation
TCC	:	Telecommunications Corporation
TDA	:	Egyptian Tourism Development Authority
TID	:	Tourism Investment Development (of the SSC)
TOR	:	Terms of Reference
UNESCO	:	United Nations Educational Scientific and Cultural Organization
USAID	:	United States Agency for International Development
VTC	:	Vocational Training Corporation
WB	:	World Bank
WTO	:	World Tourism Organization

CURRENCY EQUIVALENTS

(As of January 1996)

Currency Unit	=	Jordan Dinar (JD)
	=	1,000 fils
JD1.0	=	US$1.41
US$1.0	=	JD0.708

PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY

(TOURISM DEVELOPMENT)

Chapter 1.

Introduction

Chapter 1. Introduction

1.1 Study Background

In response to a request of the Government of Jordan, the Government of Japan decided to conduct "The Study on the Tourism Development Plan in the Hashemite Kingdom of Jordan" within the general framework of technical cooperation between the Government of Japan and the Government of Jordan, which is set forth in the Agreement of Technical Cooperation between the two government signed on July 16, 1985. The Executing Agency of the Government of Japan, the Japan International Cooperation Agency (JICA), engaged a consortium of Nippon Koei Co., Ltd., PADECO Co., Ltd., and Regional Planning International to carry out the Study in December 1994 and their Study Team was immediately mobilized in Jordan. The Study was carried out in Jordan and in Japan for a period of a little more than a year. The Ministry of Tourism and Antiquities acted as the counterpart agency to the Japanese Study Team on behalf of the Government of Jordan.

This study is also meant to update the tourism component of a previous JICA study, the Integrated Regional Development Study of Northern Jordan, Final Report, March 1980, which covers issues relating to tourism in Ajlun, Dibbin, and Jerash.

1.2 Study Objectives and Target Years

The Objectives of the Study, which were agreed between MOTA and JICA in the Scope of Work, are as follows:

1. To formulate a national tourism development policy and strategy with the target year of 2010 (Phase I); and
2. To formulate a tourism development plan for priority area(s) with the target year of 2000 (Phase II)

1.3 Organization of the Report

This Final Report consists of two parts in three volumes, and one volume of executive summary in addition. Part I and Part II report the study results of Phase I and Phase II respectively.

Part I presents the results of the analysis of the existing situation, assessment of the future prospects, and formulation of recommendations for national tourism development strategy and policy. The Part I Report is further divided into two volumes, one focusing on tourism development per se, while the other presents details of infrastructure development. This division was made in order to offer a coherent and balanced presentation of the complex issue of tourism development in Jordan while maintaining an appropriate level of usefulness in presenting reference material.

The Part II Report focuses on the presentation of six selected model projects, which are recommended for implementation to signal to the market in concrete terms of the Government's determination to promote tourism development in Jordan.

1.4 Acknowledgments

The Study Team is indeed grateful to the Government of Jordan for all the assistance extended to the Team throughout the Study period.

The Study Team would like to express special gratitude to His Excellency Minister of Tourism and Antiquities, Mr. Saleh Irsheidat, and the former Minister, Mr. Abdul-Illah Al-Khatib, for their strong support. Frequent meetings with His Excellency not only gave the Team guidance and direction but also provided a strong morale boost for every Team member.

The Study Team would also like to convey its sincere appreciation to His Excellency Secretary General Mr. Akram Massarweh and Assistant Secretary General Dr. Abdul-Illah Abu-Ayyash. The Study benefited greatly from their constant support, timely guidance, and prompt arrangements.

In addition, the Study Team would like to thank all members of the Steering Committee, which was comprised of representatives of the various government agencies concerned, including ministries, authorities, and municipalities, who provided valuable information and guidance at crucial points during the study.

The Study Team has obtained valuable opinions, assistance, and information from a large number of other concerned persons, such as officials of other government agencies and representatives of the private sector. Although it is impossible to name all those involved in this space, the Study Team would like to express its sincere appreciation to them all.

PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY

(TOURISM DEVELOPMENT)

Chapter 2.

Study Approach

Chapter 2. Study Approach

2.1 The Main Questions

Since the Peace Process began, the number of international tourist arrivals has increased dramatically. For the first time in history, Israeli tourists can be seen at various tourist sites in Jordan in large groups. This change, representative of a larger quantum change in tourism in Jordan, reflects a return to more normal levels of tourism, which far exceed the artificially depressed levels of the recent past. There is also a real worldwide increase in interest in Jordan, which has been generated by the Peace Process itself.

Jordan needs to continue increasing tourism revenues if it is to meet the economic expectations of its growing population. The recent increase in tourist arrivals is therefore a welcome sign for many, although it has heightened expectations. Further, some have started to question the ability of Jordan to accommodate such an increased number of tourists.

The foremost issue at present in the minds of most of the concerned people in Jordan, be they public officials or private businessmen, is how to receive the increasing number of tourists. The common question is how to provide facilities and services to ever-increasing numbers of tourists while preserving the country's fragile tourism resources.

There is, however, no guarantee that Jordan will continue receiving an ever-increasing number of international tourists after this transitional period as Jordan has not been adequately prepared as a self-standing major tourism destination. It is obvious that Jordan's approach to tourism cannot continue as it has before in the environment of an increasing and changing world tourism marketplace. There are many worldwide examples of the rise and fall of particular tourist destinations within a relatively short time.

Therefore, the main questions are: what kinds of tourists should Jordan attract, to what extent, and how? The key to answering these questions is to examine them against the increasing but changing market of international tourism.

Another question is what to do with the domestic tourism. The Study Team's initial surveys of tourism in Jordan revealed that the demand characteristics of domestic tourists are very much different from those of international tourists at least for some time to come. Domestic tourists primarily seek picnic ground and resort places. It was also concluded early in the Study that the task of bringing the quality of tourism in Jordan up to the level of international standards is far more urgent than the task of improving the quality of tourism for domestic demand since the former is exposed to international competition and is of vital importance to the economic future of Jordan. It was therefore decided that in this Study only the international tourism was to be dealt with rather than mixing up two completely different sets of policies for international and domestic markets, resulting in a less effective presentation. Although the investment needed for international tourism is much greater and urgent, the development of international tourism should not be pursued in the expense of domestic tourism. Another plan specifically designed for the domestic tourism will be required in the future, as the affluence of Jordanian citizens grows, the domestic tourism would be more important in the economy.

The report is the result of an attempt to answer those questions concerning the international tourism for Jordan.

2.2 Conceptual Framework

The basic approach adopted in this Study, therefore, was to understand tourism in Jordan as the result of interaction between demand and supply under the prevailing socio-economic and institutional setting. The importance of such a market-oriented approach cannot be overemphasized as international tourism has become a highly competitive market world-wide. Providers of tourism services in Jordan are also primarily in the private sector and understanding of their behavior in the context of the local and international market is critical in policy formulation.

Characteristics of tourism demand and supply were identified and socio-economic and institutional settings were analyzed. Interrelationships among these factors were clarified and future prospects were assessed for each. Their integration led to the formulation of tourism development strategies. Based on a synthesis of overall demand prospects and development strategies, numerical demand projections were generated for different parts of the country, for which specific policies for tourism development were then recommended.

In this report, the terms of "strategy" and "policy" are defined as "a plan, method, or series of maneuvers for obtaining a specific goal or result" and "a definite course of action adopted for the sake of expediency" respectively, as shown in the Random House Dictionary of the English Language, Second Edition, Unabridged. In other words, a strategy indicates a broad direction and a policy refers to a definite course of action in this report.

Figure 2.2.1 illustrates the conceptual framework of analytical procedures used in this study. However, in the actual process of the Study, activities did not necessarily proceed in the straight-forward manner shown in Figure 2.2.1. Many feedback processes were undertaken, based on which modifications were made in the activities shown in the upper boxes of Figure 2.2.1, with repeated re-appraisals then made based on these modifications. The overall framework of the conceptual work flow as shown in the figure, however, has been used as the guideline of the Study.

2.3 Methods and Data Sources

Methods and data sources included the following:

- a large number of site visits covering almost all corners of Jordan by the varied experts of the Study Team were backed up by a similarly large number of interviews with government and private sector personnel at all levels;

- data were collected from various ministries including statistics complied by MOTA;

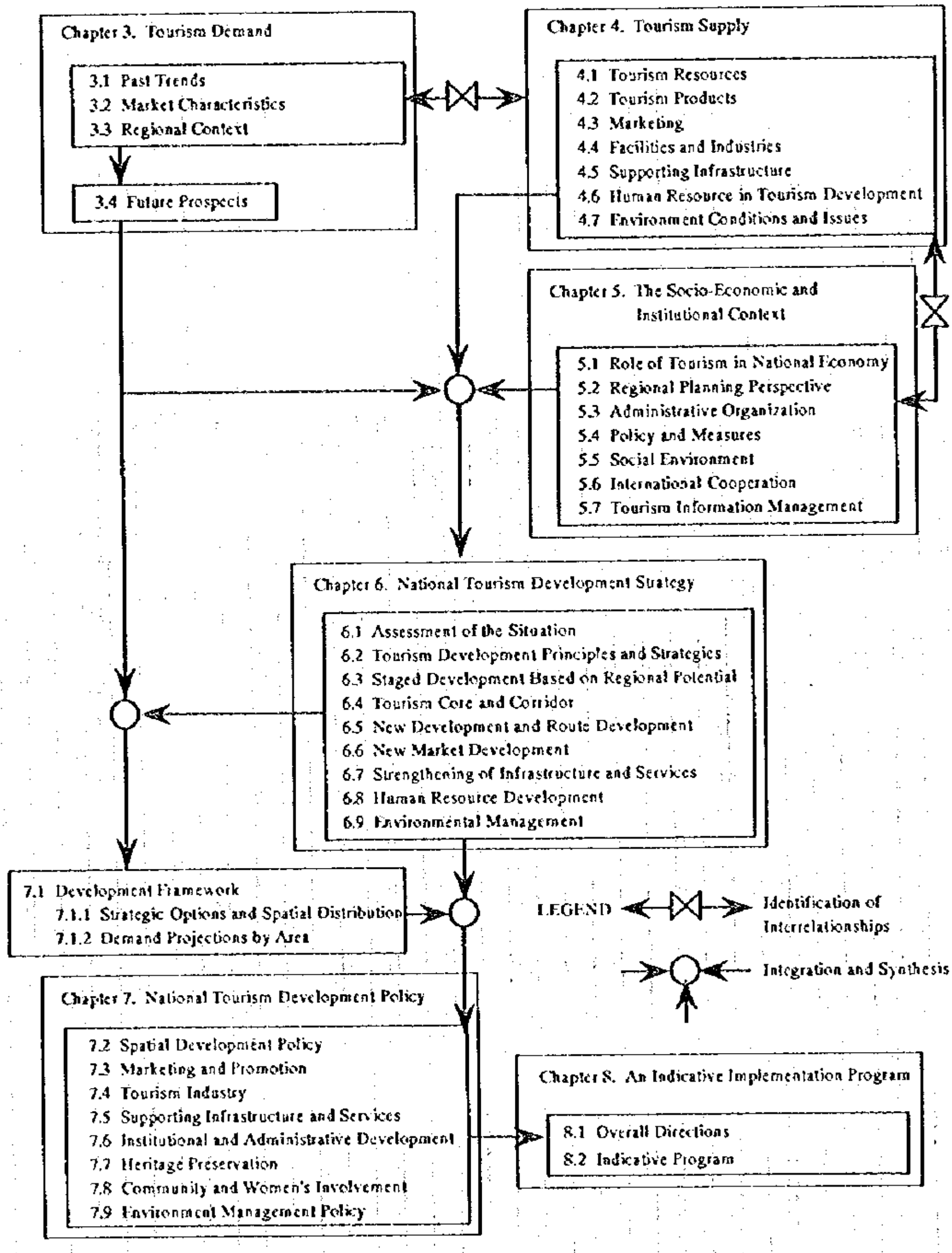
- tourism statistics and projections by the World Tourism Organization (WTO) were analyzed;

- all relevant reports containing matters related to tourism in Jordan were assembled and assessed;

- selected members of the Study Team also visited neighboring countries to assess tourism in Jordan in the regional context; and

- surveys were carried out including the following: (1) a market survey interviewing over 3,000 tourists; (2) a social survey interviewing over 800 residents; (3) a topographic survey for selected project sites; and (4) a water quality survey of selected project sites.

Figure 2.2.1 National Tourism Development Policy Formulation Conceptual Methodology



Source: JICA Study Team

PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY

(TOURISM DEVELOPMENT)

Chapter 3.

Tourism Demand

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Chapter 3. Tourism Demand

3.1 Past Trends

3.1.1 World Tourism

World tourism demand, as estimated by the World Tourism Organization, reached over 520 million in 1994. This was an increase of 5.7 percent over 1993 and exceeded the increase of 3.9 percent between 1992 and 1993. The most popular tourist destinations in 1993 were France (63 million), Spain (43 million), and Italy (29 million). Most tourists came from Germany (65 million), the United States (47 million), the United Kingdom (34 million), Canada (21 million), Italy (17 million), France (17 million), and Japan (13 million).

World tourist arrivals have increased at an annual average rate of 4.8 percent between 1980 and 1990. However, average annual growth rates have been decreasing since 1950, from 10.6 percent in the 1950s, to 9.1 percent in the 1960s, to 5.7 percent in the 1970s, to 4.8 percent in the 1980s. Between 1990 to 1993, the annual average growth rate decreased to 3.6 percent.

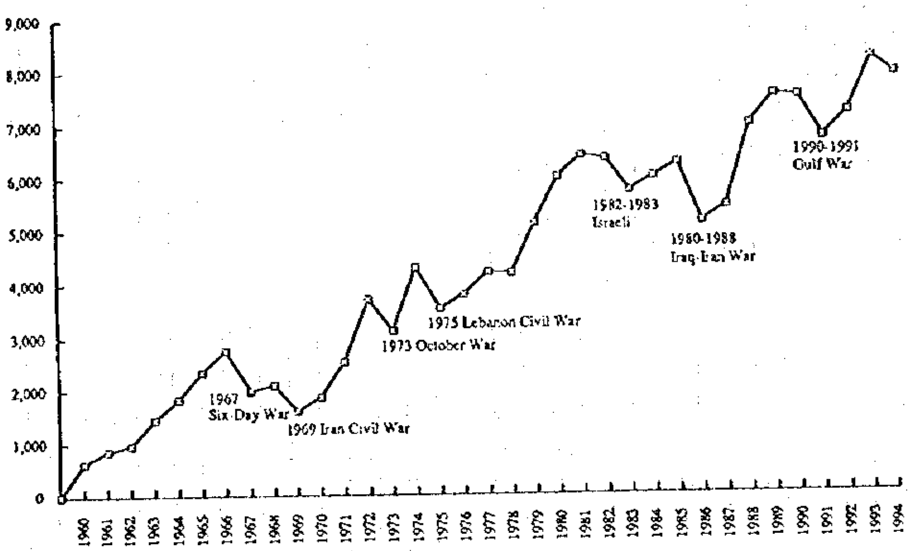
3.1.2 Middle East Region

Prior to the 1960s, tourism demand was nearly non-existent in the Middle East Region. The Middle East Region gained an increasing (although still small) share of world travel arrivals during the 1960s and 1970s, moving from less than 1 percent of world tourism demand in 1960 to a little over 2 percent in 1980. Subsequently, the region's share of world tourism market decreased from 2.1 percent in 1980 to 1.6 percent in 1990 and further declined to 1.4 percent in 1993. The level of tourism in this region is low and unstable due to political instability in the region.

Tourist arrivals in the Middle East Region in 1994 totaled 7.9 million, a 4 percent decrease compared with 1993. Middle East arrivals increased by an average of 2.2 percent annually from 1980 to 1990. Average annual growth rates have decreased share since 1970, i.e., from 12.3 percent in the 1950s, to 11.5 percent in the 1960s, 12.4 percent in the 1970s, to 2.2 percent in the 1980s. From 1990 to 1993, there was no growth but rather a decline of 1.1 percent p.a. Such occasional declines characterize the changes in tourist arrivals in the Middle East; indeed, there have been notable downturns caused by conflicts such as the "Six-Day War" in 1967, the Israeli Invasion of Lebanon from 1982 to 1983, the Iraq-Iran War from 1980 to 1988, and the Gulf War from 1990 to 1991.

A 1994 report by USAID stated that the average annual tourism growth rate was 21.6 percent during the years within the previous 32-year period during which there were no political disturbances. The trend of arrivals in the Middle East Region from 1960 to 1992 is shown in Figure 3.1.1; it seems apparent that the long-term growth rate is more like that for the previous decades, as quoted earlier.

Figure 3.1.1 Arrivals in the Middle East 1960 - 1994



Source: WTO, 1995; USAID, 1993

3.1.3 Jordan Tourism Demand

(1) Frontier Arrivals

In 1995 Jordan received 3.27 million frontier arrivals. Arrivals of Arabs reported in the statistics include a large number of laborers and pilgrims transiting Jordan en route to surrounding countries such as Saudi Arabia and the Gulf Countries. The share of tourists among total Arab arrivals cannot be determined from the statistics. Also, Jordanian expatriates returning to Jordan are not included in the arrivals.

By MOTA definition, arrivals of Asians include Turkish laborers and pilgrims en route to third countries, so the number of Asian tourists is actually much smaller than the 177,582 Asian arrivals (5.4 per cent market share) reported in 1995. The number of frontier arrivals in Others was exceeded by that of Israeli due to the participation by Israelis (10,079) in Jordan tourism for the first time.

Table 3.1.1 Total Frontier Arrivals by Region between 1986 and 1994

Origin	1989	1990	1991	1992	1993	1994	1995	Percent Increase		Market Share	
Area								93-94	94-95	1994	1995
Arab	1,940,308	2,074,762	1,963,115	2,862,048	2,677,139	2,757,962	2,619,270	3.02%	-5.03%	85.5%	79.9%
Asia	50,099	390,628	174,520	208,339	205,065	175,225	177,582	-14.55%	1.35%	5.4%	5.4%
Europe	127,148	117,366	57,968	120,898	151,475	191,282	255,496	26.28%	33.57%	5.9%	7.8%
Americas	48,257	38,538	23,978	39,250	51,512	69,878	103,346	35.65%	47.89%	2.2%	3.2%
Others	12,314	11,968	8,107	12,450	13,747	19,638	121,517	42.85%	518.79%	0.6%	3.7%
Israel	-------	-------	-------	-------	-------	10,767	100,079	------	829.50%	0.3%	3.1%
Total	2,178,126	2,633,262	2,227,688	3,242,985	3,098,938	3,224,752	3,277,211	4.06%	1.63%	100.0%	100.0%
Growth	(-4.8%)	(15.6%)	(-15.4%)	(45.6%)	(-4.4%)	(4.1%)	(1.63%)	--------	--------	--------	--------

Source: MOTA

3.2 Market Characteristics

3.2.1 Market Segments and Characteristics

(1) Tourist Generating Regions

MOTA provides statistics on tourist arrivals separately from total arrivals. The difference between the two is defined strictly on the basis of nationality, with the data desegregated by those entering Jordan from the Gulf Cooperation Council Countries[1] (GCC Countries), and Non-Arab Countries which consist of Europe, Americas and other Non-Arab countries.[2] Tourist arrivals in 1995 totaled 1,073,549, while total arrivals reached 3.27 million. This distinction between tourist arrivals and total arrivals is made by MOTA because the majority of the total arrivals are persons from surrounding countries who simply pass through Jordan en route to a third country for the purpose of employment or hajj (i.e., pilgrimage to Mecca) and they do not require tourism facilities in Jordan. Therefore, the following presents an analysis of tourist arrivals as defined by MOTA.

Figure 3.2.1 illustrates past trends of tourist arrivals. Tourist arrivals decreased during the Gulf Crisis years of 1990 and 1991, but have since rebounded . Tourist arrivals from all regions except the GCC Countries have been growing rapidly. While Europe dominates the market in terms of absolute numbers, the growth rate of tourists from other regions has been equally impressive.

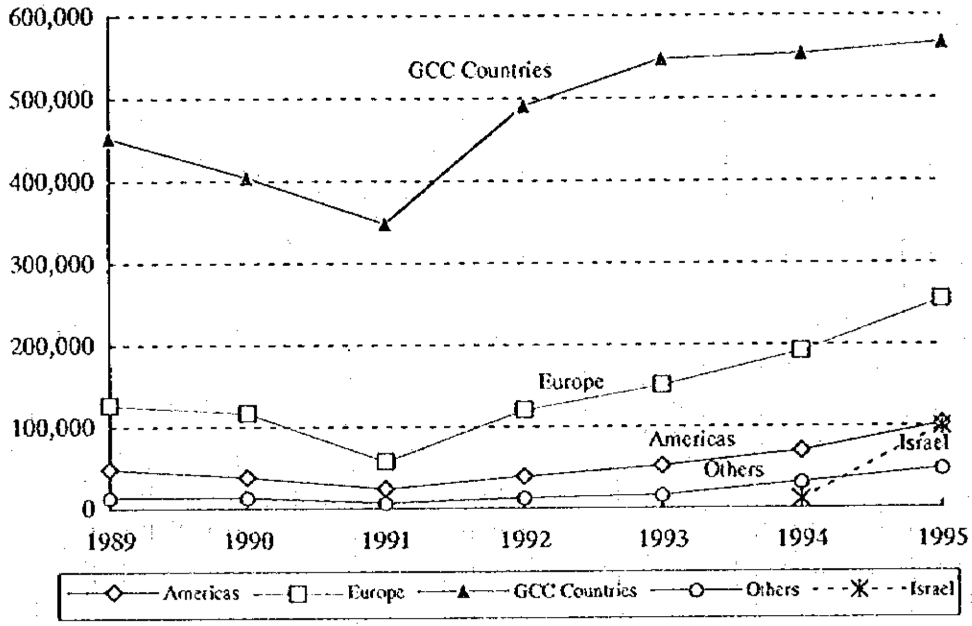
Although tourist arrivals from the GCC Countries have stagnated in recent years, those from other areas have accelerated. In 1996, it is estimated that the number of tourists from areas other than the GCC Countries will exceed those from the GCC Countries for the first time. Further, it is anticipated that this majority share of tourists from non-GCC Countries will increase over time in both absolute and percentage terms. In 1989, tourists from the GCC Countries accounted for 71 percent of the total; however, they occupy only 52.8 percent of the total in 1995 (see Figure 3.2.2). Tourism in Jordan has reached a turning point.

---

[1] Gulf Cooperation Council Countries: Saudi Arabia, Kuwait, Qatar, United Arab Emirates, Oman, and Bahrain.

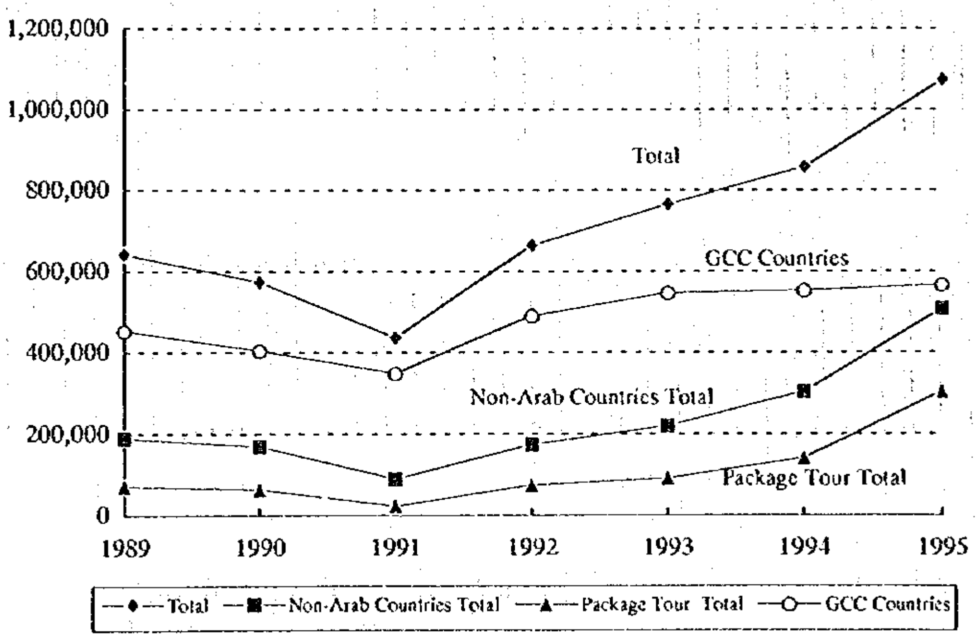
[2] Other non-Arab countries: Australia, New Zealand, Japan, Singapore, and Hong Kong up to 1993. In 1994, Malaysia, Indonesia, South Africa and Israel was added to this category.

Figure 3.2.1 Tourist Arrivals by Nationality



Source: MOTA

Figure 3.2.2 Trend of Tourist Arrivals , GCC Countries and Package Tour



Source: MOTA

(2) Package Tours

Less than 1 percent of tourists from GCC Countries are on package tours. Most GCC Countries tourists are repeat visitors and many of them have villas or other private accommodations in Jordan.

Among tourists from other regions, the percentage on package tours is high and growing: 46 percent in 1994 and reached at 60 percent in 1995. As can be seen in Figure 3.2.2, the bulk of the growth in tourist arrivals has come from package tours. The growth rate of package tour tourists was 24 percent in 1993, 55 percent in 1994, and 116 percent in 1995, rates that are much higher than the growth of total tourists (15 percent in 1993, 10 percent in 1994, and 25 percent in 1995). Up to 1993 more than 70 percent of package tours were from Europe; in 1994, this share declined to 47 percent as package tours from other regions such as the Americas have been growing at a rate higher than those from Europe. In terms of absolute volume, however, Europe remains the dominant origin of package tours (144,140 out of 304,141 in 1994).

The percentage share of package tours differs by region. Other Non-Arab countries show the highest share (68 percent), followed by Europe (51 percent). Table 3.2.1 shows these percentages.

Package tours are highly sensitive to the security situation. In 1991, the number of tourists on package tours decreased to 35 percent of that in the year before, whereas the total number of tourists decreased to 68 percent of that in the year before.

Israeli tourists started coming to Jordan in 1994 after the Peace Treaty. In that year 11,000 came, of which 54 percent were on package tours. In 1995, the number of Israeli tourists reached 100,079, of which 92 percent were on package tours.

Jordan's tourist market is predominantly European tourists, although the number of tourists from other regions will grow and increase their share in the future. Package tours are the main source of growth of tourist arrivals and their share in the market will grow further. Judging from experience in other destination countries with similar tourism development characteristics, it is inevitable that package tours will become a more dominant factor in the Jordanian tourism market.

Table 3.2.1 Package Tourists/Regional Tourists

Package	1989	1990	1991	1992	1993	1994	1995
Americas	24.38%	23.77%	51.10%	16.08%	13.32%	21.32%	36.73%
Europe	42.12%	39.62%	25.36%	48.07%	47.53%	51.00%	56.42%
GCC Countries	0.14%	0.25%	1.14%	0.18%	0.25%	0.38%	0.54%
Others	42.87%	45.55%	35.92%	63.36%	68.20%	68.46%	56.84%
Israel	–	–	–	–	–	54.30%	91.62%
Total	11.17%	10.95%	5.09%	11.07%	11.87%	16.49%	28.33%

Source: MOTA

Table 3.2.2 Number of Entry by Region

1995 Arrival point

	Q.A.I & Amman Airports	Aqaba Airport	Aqaba Port	Ramtha	Ruweished	OMARI Mudawara Durrah	Bridges (A.V.C & J.V.C)	Rail	Total
America	37,765	182	1,980	5,042	1,692	1,448	55,226	11	103,346
Europe	107,544	4,660	9,416	28,191	7,226	16,713	81,699	47	255,496
Arab	121,336	630	540,801	698,802	296,085	960,398	761	457	2,619,270
Asian	34,868	33	1,715	57,887	6,625	59,596	16,856	2	177,582
Others	7,518	23	1,556	3,327	999	425	7,563	27	21,438
Israel	182	35	11	0	0	0	99,851	0	100,079
Sub-total	309,213	5,563	555,479	793,249	312,627	1,038,580	261,956	544	3,277,211

	Q.A.I & Amman Airports	Aqaba Airport	Aqaba Port	Ramtha	Ruweished	OMARI Mudawara Durrah	Bridges (A.V.C & J.V.C)	Rail	Total
America	36.54%	0.18%	1.92%	4.88%	1.64%	1.40%	53.44%	0.01%	100%
Europe	42.09%	1.82%	3.69%	11.03%	2.83%	6.54%	31.98%	0.02%	100%
Arab	4.63%	0.02%	20.65%	26.68%	11.30%	36.67%	0.03%	0.02%	100%
Asian	19.63%	0.02%	0.97%	32.60%	3.73%	33.56%	9.49%	0.00%	100%
Others	35.07%	0.11%	7.26%	15.52%	4.66%	1.98%	35.28%	0.13%	100%
Israel	0.18%	0.03%	0.01%	0.00%	0.00%	0.00%	99.77%	0.00%	100%
Sub-total	9.44%	0.17%	16.95%	24.21%	9.54%	31.69%	7.99%	0.02%	100%

Note: QAIA - Queen Alia International Airport
AP - Airport
P - Port

Soruce: MOTA

(3) Point of Entry and Mode of Transport

MOTA provides statistics for entry points of tourists by nationality. Table 3.2.2 shows entry points by region for 1995.

Close to 45 percent of European tourists pass though the Amman airport, and some 2 percent through the Aqaba airport, which few tourists from the Americas use. More than 30 percent of European and 50 percent of American tourists use overland border crossings with Israel, implying a much higher percentage for tourists from the Americas in 1995. On the other hand, a higher percentage of European tourists use overland border crossings with Syria than Americans.

(4) Characteristics of Tourists

Interview surveys of tourists were carried out twice in Jordan for the Study Team, first by M. Riad I. Rajjal (Financial Consultant) and later by Consolidated Consultants. The first survey was implemented at hotels and airports in Amman and Aqaba involving 997 chosen tourists in February 1995, while the second surveyed 2,021 tourists in a similar fashion in August 1995. The following summarizes the results of the more comprehensive second survey.

More than 70 percent of the respondents were from Western Europe; Japanese accounted for less than 1 percent. Close to 50 percent described themselves as professional or administrative workers.

A majority (59 percent) had made more than four international trips before. Only 13 percent of the interviewees came to Jordan for business or business cum holiday purposes. The percentage of interviewees in Jordan for tourism purposes was high among those from Europe (87 percent) and somewhat lower among those from Americas and Asia (68 percent).

Over 65 percent of those from all regions other than the GCC Countries were coming to Jordan for the first time. Of particular note, 86 percent of Europeans were making their initial visit to Jordan; on the other hand, 36 percent of those from the Americas had visited Jordan more than twice. Among those from the GCC Countries, only 30 percent were making their first visit to the country. A comparison with MOTA statistics and the above suggests that a majority of those from the Americas and GCC Countries were in Jordan for business.

Among the interviewees, those on package tours accounted for 70 percent among those from all regions, 94 percent among those from Israel, and 75 percent among those from Europe, from where 78 percent of package-tour tourists came. The percentage of tourists in package tours becomes higher with the age of tourist, reaching as high as 86 percent among those over 50 years old. Companions included spouse (30 percent), friend(s) (30 percent), and parent(s) (17 percent).

An overwhelming 78 percent chose Jordan as their destination because of its history and culture.

Interviewees were also asked to rate what they saw in Jordan. It should be noted that interviewees generally give an embellished rating out of courtesy to a host country interviewer. Therefore the ratings shown below should be considered more favorable than actual.

The inland landscape of Jordan was rated "good" by 81 percent. Petra, the most popular tourism site in Jordan, was rated "good" by 94 percent, followed by Wadi Ram (89 percent), and Jerash (82 percent). All holiday tourists visited Petra, 78 percent went to Jerash, but only 35 percent visited Wadi Ram. The seaside landscape was rated "good" by 63 percent and about one third of the tourists did not visit Aqaba, which is the only seashore in Jordan.

Infrastructure such as transportation and sanitary facilities were the least popular (only 65 percent and 50 percent rated them "good," respectively.) Considering that package tour and business tourists utilize relatively better facilities than local residents, this indicates that the Jordanian infrastructure standard is at a poor level in spite of the country's essential nature for tourism development. Only 65 percent said that amenities in Amman were "good," and city attractions in Jordan also received a rating that cannot be considered very high (71 percent). Facilities inside hotels received better ratings than those outside hotels.

More than 90 percent said security in Jordan was good. This response may reflect their positive surprise in finding relatively safe conditions in a country that has received a negative image in the world press.

Tourist information in Jordan was given a "poor" or "fair" rating by 9 percent and 31 percent, respectively. Information sources considered useful were guidebooks (35 percent), tour brochures (27 percent), and friends (20 percent). On the other hand, further information was required on tourism sites (42 percent) and maps (16 percent); this indicates a need for both improved quality and a greater quantity of information.

Nearly all respondents (96 percent) said that the hospitality of Jordanians is "good", another indication of the famous Jordanian hospitality.

Not much difference exists between men and women concerning their opinions of tourism in Jordan. Also, differences by age group are not salient.

Generally, respondents on package tours gave more favorable answers than those not on package tours. Similarly, holiday travelers gave more favorable answers in general except concerning their assessment of urban amenities in Amman. Among regions, those from Europe gave more favorable answers than others.

The average number of nights spent in Jordan was 5.5, of which an average of 2.9 nights were spent in Amman. Those from Europe stayed for five nights on average compared to three in the case of those from the Americas and other regions.

Finally, in considering the significance of the results set out above, it should be noted again that respondents generally offer more favorable ratings than what they really feel in this kind of direct interview survey, conducted by host-country persons in the host country.

3.2.2 Package Tour Patterns

Package tour patterns have been examined in the four major package tourist markets: the United Kingdom, Germany, France, and Japan, as shown in Figures 3.2.3 to 3.2.6. Two typical tour packages were chosen in each market, namely, one for the mass general market (light green line) and the other for culture tourism market (orange line). The conclusions from this exercise are as follows:

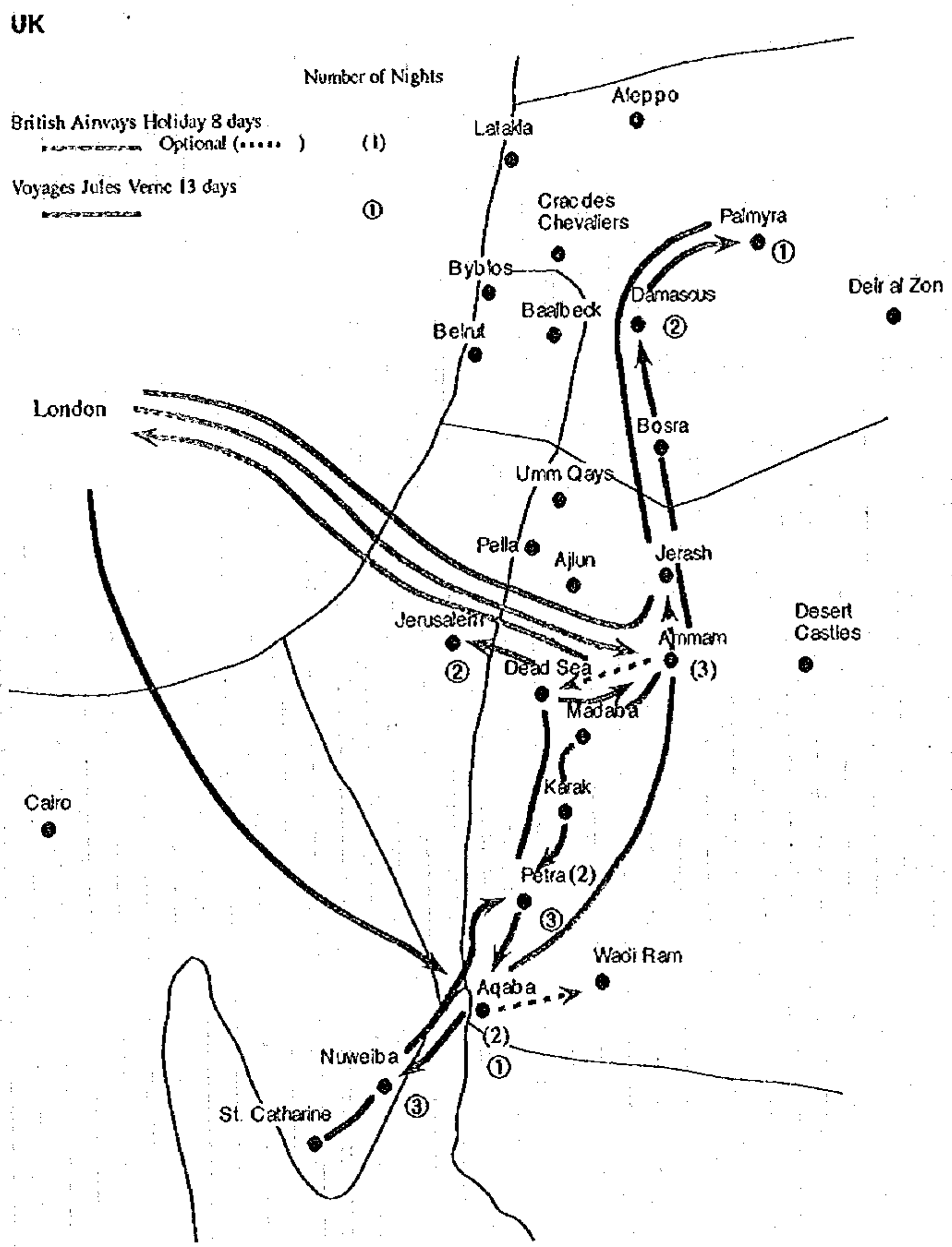
- Tour packages for the mass general market often feature a "short optional tour (usually a one-day excursion from the tourist service core)" in order to reduce the apparent advertised tour fare and make it more attractive to potential customers (e.g., optional Jerash, Dead Sea, and Wadi Ram tours in the British Airways Holiday of the UK; Jerash, Dead Sea, Petra, and Wadi Ram tours in the Deutsche Reisburo Tour of Germany). This kind of packaging results in fewer opportunities for Jordan to earn foreign exchange.

- Umm Qays, Pella, Ajlun, and Desert Castles are featured only in "culture tour packages" generated from Europe. These are not the must-see sites for mass general market tourists, even in European markets.

- British and German packages feature Aqaba, while French and Japanese packages show little or no interest in Aqaba (consider, e.g., that Ikhar Voyage of France includes one night in Aqaba only as a base for a Wadi Ram excursion).

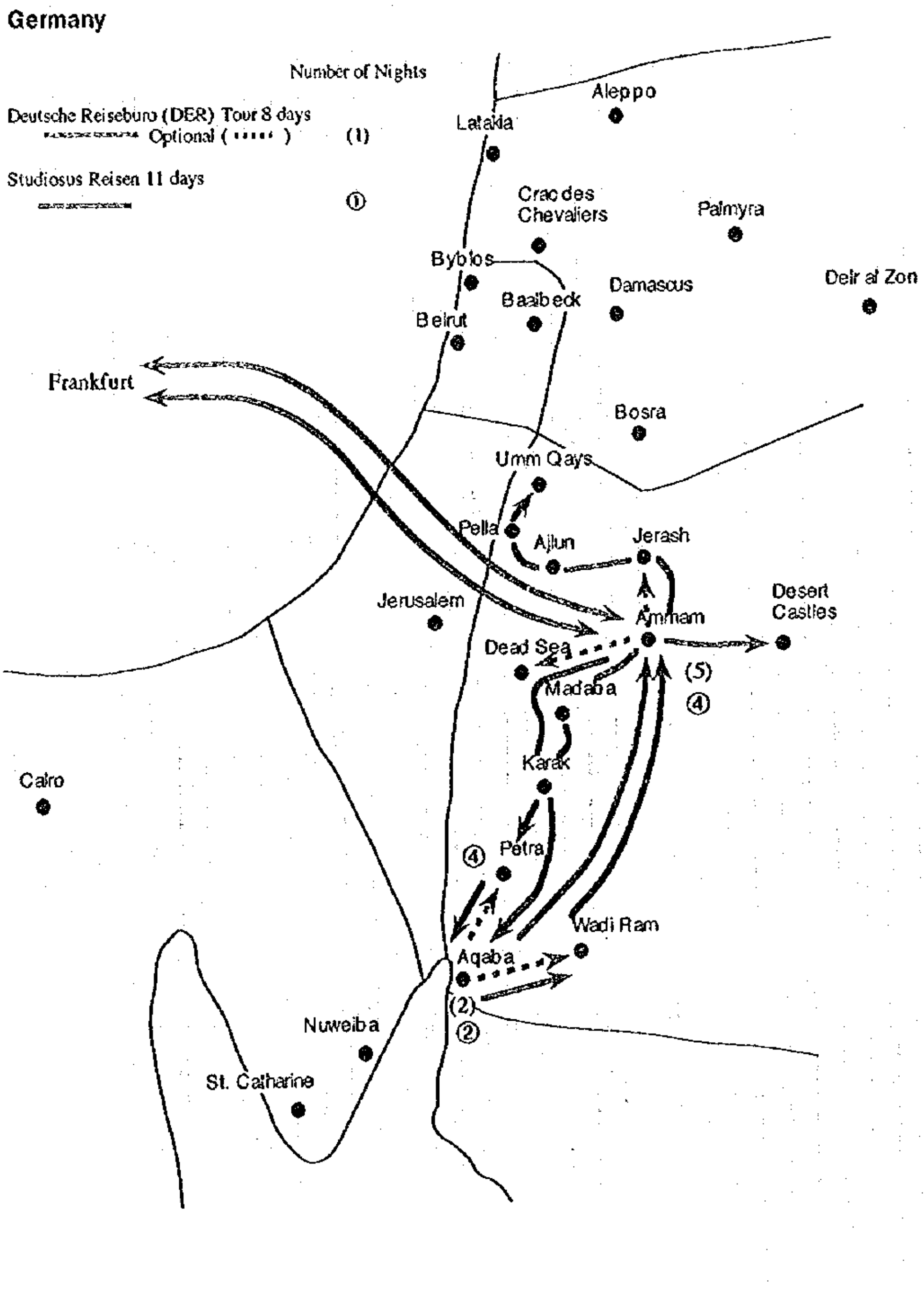
- When Jordan and Syria are compared as destinations, the British are more interested in Jordan while the French find Syria more attractive because of their respective historical and political associations in the past. In this context, note the extensive Syrian coverage in the mass general tourist AF Jet Tour package.

Figure 3.2.3 Tour Patterns of Major Source Markets



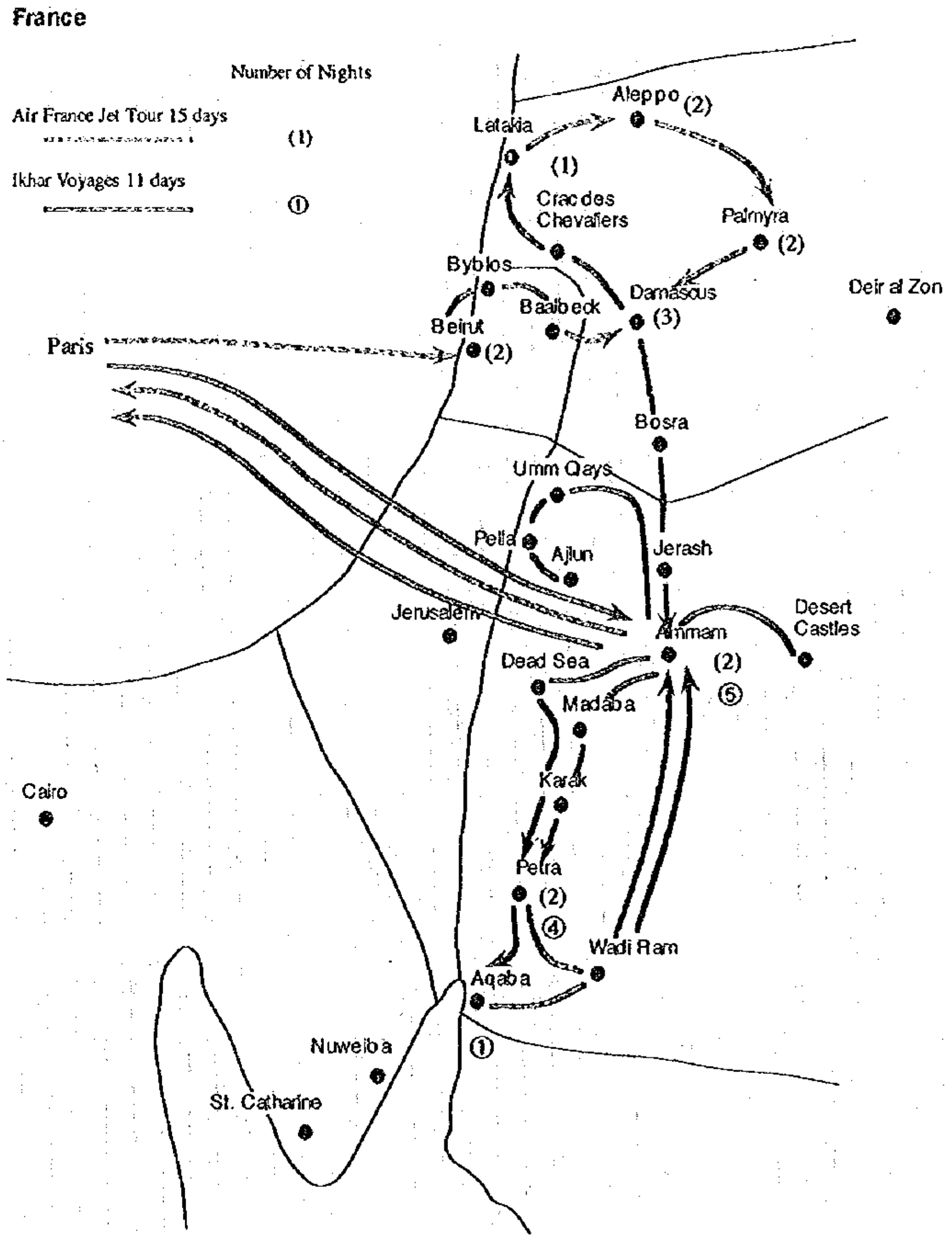
Source: JICA Study Team

Figure 3.2.4 Tour Patterns of Major Source Markets



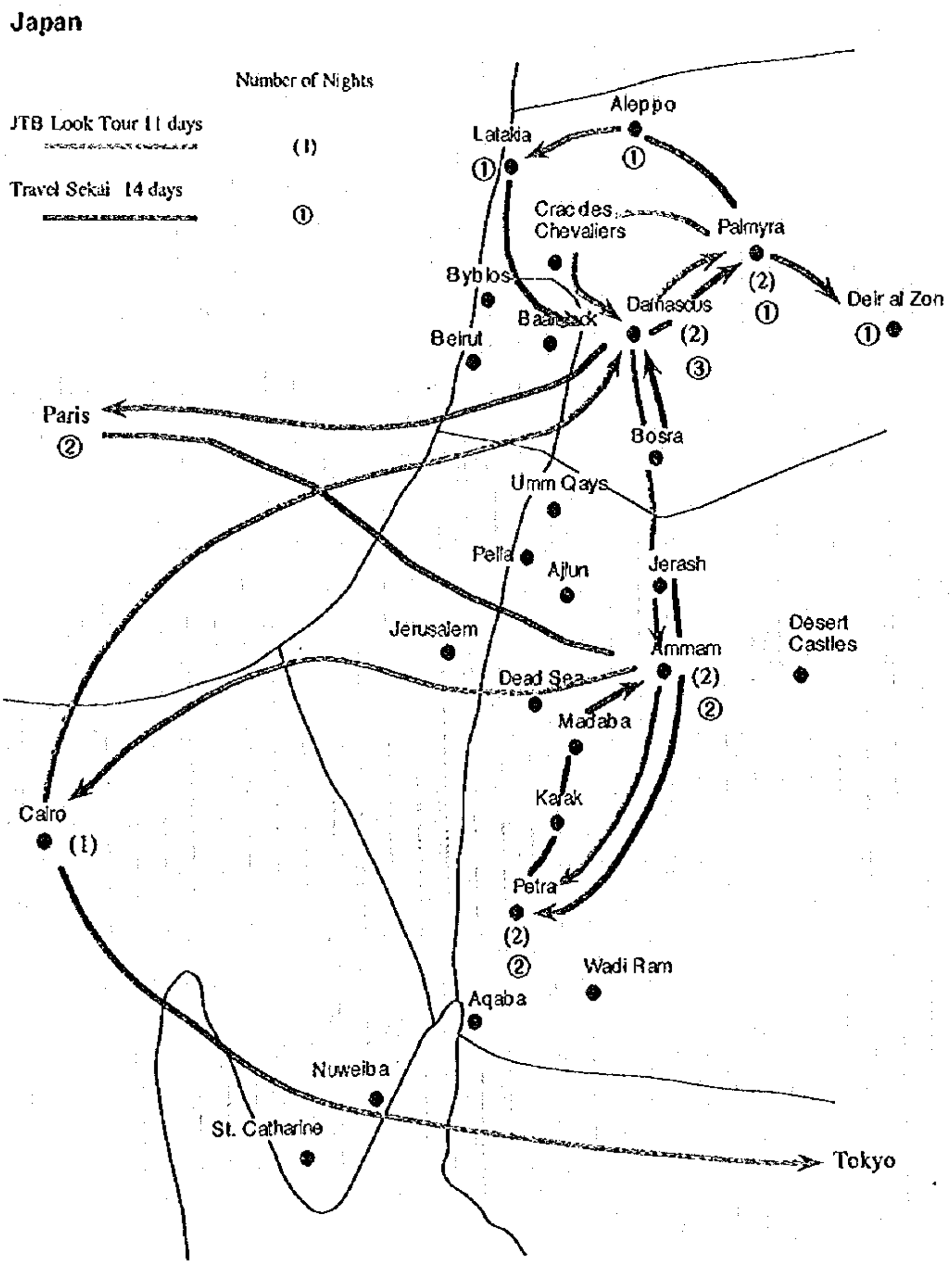
Source: JICA Study Team

Figure 3.2.5 Tour Patterns of Major Source Markets



Source: JICA Study Team

Figure 3.2.6 Tour Patterns of Major Source Markets



Source: JICA Study Team

3.3 Regional Context

3.3.1 Jordanian Tourism in the Region

Modem marketing dictates an objective assessment of the product and its position in the global marketplace. The tourist destination as one form of tourism product is no exception to this universal formula.

Tourist destinations can be classified into four broad categories:

- tour circuit destination of historical and cultural monuments and ruins (e.g., Petra, Palmyra in Syria, Luxor in Egypt, Mt. Saint Michele in France, Borobudur in Indonesia);
- tour circuit destination of scenic and natural wonders (e.g., Wadi Ram, the Sinai Valley in Egypt, the Swiss Alps, the Himalayas of Nepal);
- beach holiday destination (e.g., Aqaba, Sharm el Sheik in Egypt, Corfu in Greece, Bali in Indonesia); and
- urban tourism center destination (e.g., Paris, Rome, Hong Kong).

There are, of course, various combinations of destinations: Rome would be a tour circuit destination of historical and cultural monuments and ruins as well as an urban tourism destination; Honolulu would be a beach holiday and urban tourism destination.

Jordan as a whole may be classified as a tour circuit destination of historical and cultural monuments and ruins, although it has a small-scale beach holiday base in Aqaba. Its internationally recognized tourist product is Petra, followed by Jerash or Wadi Ram. Tour operators in the major tourist generating regions (Europe, Americas, East Asia) generally package Jordan in combination with other nearby tourist destinations, notably Syria, Lebanon, and/or Israel. It is rare for Jordan to be featured alone. Jordan is sometimes offered as an optional extension tour on a variety of Egyptian packages for the European general tourist market.

Table 3.3.1 examines the position of Jordan compared with three other destinations in the region by various itemized criteria.

Table 3.3.1 Comparative Position of Jordan as a Tourist Destination

CRITERIA / COUNTRY	Destination Type	Recognition in World Market	Stand-alone Destination	Product Representation of Resources: Archaeology	History	Folklife	Culture	Natural Wonders	Beach Holiday	Health / Cure	Themed Attraction
Jordan	Culture tourism, plus small beach base	Limited for culture tourists	No	Strong	Weak	Weak	Weak	Weak	Weak	Weak	Weak
Israel	All-purpose Tourism	Established for general tourists	Yes	Fair	Strong	Fair	Fair	Fair	Strong	Strong	Strong
Egypt	All-purpose Tourism	Established for general tourists	Yes	Strong	Strong	Strong	Strong	Strong	Strong	Weak	Strong
Syria	Culture tourism, plus small beach base	Limited for culture tourists	No	Strong	Fair	Strong	Fair	Fair	Fair	Weak	Weak
Jordan after the implementation of the recommended measures	Culture plus beach and curative	Culture tourists/ General tourists	Yes / No	Strong	Fair	Fair	Fair	Fair	Fair	Fair	Fair

Source: JICA Study Team

Source: JICA Study Team

It would be a futile exercise to predict the position of Jordan among surrounding countries as they will certainly improve their own tourism sector. Extent of their development probably will vary depending on country. One thing, however, is certain. Without improving tourism sector in Jordan in the broad direction indicated by this report, Jordan's position vis-a-vis surrounding countries will be weakened. The bottom row of Table 3.3.1 shows Jordan's position after implementing recommendations presented in this report assuming that surrounding countries will follow trends apparent at this time.

Jordan is endowed with potential resources for historical, folk life, cultural, and health/cure products. However, because of poor product presentation and/or lack of product development initiatives, its destination appeal in the world market has fallen behind that of the other three destinations.

Policy makers and stake-holders in Jordanian tourism should firmly identify and promote the positive features of Jordan as a tourist destination. An effective market identification and approach can be devised only through an objective self-analysis of the product range. An objective assessment will also aid in the development of new products to complement shortcomings in the existing product range.

3.3.2 Market Exposure

Tour catalogues of the leading tour operators in the four major package tourist generating markets of the United Kingdom, France, Germany, and Japan have been examined to identify the comparative exposures of Jordan in the international tourist market. Table 3.3.2 summarizes the number of pages devoted to Jordan in these catalogues in comparison with those for other competitive destinations in the Middle East.

Egypt holds a dominant position in all four markets with 55 pages, followed by Israel with 28 pages. The number of pages for these two destinations exceed by far those allocated to Jordan (4.5 pages), Syria (6 pages), and Lebanon (2.5 pages). This situation indicates that Egypt and Israel are recognized as established destinations in the world tourist market; they contain a variety of attractions and products that appeal to the mass, general-interest tourist market.

The rather high profile given to the United Arab Emirates and Oman in the European catalogues demonstrates the efforts of tour operators to introduce new destinations and products to stimulate the interest of potential holiday tourists. It also reflects a successful destination sales campaign and approach deployed by the UAE and Oman aimed at European buyers (i.e., tour operators).

Table 3.3.2 Exposure of Jordan Tour Packages in the Major Package Tourist Markets (Figures Correspond to Number of Pages in Tour Catalogues)

COUNTRY ---------------- MARKET	JORDAN	ISRAEL	SYRIA	LEBANON	EGYPT	UAE / OMAN
UK (British Airways Holidays)	1	10	0	0	8	3
FRANCE (Air France Jet Tours)	1	10	4	2	32	7
GERMANY (TUI Culture Tours)	2	6	1.5	0.5	4	1
JAPAN (Japan Travel Bureau LOOK Tour)	0.5	2	0.5	0	11	0
Total	4.5	28	6	2.5	55	11

Source: JICA Study Team

3.4 Future Prospects

3.4.1 World Tourism and the Middle East Region

World Tourism has been increasing steadily. However, the average annual growth rate has been decreasing since 1950. According to the World Tourism Organization (WTO), the receipts of world tourism in 1993 reached the sum of 324 billion United States dollars. Tourist arrivals in the world increased by 3.8 percent in the same year, and they should continue to grow by approximately 4 percent per annum from 1994 to 2000 according to WTO. In 1994, the tourism industry was expected to:

- reach a turnover of US$ 340 billion,
- represent about 10 percent of the GNP in the world,
- invest about US$ 690 billion in equipment and infrastructure, and
- employ more than 200 million employees.

The share of the Middle East region in world tourism has continuously declined from 2.1 percent in 1980 to 1.4 percent in 1993. The level of tourism in this region has been relatively small and unstable due to the political instability. (see Fig. 3.1.1)

3.4.2 Jordan Tourism Prospects

(1) Political and Socio-Economic Development Scenarios for Jordan

The Jordanian-Israeli peace treaty was signed on April 4, 1995, with the agreements on border and security, crossing points, postal services and tourism. The peace accord between Jordan and Israel does seem to have generated an atmosphere of cooperation, and tangible results can now be recognized. This welcomed socio-political condition has proved favorable to tourism development in Jordan. In 1995, visitors from American and European countries, in addition to new visitors from Israel, have drastically increased compared to 1994.

At present, any prediction of the future of the regional issues is, of course, a matter of speculation. However, the Study Team envisions three probable scenarios that may be realized between now and 2000, and beyond 2000 as follows:

a. **Best Case:**

Palestinians are given full autonomy over the West Bank and Gaza (WBG). A comprehensive settlement scheme has been steadily implemented including Syria and Lebanon. In the Best Case, however, Jordan is unlikely in the near future to repeat the level of economic growth once achieved. The level of debt will act as a dampening factor for sometime to come. The advances in the economy as a result of peace is likely to be offset by capital and human resource transfer to Palestine by some Jordanian citizens of Palestinian origin. The net result would be modest growth.

b. Medium Case:

Palestinian self-rule is extended to the West Bank on a limited scale. A peace treaty between Syria/Lebanon and Israel nears conclusion. Taking the Medium Case scenario, the socio-economic framework for 2000 and 2010 was stipulated for the purposes of this study as shown in Table 3.4.1.

Table 3.4.1 Adopted Development Scenario for Jordan

Item	2000	2010
1. Middle East Peace	(1) Palestinian partial autonomy over WBG	(1) Full autonomy over WBG
	(2) Cooperation talks with Israel deepen	(2) Cooperation projects in operation
	(3) Syria/Lebanon accord near	(3) Syria/Lebanon accord in effect
	Syria/Lebanon	
	(4) Iraq partial lifting of sanctions	(4) Iraq back to world economy
2. Finance & Economy	(1) Partial debt relief	(1) Full credit worthiness recovery
	(2) Modest GNP growth	(2) Modest GNP growth
	(3) Deregulation in selected areas	(3) Wider deregulation
	(4) Privatization in selected areas	(4) Complete in tourism

c. Worst Case:

Progress is stagnant in Palestinian-Israel negotiations. Continuing unrest is spilled over to Jordan. However, no real breakdown or confrontation takes place. The worst case was judged not likely to occur as explained above, and was taken out of further consideration.

(2) National Economic Development Framework

Prudent fiscal policy in combination with external assistance has enabled Jordan to emerge from a severe recession. An overview of Jordan's economic performance in the recent past is presented in Volume 2, Chapter 2.

With the general prospects as described in the preceding section, Jordan can now anticipate a respectable economic expansion in coming years. Based on a World Bank report and Jordan's 5-Year Development Plan, the following growth rates in percent per year were adopted for this study as reference for indicating the framework of future economic growth of Jordan. It was decided to adopt the Medium Case in the preceding section for political development for the purpose of this study.

Table 3.4.2 Forecast GDP Growth Rates (percent per year)

	1996-2000	2000-2005	2005-2010
GDP Growth Rate	6.0	5.5	5.0

The growth of international tourist arrivals, however, will not be related to the growth of Jordan's GDP. Growth of tourist arrivals largely depends on economic conditions of source countries. In the case of Jordan, a large segment of frontier arrivals is composed of laborers from neighboring countries who work in Jordan or the Gulf countries. The number of such laborers in the future would depend on the economic situation of Jordan and the Gulf countries. There are also a large number of pilgrims en route to Mecca (i.e., hajj). Neither of these two groups, however, is considered as the subject of tourism planning in Jordan.

(3) Accommodation Arrivals

The number of frontier arrivals excluding those laborers and hajj pilgrims is called accommodation arrivals. MOTA's definition of tourists in their statistics has been shown in the preceding section. All of them can be assumed to require tourist accommodation in Jordan. There are some others requiring tourist accommodation. The following is an attempt to estimate the number of accommodation arrivals.

From MOTA statistics, the following were extracted and calculations made:

Table 3.4.3 Accommodation Arrivals from Countries Not Included in MOTA Tourists

Category	Year	1993	1994
A.	Total Frontier Arrivals	3,098,938	3,224,572
B.	Tourists (MOTA definition)	765,600	855,030
C.	Less GCCC	218,594	301,980
D.	Philippines + India + Pakistan + Turkey + Sri Lanka + Indonesia	185,135	151,997
E.	Total Asia less Asia Tourists less D	12,234	13,981
F.	UN + Non-Arab Africa	5,836	9,594
G.	Additional Tourist = E+F	18,070	23,575
H.	G/C	8.3%	7.8%

Therefore, tourists who are not included in the tourists category of MOTA but are likely to require tourist facilities are in the order of 8 percent of MOTA's tourists excluding those from GCC Countries, or in 1993 in the order of 18,000.

As for tourists from neighboring countries, immigration statistics at border crossings reveal the following.

Table 3.4.4 Border Crossings by Visitors of Neighboring Countries

(Year 1993)

Country	Total Arrivals	In	Out	In	Out
		Aqaba	Saudi Ar.	Saudi Ar.	Aqaba
Egypt	930,468	536,789	350,145	341,029	511,037
		Iraq	Iraq		
Iraq	206,661	206,661	211,160		
		Syria	Saudi Ar.	Saudi Ar.	Syria
Syria	648,062	474,389	187,093	213,086	464,127

Roughly 350,000 Egyptians passed through Jordan in transit to and from Saudi Arabia in 1993. Virtually none of them required accommodation in Jordan. Roughly 200,000 Egyptians traveled between Egypt and Jordan probably for work purposes. At most, 5 percent or 10,000 required tourist accommodation in Jordan. Out of 200,000 Iraqi probably less than 10 percent or 20,000 needed tourist accommodation in Jordan. Roughly 200,000 Syrians passed through Jordan in transit. Out of 260,000 Syrians who stayed in Jordan, at most 20 percent or 52,000 required tourist accommodation. In all, 80,000 to 90,000 visitors from neighboring countries stayed in tourist accommodation in 1993. Out of 550,000 from GCC Countries in 1993, probably 20 percent did not require tourist accommodation, or 110,000.

For 1993, therefore, estimated accommodation arrivals are 766,000+18,000+85,000-110,000=759,000. This figure can be compared with the reported accommodation arrivals in 1992 of 661,000. MOTA statistics show an increase of 15 percent was observed in "Tourists Arrivals" between 1992 and 1993. The above accommodation arrivals for 1993 seem reasonable.

Approximate composition of estimated accommodation arrivals in 1992, 1993, 1994, and 1995 are shown below:

Table 3.4.5 Estimated Accommodation Arrivals

	1992	1993	1994	1995
International				
MOTA tourists	173,000	218,600	302,000	585,000
Other tourists	13,800	18,000	24,900	48,400
Subtotal	186,800	236,600	326,900	633,400
Intra-Regional				
GCCC	392,500	437,600	442,000	436,600
Other tourists	76,200	85,000	86,000	85,000
Subtotal	468,700	522,600	528,000	521,600
Total	655,500	759,200	854,900	1,155,000

WTO estimated accommodation arrivals in Jordan for 1992 at 661,000 and 1.2 million for 2000. The above exercise shows that even under a conservative estimation method accommodation arrivals in 1995 are likely to be the level forecast by WTO for 2000.

Table 3.4.6 Accommodation Arrivals Growth Rates, Including Israel

(percent per year)

	1992-1993	1993-1994	1994-1995
International	27.2	38.2	93.8
Intra-Regional	11.5	1.0	-1.2
Total	16.0	12.6	35.1

The above figures were calculated from statistics and include Israeli tourists, who numbered 10,767 in 1994 and estimated at 116,300 for 1995. Many Israeli tourists do not stay overnight in Jordan. Excluding Israeli tourists, the estimated growth rates would become as follows:

Table 3.4.7 Accommodation Arrivals Growth Rates, Excluding Israeli

(percent per year)

	1992-1993	1993-1994	1994-1995
International(excl. Israel)	27.2	33.6	63.6
Intra-Regional	11.5	1.0	-1.2
Total(excl. Israel)	16.0	11.2	23.0

(3) Growth of Tourist Arrivals

The World Tourism Organization (WTO) in a report prepared in 1994 divided frontier arrivals of Jordan into two categories: intra-regional (i.e. within the Middle East) and international (i.e. regions other than the Middle East). WTO's estimated growth rates in percent per year are shown below:

	1995-2000	2000-2010
International	3.5	4.7
Intra-Regional	4.0	5.5

WTO's forecasts were derived by means of distributing the world-wide total among first various regions and then among countries within each region. WTO's forecast rates for individual countries sometimes give therefore inconsistent numbers to a particular country. Forecasts for Jordan seem to fall into this case.

Recent trends as described in the preceding section show the opposite of the WTO estimates. International arrivals are growing much faster than intra-regional arrivals, a large majority of which are laborers working in Gulf countries and hajj pilgrims.

Table 3.4.8 Past Growth of Estimated Accommodation Arrivals

				Growth Rate (%)	
	1989	1994	1995	1989-1994	1989-1995
International					
MOTA tourists	188,600	302,000	585,000		
Other tourists	15,600	24,900	48,400		
Subtotal	204,200	326,900	633,400	9.8	20.8
(excluding Israel)				9.1	16.7
Intra-Regional					
GCCC	362,000	442,000	436,600		
Other tourists	70,500	86,000	85,000		
Subtotal	432,500	528,000	521,600	4.1	3.2
Total	636,700	854,900	1,155,000	6.1	10.4
(excluding Israel)				5.8	8.5

It appears that the base growth trend of international tourists for Jordan is much higher than the level used by WTO and that of intra-regional tourists is less than the level used by WTO.

The level of growth achieved in the period of 1994-1995 should be considered abnormal. The release of pent up demand and the sudden increase in interest to Jordan because of the publicity of the Peace Process all contributed to the quantum increase. Later years will see more stable or modest growth. Government policies and how they are implemented, private sector initiatives, and the pace of resource mobilization will all affect the future growth of tourism in Jordan. Three scenarios were conceived by the Study Team concerning the future growth of tourism in Jordan:

Scenario A: The Government will take measures to prevent the degradation of existing tourism resources.

Scenario B: The Government will lead the sector diversifying tourist products in Jordan in addition to the above.

Scenario C: The Government will actively promote the tourism by coordinating and participating marketing effort in addition to the above.

In all cases favorable conditions were assumed to prevail in major tourist generating countries.

The following growth rates were stipulated for each of the above scenarios.

Table 3.4.9 Assumed Growth Rates of Accommodation Arrivals

(percent per year)

Scenario	1995-2000	2000-2005	2005-2010
Scenario A	5.0	4.5	3.5
Scenario B	6.0	5.0	4.0
Scenario C	7.0	6.0	5.0

The above assumed growth rates of international tourists are set at the same or slightly lower level than the stipulated GDP growth rates. The growth of international tourists was considered to be in line with the world wide market growth. Tourism however still could be the leading industry as the level sophistication and diversification deepens and the multiplier effect on the direct tourist receipt becomes larger, adding a few more points on the growth rates of value added in the tourism sector.

The total accommodation arrivals forecasts corresponding to the above scenarios are shown below:

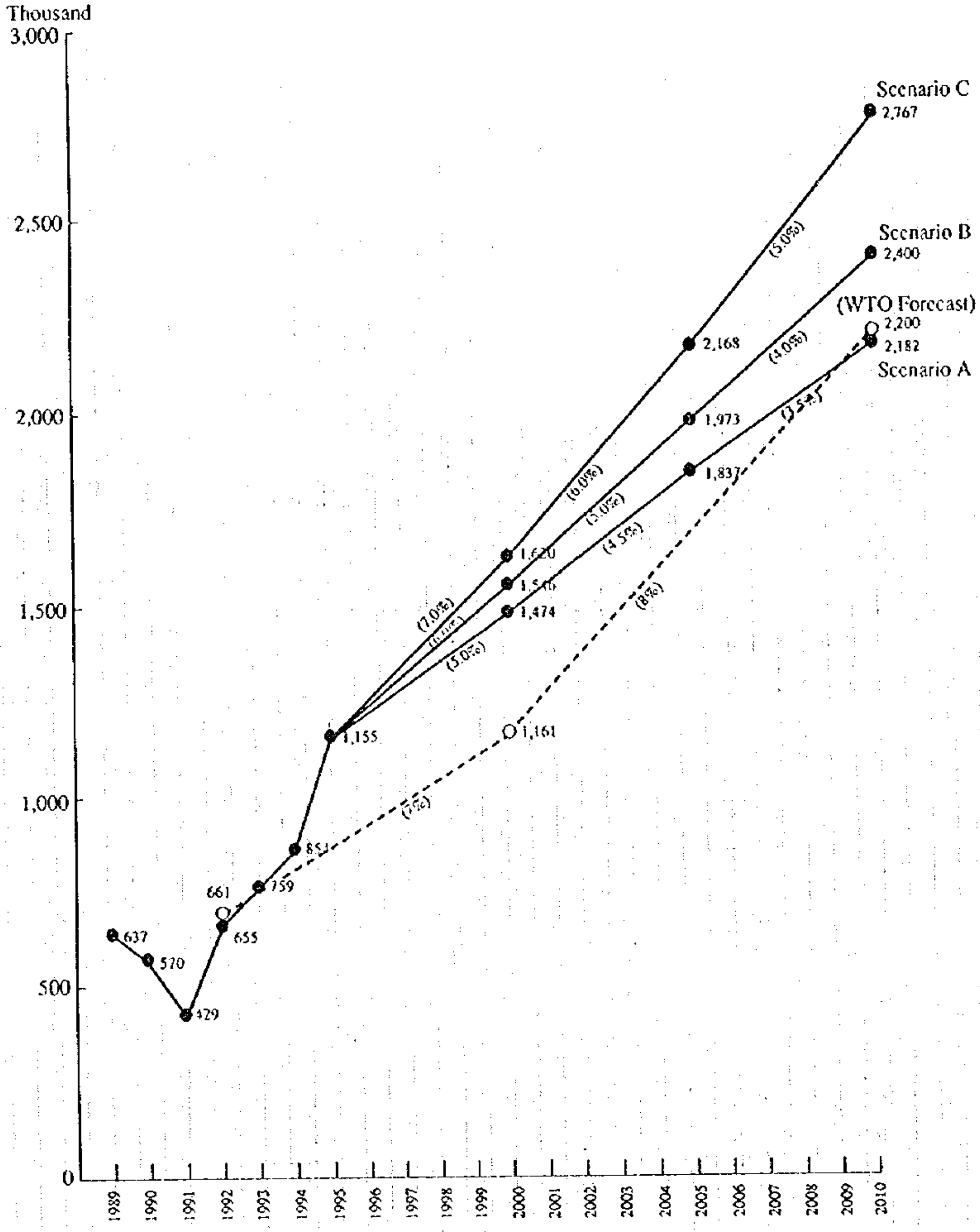
Table 3.4.10 Accommodation Arrivals Forecasts

(Thousand Persons)

Scenario	1995	2000	2005	2010
A	1,155	1,474	1,837	2,182
B	1,155	1,546	1,973	2,400
C	1,155	1,620	2,168	2,767

Figure 3.4.1 illustrates the growth of accommodation arrivals in the past and forecast future.

Figure 3.4.1 Accommodation Arrivals Forecast



Source: JICA Study Team

PART I (VOLUME 1)

NATIONAL TOURISM DEVELOPMENT STRATEGY AND POLICY

(TOURISM DEVELOPMENT)

Chapter 4.

Tourism Supply

Chapter 4. Tourism Supply

4.1 Tourism Resources

4.1.1 Resource Distribution and Tourism Areas

The Study has identified five tourism regions, which were further divided into ten tourism areas, based on the nature of tourism resources and their geographic locations. The boundary of the areas were determined primarily by taking administrative boundaries in order to facilitate the use of readily available data. Figure 4.1.1 shows the location of existing tourism resources in each of the tourism areas and Table 4.1.1 identifies the applicable category and the potential target market of each resource.

In the identification and classification of tourism resources, the following criteria is applied:

- The traditional classification of tourism resources usually adopts four categories:
  1) historical (e.g., archaeological sites, historical monuments)
  2) cultural (e.g., art and crafts, folklore, dances and music)
  3) natural (e.g., scenic wonders, nature reserves, parks)
  4) holiday / activity (e.g., curative and seaside holiday, soft adventure, sports)

- The Middle Eastern tourism, having evolved around the Egyptian archaeology at the turn of the century, is heavily reliant on archaeological sites as its major tourism resource. Jordan is no exception. In the identification of tourism resources in Jordan and the neighboring countries (Israel, Sinai Peninsula of Egypt and Syria), the Study therefore adopted four revised categories:
  1) archaeological
  2) historical/cultural
  3) natural
  4) holiday/activity

  with an emphasis on the archaeological resources on which the Middle Eastern tourism definitely has an advantageous position over other destinations in the world.

- Selection was done from the perspective whether the chosen resource was considered to be marketable or not (attractive enough to be a feature in today's tourist itineraries). Jordan and three neighboring countries all tend to list many archaeological sites as potential tourism resource. These sites may have an appeal to scholars and amateur archaeologists, but the majority of them have little appeal to the common tourists on today's package tours. The fact that only Petra and Jerash are featured in the typical package tour itineraries for Jordan underline the general market response. Only a few tour packages feature Umm Qays or Desert Castles. The same criterion is applied for the selection of resources in the neighboring countries.

On the other hand, in the present Jordanian tourism resource inventory, the scenic splendor of Wadi Mujib or Wadi Hasa is totally neglected. The same neglect is observed for Petra's natural and topographical features, only highlighting its archaeological aspects.

- In plotting identified resources of Jordan in Figure 4.1.1, the established tourism resources (those recognized internationally and included as a regular feature on package tour itineraries - e.g., Petra, Wadi Ram), a larger symbol is used to differentiate its importance from other secondary ones.

- A shaded symbol signifies that an object in that category is utilized as a tourism resource, while a blank symbol represents an area that has potential but is not yet utilized as a tourism resource.

Figure 4.1.1 Tourism Resources and Areas

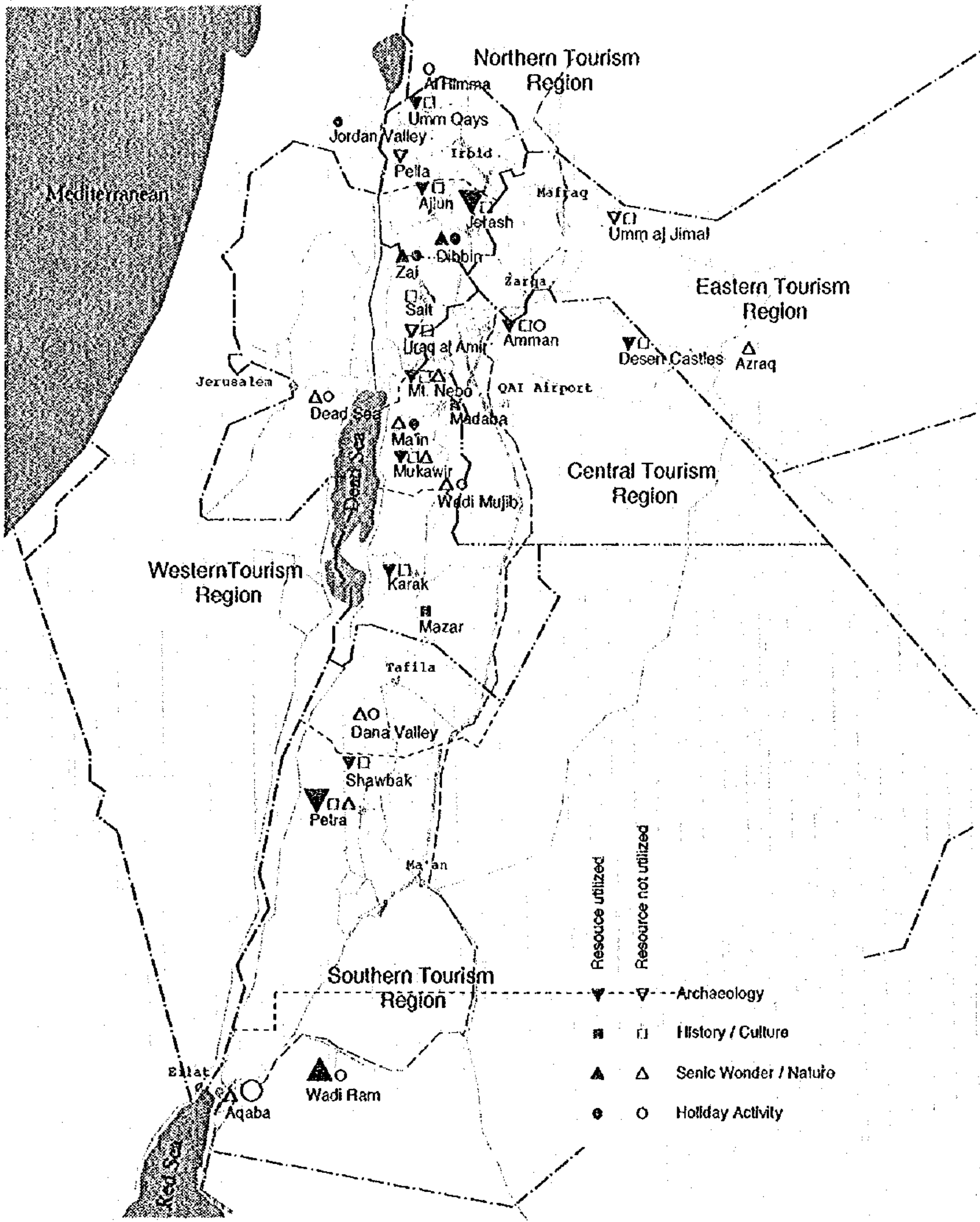


Figure 4.1.1 Tourism Resources and Areas

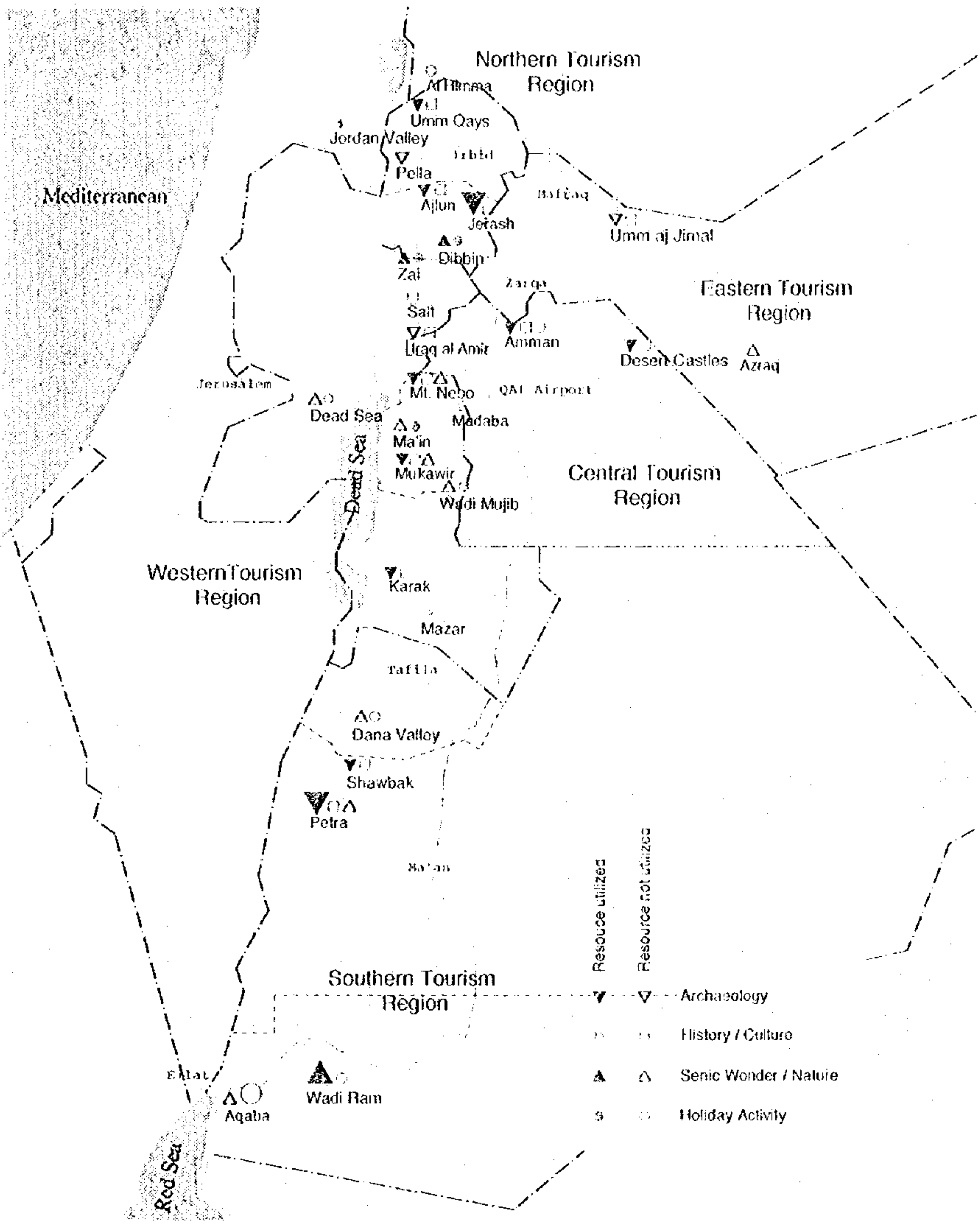


Table 4.1.1 Tourism Resources and Areas

Tourism Region and Area		Tourism Resources	Category				Market	
			Archaeology	History/ Culture	Scenic Wonder/ Nature	Holiday Activities	International	Domestic/ Regional
Northern T.R.	Irbid	Umm Qays	▼	□			*	*
		Al Himma				○		*
		Pella	▽				*	*
		Jordan Valley				●		*
	Ajlun-Jerash	Ajlun Castle	▼	□			*	*
		Jerash	▼	□			*	*
		Dibbin N.P.			▲	●		*
Eastern T.R.	Mafraq - Zarqa	Umm aj Jimal	▼	□			*	*
		Desert Castles	▼	□			*	
		Azraq Oasis			△		*	*
Central T.R.	Amman Urban area	Roman Theatre	▼	□			*	*
		Citadel	▼	□			*	*
		Mosque		■				*
		Urban Centre				○	*	*
	Suburbs	Iraq al Amir	▼	□	△		*	*
		Desert Castles	▼	□			*	*
Western T.R.	Balqa	Salt Old City		□			*	*
		Zai N.P.			▲	●		*
		Dead Sea			△	○	*	*
	Madaba - Dead Sea	Madaba Mosaic		■			*	*
		Mt. Nebo	▼	□	△		*	
		Hammamat Ma'in			△	●	*	*
		Mukawir	▼	□	△		*	*
		Dead Sea			△	○	*	*
	Karak	Wadi Mujib			△	○	*	*
		Karak Castle	▼	□			*	*
		Mazar		■				*
Southern T.R.	Tafila	Dana Valley			△	○	*	*
	Petra - Shawbak	Shawbak Castle	▼	□			*	*
		Petra						
		Archeaology	▼				*	*
		History/Culture		□			*	*
		Nature/Scenic features			△		*	*
	Aqaba - Wadi Ram	Wadi Ram			▲	○	*	*
		Aqaba			△	○	*	*

Shaded symbol: Tourism resource utilized
Blank symbol: Tourism resource not utilized

Source: JICA Study Team

4.1.2 Surrounding Countries

Jordan constitutes an integral part of the Middle Eastern tour circuit, but is seldom featured as a single destination in the tour packages of the major tourist-generating markets. Rather, it is common practice for the major tour catalogues to package Jordan together with Israel, Egypt (Sinai Peninsula), and/or Syria. Since it is therefore essential to also analyze the prevailing conditions of tourism in each of these countries, field survey trips were undertaken by some of the Study Team members.

International tourist demand for the Middle East is not evenly distributed in the region. In 1994, Egypt, Israel and Bahrain captured 24.1 percent, 18.4 percent and 15.2 percent of all tourist arrivals in the region, respectively. Jordan, however, captured only 8.6 percent.

Majority of tourists to Egypt come from Europe. Most of tourists to Israel generate in Europe and Americas. In contrast, 82 percent of Bahrain's visitors come form Arab countries and only 7 percent come from Europe and the Americas combined.

Egypt will continue to capture the lion's share of the region's tourist arrivals. A successful peace process in the region, however, will increase the share of Jordan and Syria.

Table 4.1.2 Tourist Arrivals in the Region, 1994

Country	Tourist Arrivals (x1,000)		% Change over 1993	Tourism Receipts (US$million)		% Change over 1993
Egypt	2,356	(24.1%)	2.8%	1,384	(19.8%)	3.8%
Bahrain	1,489	(15.2%)	2.7%	218	(3.1%)	2.3%
U.A.E	1,239	(12.6%)	13.9%	---	(---%)	---%
S.Arabia	1,017	(10.4%)	2.4%	1,140	(16.3%)	2.7%
Jordan	844	(8.6%)	10.3%	582	(8.3%)	3.4%
Syria	718	(7.3%)	2.1%	800	(11.4%)	2.6%
Lebanon	335	(3.4%)	25.9%	672	(9.6%)	12.0%
Israel	1,800	(18.4%)	11.0%	2,200	(31.5%)	7.4%
Total	9,798	(100.0%)	----	6,996	(100.0%)	---

Source: Middle East Travel, Nov./Dec. 1995

(1) Israel

Israel is the most advanced country in the region in terms of tourism. Facilities and services are well provided. Although there are not many monumental archaeological resources in Israel, strong historical tourism resources are well presented coupled with diverse urban tourism attractions. Beach resorts along the Mediterranean Sea and the Dead Sea are well established. Holiday tourism is thriving in Eilat facing the Gulf of Aqaba. The Israeli Ministry of Tourism is a strong agency playing an active role in promoting Israel as a world destination. Since the Peace Process officially began in 1994, the Ministry has been very active in cooperating with Jordan, which it considers as a complementary partner of Israel in tourism development; in line with this strategy, the Ministry has been actively promoting joint tourism development with Jordan and Egypt. Projects being promoted by the Ministry include the restoration of the ancient Spice Road through Petra, the Exodus Trace including the Dead Sea and Mt. Nebo, and the Aqaba Seaside Park Development Project.

Jerusalem

A large number of hotels of international hotel chains and local management compete with each other in Jerusalem, resulting in good facilities and services. The Moslem, Christian, and Jewish quarters of the Old City of Jerusalem co-exist relatively harmoniously and preservation/presentation of antiquities is performed at a level of high quality. The look-out facility at the top of Mount Olive and the miniature model of the Old City in the old times are noteworthy. Urban facilities such as restaurants, shops, and other services in the new town area complement tourism in the Old City.

Dead Sea

No tourism development has yet taken place along the shores within the Palestinian West Bank. En Boqeq facing the South Lake has been developed as a resort with many hotels. There is a spa in En Gedi on the North Lake, but with no accommodation. While the North Lake area is more superior in scenery than the South Lake area, it is not being developed due to the conflict. The receding water line is also a problem; it is serious at the En Gedi spa, with the problem much more serious than on the Jordan side because of gentleness of shore slope.

Massed

The Massed Fortress is a good example of a successful modern presentation of antiquity resources. Many modern tools of presentation are utilized to maximize the overall effect for visitors. An excellent view of the Dead Sea is provided from a ropeway. Equipment and programs for a Light and Sound Show on the west side provide varied presentations.

Eilat

Hotels and marine recreation facilities in Eilat are well provided despite the short 16 km shoreline, much shorter than Aqaba. The port is limited to vessels with Asian destinations and therefore is small. A short beach between the port and Aqaba has been made into a resort hotel area with two artificial lagoons, which are used as marinas and the waterfront for hotels. The southern shore stretching towards the Sinai Peninsula is preserved as a coral reserve; there is a high-quality aquarium with an underwater observatory, showing that appropriate presentation is not overlooked. In addition to common marine recreation facilities such as cruise boats and diving facilities, there are several tourist submarines. There is also a floating seafood restaurant. Eilat is also a base for soft-adventure tours for the inland desert and the Solomon's copper mine. A problem is the shortage of properly trained personnel; as a consequence, the service level of hotels in Eilat is not high in comparison with the situation in Jordan. Eilat's remoteness from other parts of Israel has resulted in difficulty in recruiting sufficient staff.

(2) Egypt

Egypt is the country attracting the largest number of tourists in the region. In recent years, however, security problems there have caused a sharp decline in tourist arrivals. Ancient monuments are supplemented by the scenic and nature tourism resources of the Nile, the Mediterranean, the Red Sea, and the desert. The accumulation of tourism facilities and services is sufficient to make Egypt a self-standing international tourism destination. The Sinai Peninsula is often packaged with Jordanian sites, in particular, Petra and Wadi Ram. Tourism in Egypt is under the jurisdiction of the Ministry of Tourism, while the Tourism Development Corporation implements tourism development projects.

Cairo

Consistent with its role as the largest capital in the Arab world, Cairo has many very large international-standard hotels. However, locally managed hotels are not as active as in Israel in their competition with the prestigious international hotels. Urban tourism facilities are varied and well provided such as the internationally well-known Cairo Museum, the Cairo Opera House, diverse restaurants, and many shopping streets. Infrastructure, such as the airport and urban transport facilities, is somewhat underdeveloped, however.

Sinai Peninsula

Sharm el Sheik, the tourism base of the Sinai Peninsula, can be reached within an hour from Cairo by air or in half a day by land through the Suez Tunnel. The Tourism Development Corporation has prepared a resort development master plan for the Red Sea shore of the peninsula, which has been virtually uninhabited. Some international resort chains and European real estate developers have responded to active promotion by the Corporation. Resort development is to take place along the very long coast line of the Peninsula, which is very different from Aqaba/Eilat, where the shore line is a scarcer commodity.

(3) Syria

Although Syria is not yet a participating signatory of the Peace Treaty, its tourism sector has benefited from the Peace Process. Tourist arrivals, which had been hovering around 400,000 a year, increased to over 700,000 in 1993. Anticipating future tourism growth, the Ministry of Tourism is about to revise Syria's national tourism development plan, which was originally formulated in 1974. In many ways, Syria's tourism resources have much in common with Jordan's due to the country's similar geographical features and historical heritage.

There are too few international-standard hotels in Syria. However, the necessity to increase the number and upgrade the quality of hotel rooms in the country is now recognized as shown by the recent renovation of the Cham Palace in Damascus.

Damascus, Aleppo, and Palmyra have national museums; their scale and contents are compatible with major museums of other countries in the region although their facilities and equipment are old. The presentation of antiquities is almost of an international standard, such as at Aleppo castle and Karak de Chevaliers.

High-class resort hotels dot Syria's Mediterranean shore, such as in Latakia. However, they are not coordinated with historic resources such as Tartus and Arwad Island and are therefore weak in attracting international tourists.

(4) Palestine

The Autonomous Government of Palestine intends to promote tourism in Palestine, which abounds with religious sites that could be promoted once the security deterrent is completely removed. However, since major tourist-generating markets have not yet recognized Palestine as a tourist destination, it was not evaluated in this Study.

The major tourist resources of Israel, Egypt, and Syria are listed in Table 4.1.3 and are shown in Figure 4.1.2.

Table 4.1.3 Tourism Resources in Neighboring Countries

Country	Tourism Resources	Category				Market	
		Archaeology	History/ Culture	Scenic Wonder/ Nature	Holiday Activities	International	Domestic/ Regional
Israel	Acco		■			*	*
	Bethlehem		■			*	*
	Caesarea	▼	■			*	*
	Dead Sea	▼	■	▲	●	*	*
	Eilat			▲	●	*	*
	Galilee (Sea of)		■	▲	●	*	*
	Jerusalem	▼	■		●	*	*
	Haifa		■			*	*
	Nazareth		■			*	*
	Negev Desert			▲		*	*
	Tel Aviv / Jaffa		■		●	*	*
Egypt (Sinai Peninsula)	Mt. Moses / St. Catherine		■	▲		*	*
	Sharm el Sheik				●	*	
	Dahab			▲	●	*	
	Nuweiba			▲	●	*	
	Taba			▲	●	*	
Syria	Aleppo	▼	■		●	*	*
	Apamea	▼	■			*	
	Bosra	▼	■			*	*
	Crac des Chevaliers		■	▲		*	*
	Damascus	▼	■		●	*	*
	Hama		■	▲		*	*
	Latakia / Ugarit	▼	■		●	*	*
	Maalula		■			*	
	Mari	▼	■			*	
	Palmyra	▼	■			*	*
	Tartus / Arwad		■	▲		*	*

Source: JICA Study Team

Figure 4.1.2 Resources in Neighboring Countries

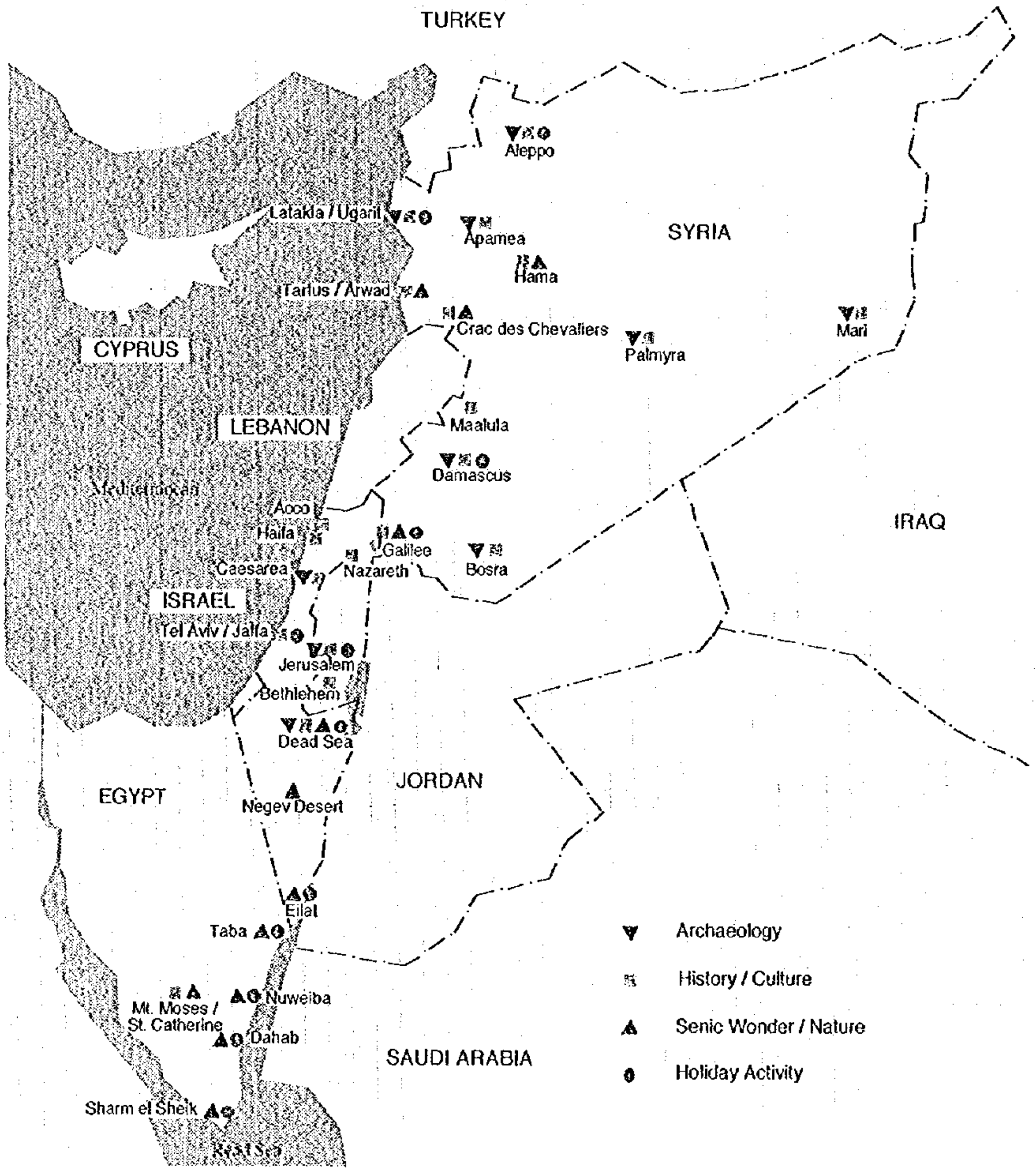


Figure 4.1.2 Resources in Neighboring Countries