

Tourism and Travel Related Services Sector: Tourism Sector

Trade In Services Benchmarking Study

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List of Acronyms

GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
JTB	Jordan Tourism Board
MoT	Ministry of Tourism
TTCI	Travel and Tourism Competitive Index
WTO	World Trade Organization

1.0 Research

1.1 Previous Research

The tourism sector has been drawing the attention of scholars of different disciplines for a long time. The MA theses at the Jordanian Universities follow the path of regional studies and concentrate their research on traditional elements of tourism. They focus on tourist sites such as Jerash, Madaba, Petra, Aqaba, Dead Sea and Amman. Other themes addressed are directed towards other types of tourism such as religion, Eco, health, urban and the like.

It is very common in such theses to associate tourism with historical sites and heritage. The name "Ministry of Tourism and Antiquities" reflects not only the official duties of the ministry, but also the broad concepts recognized in the country's historical and cultural context.

Another direction is the social and/or anthropological aspects of the sector. Studies such as local communities and women employment in tourism are not an exception.

Barham and Kopp¹ focus in their study, "Tourism Development in Rentier State", on the actors of tourism in Petra and their behavior in the critical periods facing tourism. They differentiate between those who follow the high-way and upgrade their supply and those who follow the low-way who tend to lower the quality of tourist services to overcome tough times.

Two studies marked the political economy of the tourism sector in Jordan. The first one described the effort of the state to facilitate tourists' movement in Jordan since the 1930s. Gray tried to explain the reason behind the short stay of the tourists in Jordan. He referred it to the policy of the Royal Jordanian Airlines, which focused, after the 1967 War, on transit passengers who spent a very short time in Jordan. Other types of passengers were the business people visiting Jordan during the Iraq – Iran war in the 1980s. The effects of the Liberalization of the Jordanian economy and the peace Treaty between Jordan and Israel in the 1990s were discussed as well².

The second study focused on the effect of the aforementioned peace treaty on the increasing numbers of foreign tourists and how the Jordanian market, especially hoteliers and travel agencies, reacted to the emerging realities³.

A more recent study deals with the application of the value chain approach on tourism in general and on package tourism in Jordan in particular. It discusses the governance forms in value chains and their effect on upgrading tourism infrastructure in Jordan as well as the emergence of new types of tourism in the country. Both tour operators in Jordan and Germany were the subject of the relational governance form prevailing in organized German package tours to Jordan⁴.

¹ . Barham,N. and Kopp,H. 2001: Tourismusentwicklung im Rentenstaat am Beispiel Petra, dem Brennpunkt des jordanischen Tourismus. *Erdkunde* 55, H.3,S. 228 – 243.

² Gray, M. 2002: Development Strategies and the Political Economy of Tourism in Contemporary Jordan. In: Joffe',G. (Edt), *Jordan in Transition 1990 -2000*, London, P. 308 – 329.

³ Hazbun, W. 2002, Mapping the Landscape of the New Middle East – The Policies of tourism Development and the Peace Process in Jordan. In: Joffe',G. (Edt), *Jordan in Transition 1990 -2000*, London, P.330 – 345.

⁴ Barham, N. et al, 2007, Relational Governance and Regional Upgrading in Global Value Chains – The Case of Package Tourism in Jordan,. In *Die Erde* 138, 2007, pp 169 – 186.

1.2 Current Research

This study undertakes the evaluation of the following CPCProv components:

1) Hotel and Restaurant Services:

I. 641 - Hotel and other lodging services

This Group is divided into the following Classes:

- 6411 - Hotel lodging services
- 6412 - Motel lodging services
- 6419 - Other lodging services

II. 642 - Food serving services

This Group is divided into the following Classes:

- 6421 - Meal serving services with full restaurant service
- 6422 - Meal serving services in self-service facilities
- 6423 - Caterer services, providing meals to outside
- 6429 - Other food serving services

III. 643 - Beverage serving services for consumption on the premises

This Group is divided into the following Classes:

- 6431 - Beverage serving services without entertainment
- 6432 - Beverage serving services with entertainment

2) Travel agencies and tour operators

- 7471 - Travel agency and tour operator services

3) Tourist Guide Services

- 7472 - Tourist guide services

Exclusions: Services by own-account hunting guides are included in subclass 96419 (Other sporting services). Personal escort services are included in subclass 97090 (Other services n.e.c.).

Recent data for Jordan and for neighboring countries, which compete with the country, was collected in order to conduct a comprehensive assessment and benchmarking report on tourism in Jordan. Direct interviews with official and representatives of public and private institutions have been undertaken. Furthermore, interviews with hotels, tourist guides and travel agencies were used to conduct the study. The interviews were helpful for the SWOT analysis and for the benchmarking with the other countries.

The Ministry of Tourism and Antiquities and the Jordan Promotion Investment Board provided the latest required data.

Telephone interviews were helpful to understand some issues unclear in the interviews or in the reports.

Online research was another method to obtain published data on the sector in Jordan and in the neighboring countries. Furthermore, the usage of the MA and Ph.D thesis on the topic at the University of Jordan gave the opportunity to include the academic research in this report.

2.0 Sector analysis

2.1 Sector Context

The tourism business in Jordan has become a national necessity due to its share to GDP, its role in generating jobs and as important driver of regional and social development, especially in remote areas. Furthermore, tourism is one of the leading sectors in Jordan in terms of attracting foreign investments, global integration and institutional restructuring. Therefore, the tourism sector has gained a favorable role in the Jordanian political economy.

Since 2003, tourism income as steadily increased, as shown in Table 1 below. reached JD 1.64 billion in 2007.⁵ Despite the notable correlation between the number of the inbound tourists and the political stability in the region, the number of tourists exceeded 3.4 million (2007) and the share of the sector to GDP makes 11 -14 %.

Table 1: Tourism Income 2003-2007

Year	Income JD
2003	752,600,000
2004	943,000,000
2005	1,021,600,000
2006	1,460,800,000
2007	1,638,900,000

Source: Central Bank of Jordan Annual Reports

The Jordanian tourism sector is divided into three main components as depicted in Figure 1 below:

1. Arab tourists who form the majority (ca. 50%), reside mainly in large cities and rent furnished and unfurnished apartments and suites. They are unorganized and not interested in cultural or historical sites.

Non-Jordanian Arabs make up the majority of the visitors (day visit or transit without overnight). Jordan, Syria and Lebanon compete for Arab tourists. The number of Arab tourists, in general, is more stable as visitors are less sensitive to the political situation in the region. They are more familiar with the long lasting crises.

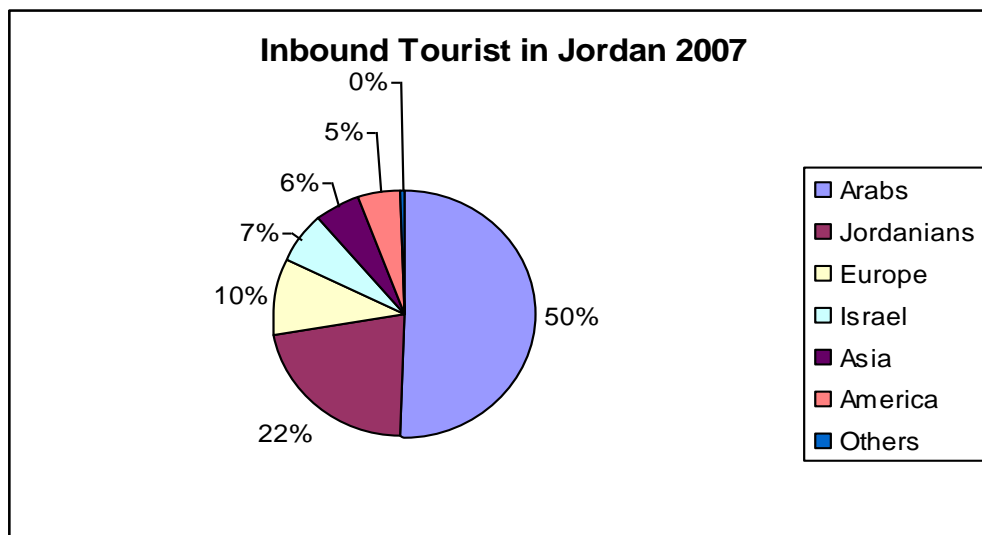
⁵ Central Bank of Jordan, Annual Report, 2007

Syria by far is the main competitor to Jordan. It offers more entertainment facilities, summer recreational sites and reasonable prices. Arabs constitute 73% of the whole inbound tourists in Syria with a growth rate of 15% in 2 years, 2005 – 2007, 54 % in Lebanon and 50.5 % in Jordan (2007)⁶.

2. Tourists from Europe, America, Australia and Israel make up 20% of all inbound tourists. Ten percent of them visit the country in form of package tours; the majority of these visitors are individuals. Despite their limited number, they use all commercial facilities of the sector.

3. Jordanians residing abroad are considered as inbound tourists and constitute 21.7 percent of the total number of tourists.

Figure 1: Composition of Tourists in Jordan in 2007*

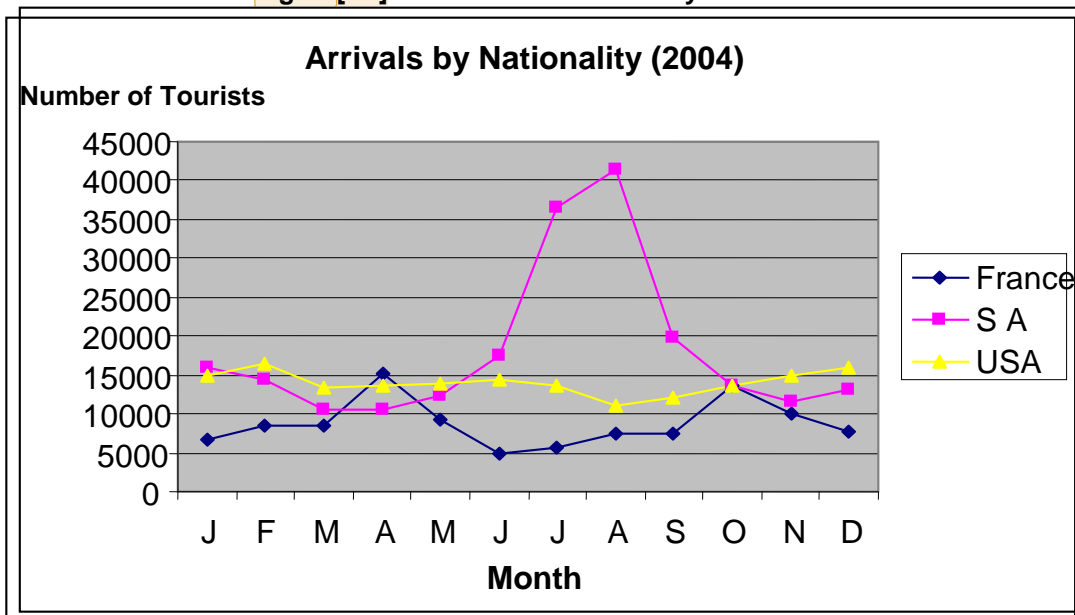


Source: Ministry of Tourism and Antiquities,
American include tourist from USA and Canada

The three groups also differ in terms of the time of their visit. Arabs visit Jordan during the summer months; while Non - Arabs in spring and autumn (Fig.2). The figure demonstrates the arrivals of three nationalities: France, Saudi Arabia and USA to Jordan. Saudis' arrival peaks in the summer months from June to September; the French visit Jordan mainly in April and in October, while the US Americans are almost equally distributed throughout the year with a clear decrease in August.

⁶ . Qala'h,S.A., Tourism Investments in Syria, 2008 .

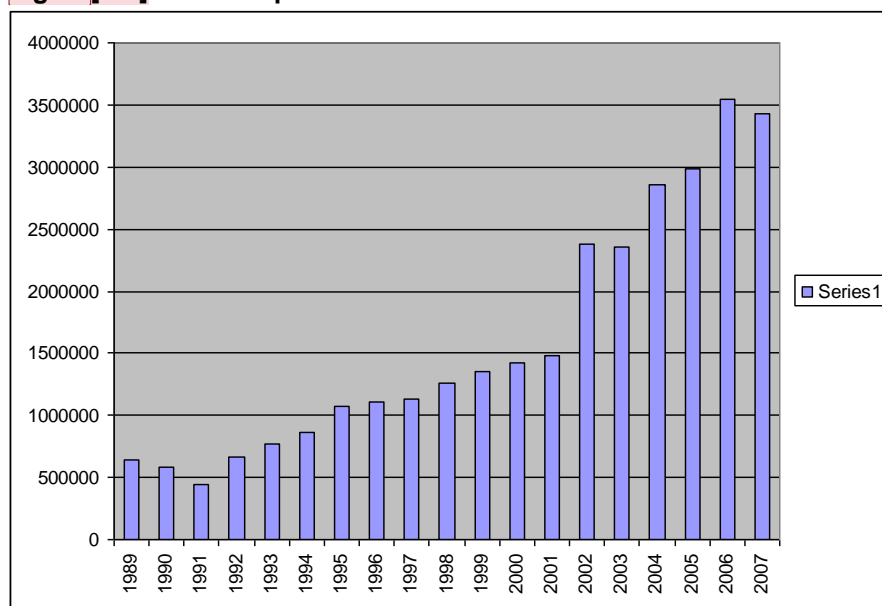
Figure[U3] 2: Arrivals – Nationality vs. Month



Source: Ministry of Tourism and Antiquities, Department of Statistics, 2004

The development of the number of tourists in Jordan shows growth and instability. Fluctuation occurs mainly in the number of Non-Arab tourists who visit Jordan. The following Figure 3 below highlights this development: A close look at the figure shows a clear growth in the number of tourists. A slow down is noticed in the year 1991 as a result of the Gulf war. The effect of September 11th in 2001 is not clear due to the increase of Arab tourists, which compensated the decrease in western tourists.

Figure[W4] 3: Development of Inbound Tourists in Jordan 1989 – 2007



Source: Ministry of Tourism, Statistic Division, various years.

Development of Tourism Facilities

The enormous growth of the tourists' numbers has been accompanied by development of all tourism facilities.

Government education was the sole provider of secondary level education in tourism until the 1980's. The goal of the vocational program at Ammoun College was to ready students for employment in the tourism sector by providing training in the areas of wait -staff, receptionists, chefs and housekeepers. Students were trained in a hotel setting which was part of the college campus. However, hotel managers were not satisfied with the standard of education and training offered to the students and filled the gap with foreign employees. They preferred to hire students that had graduated from private training programs.

The boom of tourism in the 1990s, which led to active private investments in all tourism facilities, occurred mainly after the peace treaty between Jordan and Israel (1994). This rapid development was noticed particularly in services such as accommodation, transportation, travel agencies and associated services. This development was accompanied by significant changes. Tourists could extend

their tour to a number of countries in the region. If they began their visit in Lebanon or Syria, they could visit Jordan, Israel and Egypt. Thus, the time budget of the tourists merely allows them to stay a short time in Jordan (the same hold true for the other countries). Length of stay in Jordan dropped to just three days and some touristic sites witnessed a kind of stagnation at the end of 1990s and the beginning of this millennium. Furthermore, the opening of a new crossing point in the south of Jordan (between Aqaba and Eilat) enabled the tourists initially targeting Israel, to visit the unique sites in Jordan, such as Petra and/or Wadi Rum, and to return to Israel in the same day. The large number of tourists visiting Jordan at that time did not raise the occupancy rates in the hotels in the country. To overcome such crises, some hoteliers choose the "high-way path" and joined international hotel chains for marketing gains.

Moreover, the "New Tourists,"⁷ who seek value for their money, emerged as a phenomenon. This kind of tourists mainly represents the character of cultural tourism, which prevails among Non - Arab Tourists.

In general, the limited time tourists budget for their stays, and its impact on the length of stay, led to the specific development of the unique sites only. Amman (as a gateway), Dead Sea, Petra and Aqaba were the main tourist attractions of the kingdom. These main and unique sites attracted large investments from the well established Jordanian companies like Arab International Hotels Co., Amman Tourism Investment Co. among others. The Social Security Establishment, which took over the state owned hotels, became one of the largest investors in the tourism industry. It started to upgrade or rebuild the old hotels in Amman, Dead Sea and in Aqaba. A few examples would be Crown Plaza in Amman, Holiday Inn at the Dead Sea, and Intercontinental in Aqaba .

This development took the form of tourism clusters. Separate or individual hotels outside the mentioned sites faced severe losses and even closure. This is the case of the hotels located in Ajloun, Irbid and Azraq. Touring in the North or in the East of the country became a matter of touring for couple of hours so there was no need for over-night accommodation.

⁷ - Wahab,S. and Cooper,C.(Eds.) 2001: Tourism in the Age of Globalization. London and New York.

Travel agencies dealing with inbound tourism are more concentrated than hotels in Jordan. Out of 230 travel agencies dealing with inbound tourism, there are 119 in Amman, 5 in Aqaba , 4 in Petra , 1 in Kerak and 1 in Zarka⁸.

Travel agencies in Jordan offer accommodation primarily at 3 to 5 star hotels for international tourists. Until 1980, only three 5-star hotels, Jordan Intercontinental (1962), Radisson SAS (1976), Regency Palace Hotel (1980), existed in Jordan. The hotels had an overall capacity of 1640 beds; all were located in the capital city, Amman. In the early eighties another 4 hotels were added, 3 of them in Amman (Amman Marriott, Crown Plaza Amman and Le Meridian Amman) and 1 in Petra (Taybet Zaman Hotel)⁹. Bed capacity rose to 3573 beds; meaning an increase of 117%.

During the period 1985 – 2008, the number of 5-star hotels increased more than four folds, from 5 to 23 and the number of beds from 2482 to 10,066. The number of 4-star hotels increased by 3.5 times from 6 to 21, and their bed number from 2084 to 4673. Only the development of the 3 - star hotels was faster than the 5-Star hotels as shown in Table 2 below.

The Dead Sea, considered as a relatively new tourist destination, (known in the Jordanian statistics as “Dead Sea Region”) turned, within a decade to an international spa and conference location. The site has 4 hotels with 995 rooms and 1782 beds. This capacity will increase after the opening of the Holiday Inn Hotel (summer 2009) which hosts 210 rooms (420 beds). The construction of the Crown Plaza Hotel (450 rooms, 820 beds), which will be opened in 2012, will further expand the capacity.

A similar development can be recognized in other tourist facilities, such as travel agencies, rent a-car, tourist guides and other tourist services as shown in Table 2 below. Most facility categories have doubled within the last ten years.

⁸ Abd Alraheem, A. 2006, Governance forms in value chains of the international tourism in Jordan, unpublished Ph.D Thesis , Jordan University,.

⁹ - Jordan Hotel Association,Hotel Index, 2008.

Table[U5] 2: Development of Tourism Facilities in Jordan 1998 – 2007

FACILITIES #	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Hotels	380	422	452	472	461	458	463	468	476	470
Hotel rooms	13704	16181	17485	19247	19389	19698	19945	20827	21609	21587
Hotel beds	27050	31765	34433	37385	37289	37859	38658	40480	42029	42140
Tourist restaurants	241	335	370	354	376	374	448	525	602	675
Travel agents	394	398	397	398	403	426	466	431	441	536
Rent a-car companies	285	285	285	285	259	232	241	254	207	225
Rental cars	4,031	4,031	4,031	4,031	4,089	3,703	4,258	5,861	5,913	5,761
Tourist shops	173	173	173	160	230	211	185	236	274	283
Tourist guides	628	700	685	680	570	547	556	672	646	686
Tourist Transportation companies	3	3	3	3	4	4	4	3	4	6
Buses	294	294	294	300	345	343	346	372	429	554
Employees	17,550	20,568	21,515	22,864	21,193	22,110	23,544	29,384	31,063	34,455

Source: Ministry of Tourism, Statistics Department, different years

The Jordan National Tourism Strategy: 2004 – 2010 was designed by the Ministry of Tourism and Antiquities to develop sustainable tourism economy through public private partnership. The strategy should bring about the following by 2010:¹⁰

1. Increase the tourism receipt from JD 570 million in 2003 to JD 1.3 billion.
2. Increase tourism-supported jobs from 40,791 to 91,719
3. Achieve a taxation yield to the government of more than JD 455 million.

The Strategy is based on "four pillars" which are strengthening tourism marketing, supporting product development and competitiveness, developing human resources and the provision of effective institutional and regulatory framework.

In terms of tourism receipts, Jordan has already achieved the goal set by the strategy for the year 2010 in 2006 and exceeded it in 2007: 2007 receipts were US\$ 2.3 billion and the target for 2010 was \$ 1.84 billion. This achievement however, resulted from an increase in the number of tourists visiting Jordan rather than from turning Jordan into "*boutique destination for high-yield visitors*" as envisioned by the strategy¹¹

¹⁰ . Ministry of Tourism and Antiquities, Jordan National Strategy 2004 – 2010 , P. 2ff

¹¹ National Tourism Strategy, Ministry of Tourism, 2004, page 39.

In terms of creating tourism-supported jobs, the sector is promising: 91,719 employment opportunities are expected in 2010. In the tourism industry two jobs can be created for every direct job¹². It is feasible that this target can be achieved: direct employees in the tourism sector reached around 35,000 in 2007 (see Table 1) with a growth rate of more than 10% yearly since the beginning of this millennium. Moreover, huge investment projects in Aqaba (Tala Bay, Saraya, Eila and the like) and the Dead Sea are currently under construction and will create direct and indirect new jobs.

The third target was achieving a taxation yield to the government of more than JD 455 million (US\$ 637million) by 2010. Total tourism receipts for the year 2007 reached JD 2.3 billion. The revenue accruing to the state through taxation, fees and other charges reached around JD 805 million in 2007, thereby again exceeding the target.¹³

2.2 Driving forces affecting the further development of the sector

2.2.1 Trends in the Market

Four forces affect the development of the tourism sector:

1. Flexibility of the tour operators
2. Tourism products
3. Institutions dealing with tourism
4. Tourism education.

Flexibility of the tour operators: Despite political insecurity in the Middle East, the number of tourists visiting Jordan recovers its momentum shortly after any crisis. During any lasting crisis, tour operators look for alternatives and other niches to compensate for the loss of traditional markets. For instance, after September 11th Jordanian travel agencies dealing with incoming tourists from Western countries targeted Eastern Europe and South Asia, Indonesia, India, China, South Korea, Turkey, Romania and Poland. Currently, tourists from these countries register a high growth rate of 10 – 15% yearly.¹⁴ This development diversifies the source of tourists and reduces the risk that arises when limiting the target market.

1. Diversification of tourist products (Product mix): During the second half of the last century, Jordan was well known for its cultural attractions. A number of historical sites like, Petra, Jerash, Madaba, Um Qais, became the brand names of the sector. Since the 1990s, new types of tourism have been developed and marketed, such as:
 - Eco- and adventure tourism particularly in Dana, Wadi Rum, Wadi Mujib, Azraq, Shaumari, Ajloun and Dibeen. The number of visitors to Wadi Rum, for instance, reached 256,250 in 2008 and the number of stationary camps jumped to 8.
 - Wellness and Medical tourism primarily along the eastern cost of the Dead Sea. All hotels currently in operation at the Dead Sea are of an “integrated type;” i.e., hotels that contain all needed services in one spot and owned by one company. It is not to expect that the hotels will attract other services to settle in the area

¹² Vorlauffer, K. 1996, Tourismus in Entwicklungslaendern. Moeglichkeiten und Grenzen einer nachhaltigen Entwicklung durch Fremdenverkehr. Darmstadt.

¹³ Own calculation (35% of tourism receipt).

¹⁴ MOT, Department of Statistics, 2008

and serve the tourists (no “catalytic type” will be established). The area is relatively unpopulated and the available hotels cover the needs of the tourists.

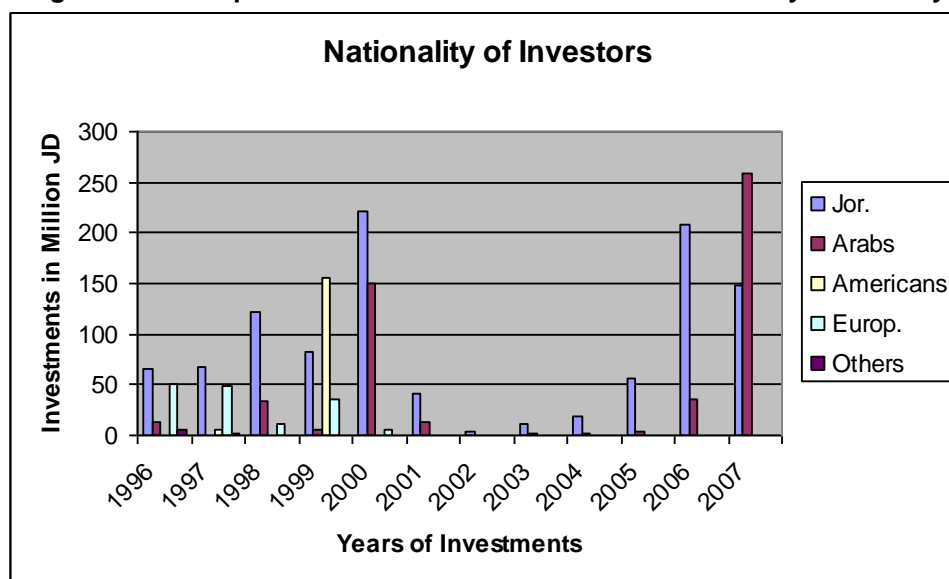
2. At the moment, Aqaba is witnessing enormous development as a sea resort. The main projects are:
 1. Tala Bay resort: Commenced operation in 2005 with an area of 276 ha and consists of 350 residential units, 150 of them are located on an artificial lagoon, and five hotels (with 2000 – 2500 rooms) in addition to 100 units for commercial usage. The resort is located in the south of Aqaba ca. 14 km from the city center.
 2. Eila: with an area of 430 ha and 1500 tourist rooms. The cost of this project exceeds US\$ 750 million. The project is still under construction.
 3. Saraya: With an area of 63 ha and a total cost of US\$ 800 million. The project, which will open in 2009, consists of six hotels (all of them 5 star hotels) with a capacity of 1500 beds.
3. MICE (Meetings, Incentives, Conferences and Exhibitions) tourism: Jordan is keen to promote MICE tourism. To reach this target, a modern and fully equipped convention centre, King Hussein Bin Talal Convention Centre, was established at the east coast of the Dead Sea close to the hotels area. The centre is capable of hosting 4000 people. It has focused on big events such as The World Economic Forum, International Monetary Fund and high level political conferences. Five star hotels have the possibility to host local, regional and international conferences. In Petra, for instance, the Nobel Laureates meetings held will be held regularly.

2.2.2 Investment trends

The Jordan Investment Board keeps sufficient record on investments in Jordan classified by sector and nationality of investors. The record includes all investments since 1996 up to 2007. Furthermore, the Ministry of Tourism and Antiquities registers all investments in the Kingdom except Aqaba, which is handled separately.

The trends of investment reflect the aforementioned development of the tourism sector. It shows the behavior of the investors of the private sector; i.e., the tendency leans towards concentration and direct reaction to the political situation. After the peace treaty between Jordan and Israel, investors started to invest in hotels mainly in Amman, Aqaba and the Dead Sea (cluster building). After the September 11th up to 2005 investments from all nationalities slowed down and became more regional (from Arabs) who invested in grand projects in the last years, 2006 and 2007 as shown in Figure 3 below.

Figure.4: Development of Investment in Tourism in Jordan by Nationality



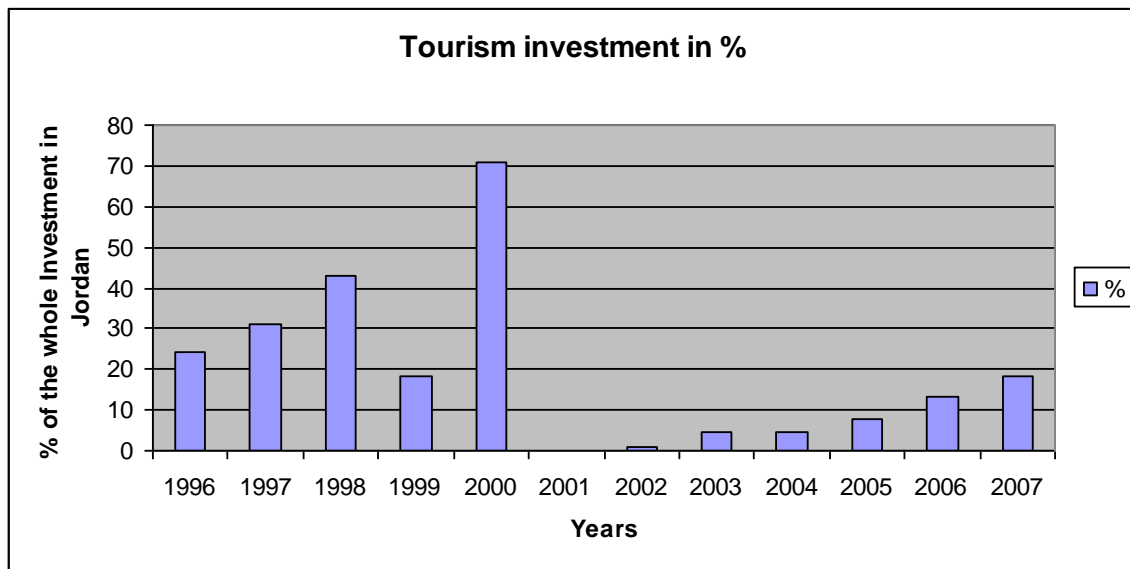
Source: Jordan Investment Promotion Board, unpublished data (1996 -2007)

Investors are mainly Jordanian as can be seen in Figure 4. Investors from the region were initially more cautious (*wait-and-see behavior*) and started large scale projects mostly in Amman (Abdali Project) and the aforementioned projects in Aqaba during the last five years. It is a kind of "Dubalization;" i.e., an imitation of investment patterns in Dubai.

Jordanian tourist firms benefited from the investment promotion law and invested during the period 1996 – 2007 JD1043.3 million (56%) and Arabs JD 515.3 million or 27%. Europeans and Americans tend to capture the management (software) and leave the investment in "Hardware" for the local or regional actors. Therefore, their share ranged to just 8-9%.^[U8]

Generally, investors follow political developments. After the Jordan – Israel Peace Treaty was signed leading to high expectation of a tourism boom, business people started to invest in the tourism sector. In the years 1996, 1997 and 1998, investment in the tourism sector made up 24%, 31% and 43 % respectively of total investments in all economic sectors in Jordan. The absolute high was reached in the year 2000 (70%). The effect of the decrease of international tourists in the following years after September 11th brought investment to a clear halt. Recently, in 2006 and 2007 investment grew again to reach 13% and 14% of total investment in the Kingdom as shown in Figure 5.

Figure 5: The Relative Share of Investment in Tourism Sector



Source: Jordan Investment Promotion Board, Unpublished Data (1996 -2007)

2.2.3 Implications of trends

Investment in large tourist projects in few sites creates competition at those sites which affects the quality of the infrastructure and services positively.

Analysis of all hotels, suites and apartments licensed for tourism by the Ministry of Tourism and Antiquities since 2004 reveals the following:

- All 5- and 4- star hotels (35) are concentrated in three sites, Amman (8), Dead Sea (6) and Aqaba (21). Petra with its high tourism seasonality has entered a stagnation stage affected by the trend toward same day visits (visits without an overnight stay). Four hotels (3- stars) are located in the rural areas in Salt and Ajloun.
- Almost all suites and apartments are located in Amman. It is worthy to mention that this kind of accommodation is preferred by Arab tourists.
- Tourist camps are located mainly in Qa' Disi (near Wadi Rum), Shobak and Tafilah.

Investment in the sector lies primarily in the area of 5-star hotels. Of the hotels established over the last 10 years 80% of the investments were directed to 5-star hotels and 15% to 4-star hotels. The total investment in the hotel sector for the period 1996 – 2007 reached JD 1.88 billion. The remainder of all investments in the tourism sector for the time period was limited to just 5%.

Generally, all 5-star hotels in Jordan are managed through international hotel chains. The new investments in 5-star hotels employ two-thirds of the employees in the sector, while 4-star hotels employ just 17%.

2.3 Identification of stakeholders in the sector

Stakeholders in tourism sector who could be included in the establishment of long- term working groups include three types of entities:

Public institutions such as:

1. Ministry of Tourism and Antiquities to present the legal and regulation issues concerning all units of the sector.
2. Ministry of Interior which is responsible for issuing visa and stay regulations on one side and dealing with security issues on the other.
3. Ministry of Health that regulates issues related to restaurants (food and beverage).
4. Aqaba Special Economic Zone Authority (ASEZA)
5. Jordan Investment Board, which regulates all issues related to the promotion of investments

Semi – Public Institutions:

1. Jordan Tourism Board (JTB) which represent both public and private institutions. The ministry of tourism has the power to nominate the director of JTB and supports it financially; the private sector is represented according to its contribution (and size) to the development of the sector.
2. Royal Jordanian Airlines (RJ)

Private Institutions:

1. Jordan Hotel Association (JHA)
2. Jordan Inbound Tour Operators Association (JITOA)
3. Jordan Society for Tour and Travel Agents (JSTTA)
4. Jordan Tour Guides Association (JTGA)
5. Jordan Restaurant Association (JRA)
6. Tourism Union (TU)

NGOs: Royal Society for Nature Conservation (RSNC)

3.0 Business Environment

3.1 General Business environment

Since the end of the 1980s, the business environment for the tourism sector in Jordan has improved. The whole sector is regulated through 4 kinds of institutions; public, public-private, private and NGOs.

The government of Jordan was more involved with tourism in the past. It introduced tourism businesses in the country and distributed tourist infrastructures in a balanced way to all regions. It is well known, that the public sector is more concerned with providing the minimum to low income people more than other parts of the society. Therefore, government investments, for instance, at the Dead Sea, in Aqaba, Petra, Azraq and in the North, were of low quality (chalets and rest houses). [U10]

The small number of tourists had no alternative but to accept the low quality of accommodations. In late 1970s the private sector started to invest in selected areas for

international tourism. The state responded in upgrading or establishing a higher quality form of accommodation (Petra Forum in Petra and Amra Hotel in Amman) to meet the needs of international tourists.

The liberalization of the Jordanian economy affected the business environment in several ways:

- The Social Security Corporation took over all of the state's tourist assets and turned them to profit-oriented ones. In the case of Aqaba and Dead Sea, for example, old chalets were replaced by new modern hotels (Intercontinental and Holiday Inn).
- The government, represented by the Ministry of Tourism and Antiquities, limited its role and focused on the regulation of the sector. Instructions have been sent to every sub-sector of tourism and new institutions; Jordan Tourism Board (JTB) has been launched to promote tourism development, particularly in marketing efforts.
- Within a short time, large-scale hotels, restaurants, tourist transportation firms and other tourist services emerged.

3.2 Affect of the business environment on investment in the sector

Jordanian-Arab joint ventures, especially in Aqaba, are gaining momentum. Huge projects such as Saraya, Eila and Tala Bey are partly finalized or still under construction. In this case there are no restrictions on whole ownership by non Jordanians; the government set an investment minimum of JD 50,000 for the foreign investor. Yet, this set minimum is irrelevant in comparison to the immensity of such projects.

With such projects, the attractiveness of Aqaba could be improved, but it can not compete with Eilat in Israel or with Sinai resorts in Egypt. Egypt offered coast areas for investors for just \$1 per square meter while 1 m² in Aqaba costs \$ 5 to \$6 on the south coast and \$ 86 on the north coast¹⁵.

On the shore of the Dead Sea, none of the hotels or convention centers is less than 3-stars. Incentives provided to other regions from category "C" or "B" were not sufficient to attract domestic or foreign investors. In other words: investment in the tourism sector in Jordan is still factor related. Build-environment projects do not exist.

4.0 Legislative and regulatory environment

Ministry of Tourism and Antiquities

The Ministry of Tourism and Antiquities was created in 1967 and since that time Jordan started to consider tourism as a new economic sector at the beginning of 1950s and established a new department to regulate it. In 1960, the department of Tourism was upgraded to "Authority of Tourism" through Law Number 17 for the year 1960. A "Tourism Council" headed by the Minister of National Economy managed the new "Authority".

¹⁵ . Richter, T. and Steiner, C. 2007: Sectoral Transformation in Neo-Patrimonial Rentier States: Tourism Development and State Policy in Egypt. GIGA Working Paper No.61.
(For Aqaba: Information gained by planning department, ASIZA per Tel.).

In 1965, a new law, Number 45, was issued to involve the private sector in tourism. The involvement of the private sector was indeed nominal. Then the government was and still is hesitant to give up power. The development of formal institutions peaked in 1967 as the government announced the creation of the "Ministry of Tourism and Antiquities"; issued under Law Nr 10, which has since been adjusted 3 times.

The Ministry of Tourism licenses and regulates all enterprises relating to tourism, including related associations and societies. To promote and market tourism in Jordan, a new Institution, Jordan Tourism Board (JTB) was launched in 1998 as a public–private partnership. The Board backs the Ministry of Tourism in all fields of promotion of the industry, setting of tourism strategy, consulting the ministry in issues of tourist sites development and alike. The Board utilizes the services of 11 offices in North America and Europe

During the 1960s and 1970s, the private sector was not able to invest in the tourism sector. The Government of Jordan took the initiative to establish a foundation for hotels and rest houses according to Law Nr. 51 in the year 1971. The foundation has the task to establish and manage state hotels and rest houses and to offer services to tourists.

At the end of 1980s a new Law, Number 20 for the year 1988, was initiated to cope with the mentioned development and to increase the tourism economic dividends, ease the regulations related to movement of tourists regulate tourism occupations, research on tourism , tourism education, support domestic tourism, and grant licenses to associations in all fields of tourism. A Higher Council for Tourism under the auspices of the Minister of Tourism and Antiquities was initiated. It consists of 14 members (including six ministers, the head of Royal Jordanian Airlines, Director of Aqaba Region and three members from the private sector). The Minister of Tourism selects the members from the private sector. Law Number 5 was issued for protection of buildings and urban heritage.

In addition to tourism laws, Instructions and regulations have been issued for the 24 enterprises and their associations involved directly with tourism. Most of the regulations highlight tasks and duties of the association; regulate the relations among members and the election of management boards.

Investment Promotion Law of 1995

The Investment Promotion Law of 1995 and its amendments add new impulses to the business climate in Jordan. The law breaks down Jordan into geographical areas, A, B and C. Exemption from income and social services taxes differs according to the development of the area. A is exempted by 25%, B by 50% and C by 75%.

The main tourist areas, Dead Sea, Petra, Wadi Rum and Aqaba (in addition to other areas) fall under Area C – regulation; i.e., exemption of 75% of income and social taxes. Moreover, hotels enjoy additional exemptions. They are exempted from fees and taxes once every 7 years for their purchases of furniture and supplies required for modernization. This can be met within 4 years after the list of purchases has been approved.

Sector regulations came into effect (after 3 amendments) in November 2001. The regulations affecting the tourism sector are as follow¹⁶:

Article 3

Paragraph C: The shore of the Dead Sea area with a 5 km depth from the sea line shall be classified under zone "A" for the hotel sector.

Paragraph D: Leisure and recreational compounds, convention and Exhibition centers will be classified under category "A".

Article 4

Paragraph C: For the purposes of this regulation, the term "Hotel" shall include tourist villages, compounds and resorts. For a hotel to obtain the exemption specified in the law, the project should not be classified less than 3-stars in zone "A".

Paragraph D: The expression "Leisure and Re-creational Compounds" includes any tourist facility or establishment concerned with offering specialized entertainment and cultural services, open for domestic and foreign tourism. The facilities should have lobbies, restaurants and multi-purpose halls; provided that their standard should not be less than those of a 4-star hotel.

Paragraph E: The expression "Convention and Exhibition centers" includes any establishment concerned with local, regional and international conferences and exhibitions specialized in economic information and cultural activities. These centers contain multi-purpose halls, theaters, press, information, translation and secretarial offices, in addition to supplementary services such as food, beverage and technical communication services as well as other facilities usual in such centers and exhibitions.

The Jordan Investment Board offers, through the "Investment Promotion Law of 1995," incentives for investment and liberalization of the economy to give more space for foreign direct investment and to replace the "inward oriented policy" by "outward oriented policy". The first policy needs protection and the second one needs promotion. Therefore, the Jordanian government was and is keen to sign bilateral agreements and join international organizations to improve the business environment in the Kingdom.

Liberalization of investments in Jordan is still incomplete. Non-Jordanians, by law, are not allowed to be members in the boards of the sub sectors such as the Tourism Union, Jordan Tourism Board or any other association (see the Restrictiveness Measures part in this report).

Licensing of facilities

Instructions for licensing hotels, restaurants, rest houses, and night clubs were issued by the MOTA in 1997. To have a license for the above mentioned businesses following measures are obligatory:

- Application to the Ministry of Tourism and Antiquities (MOTA) for the license using a specific application form from the ministry.

¹⁶ .Jordan Economic and Commerce Bureau, Investment Promotion Law of 1995 and its amendments.

- Providing all needed documents (ownership, approval of the local municipality and civil defense for the building)
- Providing insurance policy for third party
- Buildings have to meet the conditions set by the MOTA
- Providing a list of employees including their qualification and their training levels. The minister decides whether the business could start with the applied rank.
- Court clearance for Jordanians and a recommendation from former employers for the non-Jordanians. Employees should have a health certificate which has to be renewed annually.

To obtain a license for selling alcohol it should be registered in the license, otherwise the owner of the business has to meet the following:

- Provide application in which the owner or manager explains the necessity of selling alcohol and its effect on the business.
- The Minister of MOTA grants the license after consulting the tourism committee, inspection of the location, consulting with security institutions and considering the following points:
 1. Structure of the facility and its presentation
 2. Consideration as a tourist location
 3. Character of the owner and his employees and their judicial records
 These procedures are examined yearly.
- Opening hours:
Opening hours for offering alcohol should be approved in the license as follow:
 - All the time inside the rooms (in hotels)
 - In restaurants: during the eating times not exceeding 1.00 o'clock in winter and 2.00 o'clock in summer.
 - In bars: from 11.00 o'clock to midnight
 - Night clubs: from 19.00 – 3.00 o'clock

Offering alcohol outside the given time is prohibited and constitutes illegal competition. Any person who consumes alcohol in the tourist place outside the allowed times violates the criminal law. The licensed person can ask for extension of alcohol time in specific days or occasions

In case of any complaints, the minister can shorten the time of offering alcohol or close the business temporarily, not exceeding 3 days, or cease the license for a time not exceeding 1 month or delete the license if he (the minister) is convinced that he favored the general security. The person who violates the decision of the minister violates the law.

Associations and Societies

In addition to public and semi- public institutions, associations and societies representing hotels, travel agencies, tourist guides, handicraft, and restaurants participate in managing the whole sector. They are members in the "Union of Tourism Societies" launched in 2004.

The tourism sector is organized by the following associations or societies:

- Jordan Hotel Association (JHA)
- Jordan Inbound Tour Operators Association (JITOA)

- Jordan Society for Tour and Travel Agents (JSTTA)
- Jordan Tour Guides Association (JTGA)
- Jordan Restaurant Association (JRA)
- Tourism Union (TU)

Membership in these associations is mandatory^[U11].

5.0 Restrictiveness Measures

5.1 GATS commitments

According to WTO/GATS regulations, four modes of supply exist between countries:

- 1) Cross-Border supply
- 2) Consumption abroad
- 3) Commercial presence
- 4) Presence of natural persons

All economic sectors in Jordan share unified regulations which are summarized in the following. However, these limitations, albeit, served on all sectors, impact the tourism sector.

Limitations on market access:

(4) Unbound, except for measures concerning the entry and temporary stay of a natural person who falls in one of the following categories:

- Business visitors
A natural person who stays in Jordan without acquiring remuneration from within Jordan and without engaging in making direct sales to the general public or supplying services, for the purposes of participating in business meetings, business contacts including negotiations for the sale of services and/or other similar activities including those to prepare for establishing a commercial presence in Jordan. Entry and stay shall be for a period of 90 days.
- Intra-Corporate Transferees
Natural persons employed by a juridical entity of another member for a period of not less than one year and who seek temporary stay in order to render services to (i) the same juridical entity which is engaged in substantive business operation in Jordan or (ii) a juridical entity constituted in Jordan and engaged in substantive business operation in Jordan which is owned by or controlled by or affiliated with the aforementioned juridical entity.
- Executives
Natural persons who are senior employees of a juridical entity, who are responsible for the entire or a substantial part of the entity's operations in Jordan, receiving general supervision or direction principally from higher level executives, the board of directors or stock-holders of the business.
- Managers
Natural persons who direct the juridical entity, or department or sub-division of the juridical entity, supervise and control the work of supervisory, professional or managerial employees, have the authority to hire and fire or recommend hiring,

- firing, or other personnel actions and exercise discretionary authority over day-to-day operations at a senior level.
- Specialists
Natural persons employed by a juridical entity and possess knowledge at an advanced level of expertise and proprietary knowledge of a juridical entity product, service, research, equipment, techniques, or management.
 - Professionals
Natural persons seeking to engage, as part of services contract granted by a juridical entity engaged in substantive business in Jordan and obtained by a juridical entity of another Member, (other than entities providing services as defined by CPC 872) which has no commercial presence in Jordan in the activity at a professional level. The person must possess the necessary academic credentials and professional qualifications, which have been duly recognized, where appropriate by the professional association in Jordan. The commitment relates only to the service activity which is the subject of the contract.

Work permits for all categories are granted on the basis of an economic needs test, i.e. to candidates whose qualifications are not available in Jordanians or those who are seeking work in fields in which Jordanians are in short supply. Intra-corporate transferees who are executives, managers and specialists (as defined above) are presumed to meet the economic needs test requirements. Temporary work and residency permits are required. Such permits are issued for a maximum period of one year, but are renewable.

Limitations on national treatment

Regarding subsidies, modes (1), (2), (3) and (4) are Unbound.

Under Mode (3) Foreign investments may not be less than JD 50,000. This does not apply to investments in public share-holding companies.

Real Estate:

- Mode (3) All purchase of real estate by non-Jordanian firms must be related to the approved business activities and is subject to Cabinet authorization.
- Lease of real estate by non-Jordanian firms for more than three years is subject to Cabinet approval.
- All juridical entities are prohibited from engaging in real estate trading.

State Owned Land:

- Mode (3) Authorization for purchase or lease of state owned lands is restricted to Jordanian nationals.
- Mode (4) Unbound, except for measures affecting the categories referred to under market access (WTO Working Party on the Accession of Jordan, 1999)

GATS commitments for tourism and travel related services are given below in Table.3

Table 3: GATS Commitments Tourism and Travel Related Services

TOURISM AND TRAVEL RELATED SERVICES		
A. Hotel & motel lodging services, excluding casinos (CPC 6411 & 6412)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.
Meal serving services with full restaurant services (excluding transport facilities) (CPC 6421) Meal serving services in self-serving facilities (cafeterias) (CPC 6422) Beverage serving services for consumption on the premises, excluding casinos (CPC 643)	(1) None (2) None (3) Subject to 50% foreign equity limitation. Jordanian juridical entity is required for franchising. Foreign equity limitation does not apply to these services when operated in hotels or motels. (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.
Caterer services providing meals to outside (CPC 6423). Institutional Food Service caterers (with the exception of Airport and airline catering facilities which are confined only to the national air carriers)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.
B. Travel Agencies and tour operator services (CPC 7471)	(1) Foreign travel agencies must implement their tours in Jordan through a local service provider. (2) None (3) Service may be provided through Jordanian natural or juridical entities with maximum 50 % foreign equity. Service provider must be a specialized tourist firm. Director must be a Jordanian national. (4) Unbound, except as indicated in the horizontal section. Director must be a Jordanian national.	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.
Tourist guide services (CPC 7472)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section.	(1) Unbound (2) None (3) None (4) Unbound, except as indicated in the horizontal section.

5.2 Legislative and administrative restrictions

The Tourism sector has specific regulations, which are included in the following schedule.

Tourist Transportation firms

Transportation of tourists **is restricted solely to Jordanian firms**. These firms have an oligopoly character and act more or less as an informal cartel.¹⁷

- The minimum capital needed for establishing a transport firm stands at 5 million JD.
- A transport firm must deposit for the Ministry of Tourism and Antiquities **JD 200,000** yearly.
- Tourist transportation firms should own or rent at least 50 new coaches.
- Employees of the firm have to be Jordanians.

All these regulation are entrance barriers to the Jordanian market. Moreover, Jordan Tourism Board (JTB) exercises clear bias towards tourist transportation firms, large-scale hotels (3, 4 and 5 star) and tour operators of inbound tourism.¹⁸

Tour operators

Tour operator agencies are classified into 3 categories:

- A: For inbound, outbound and domestic tourism
- B: For inbound tourism
- C: Outbound tourism

To license any tour operator agency following conditions should be met:

- Capital: Minimum JD 50,000
- Deposit^[w12] of JD 100,000 for "A" class agencies, 75,000 JD for "C" and 25,000 for "B"
- Applicant has to be of a Jordanian nationality
- Director of the agency must be of Jordanian nationality
- Minimum employees per agency are 7 for class "A", 5 for "B" and "C". (Including the manager).¹⁹

Restrictions on foreigners include travel guides, who have to be Jordanians.

Other Restrictions

Foreigners are not allowed to own more than **50%** of the following enterprises:

- Travel Agencies
- Tour operators
- Restaurants, cafés and cafeterias
- Tourist transportation firms

¹⁷ Stakeholder interviews

¹⁸ Stakeholder interviews

¹⁹ Regulation of Travel agencies and its modifications, Law Number 11, for the year 2005, Ministry of Tourism.

Investment of foreigners should not be less than 50.000 JD per enterprise. Foreigners who wish to benefit from investment laws (i.e. exemption of customs, taxes ...etc) have to be in a partnership with a Jordanian.

6.0 Benchmarking of Tourism Sector in Jordan

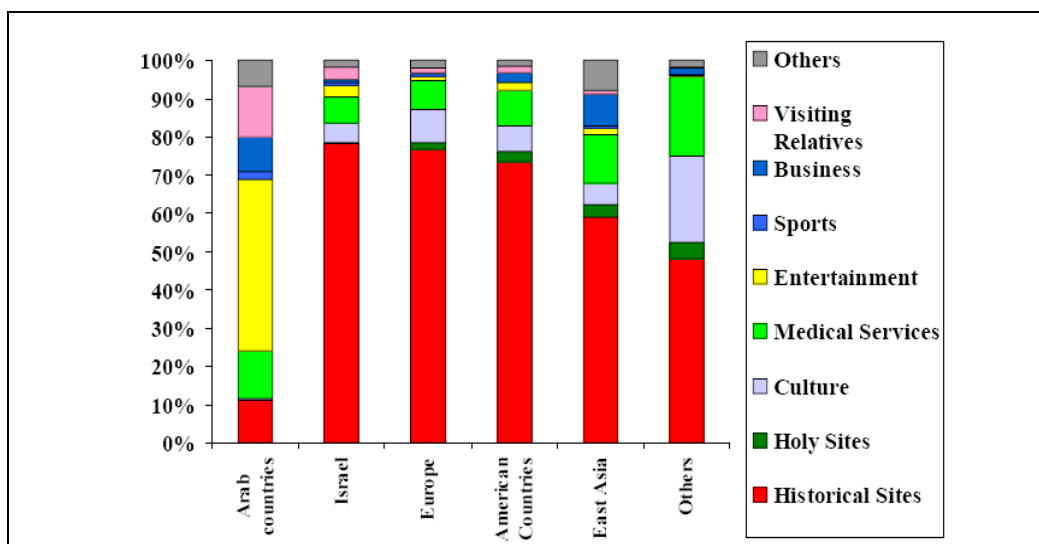
Jordan competes directly or indirectly^[W13] with Egypt, Israel, Syria and Lebanon in tourism. In the same manner, Jordan benefits from the tourist influx from the same countries. The number of inbound tourists in Jordan reached about 3^[W14].430.960 in 2007 giving Jordan a rank of third after Egypt (more than 10 million tourists) and Syria (5.5 million), and more tourists than Lebanon (1.5 million) and Israel (1.9 million). The share of Arab tourists in Syria is 73%, Lebanon 53% and 50.5% in Jordan. The Arab share of Jordan inbound tourists was 63.5% in 2002 and even higher in the 1990s.

The last two years have witnessed a decrease in the number of Arabs visiting Jordan. In 2007 over night Arab tourists numbered 1,851,100 and declined to 1,731,990 in 2007 (-6.4%). For the same period more than 71.000 transit Arabs crossed Jordan²⁰.

Jordan is losing a portion of Arab tourists to Syria; Arab tourists visiting Syria increased 15% since 2005. The three countries are in tough competition to attract Arab tourists. Syria and Lebanon developed their summer resorts and entertainment facilities to attract the Arabs. Arab main motivation for travel is entertainment as shown in Figure 6.

Syria has launched about 376 investment projects in the last years and is expected to attract further investment up to \$15 billion. The decreasing share of Arab tourists in Jordan could seriously affect the sector negatively. In case of any regional dispute, the tourism sector in Jordan could face difficulties, as it was the case after September 11 of 2001. Arabs are the main tourist group to compensate the western tourists when they stay away.

Figure.6: Motives of tourists visiting Jordan



Source: Jordanian National Competitiveness Team, Ministry of Planning, The Tourism Cluster (No Date).

²⁰ . MOT, Statistic Department, 2008.

Syria attracts more than 500,000 tourists yearly from Iran. They are primarily religiously motivated. Jordan possesses good potential for religious tourism for Iranians in the South of the country at Karak (Mu'ta and Mazar) but Iranian nationals still belong to the group of restricted nations which need a visa in advance of arrival; and there is need for increased marketing (policy) efforts to this tourist group.

On the other hand, Jordan received more than 226,000 tourists and 50,000 same day visitors from Israel in 2007. The number of Israeli tourists numbered only 100,000 in the first years subsequent to the signing of the peace treaty between Jordan and Israel in 1994. Israelis are not allowed to enter Syria and Lebanon. This could be seen as a point of strength for the Jordanian tourism sector.

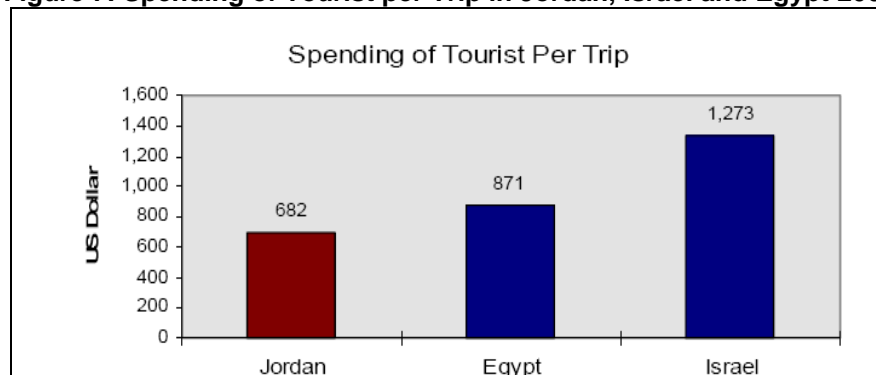
Jordan limited its accommodation supply mainly to commercial hotels and prohibited local communities to offer any kind of accommodation to tourists. This creates a situation in which the hotels in the high seasons are over-loaded and necessitates further investment in new hotels. The severely low occupancy rate of the Jordanian hotels, between 37.2 – 39% during the period 2004 – 2007, is the outcome of such a policy^[W15]. Moreover, it hinders the local communities to cover the accommodation shortage in the high season and to gain direct benefits from tourism.

In comparison, the occupancy rate in the hotels of Syria reached 66.7 % in 2007 and the number of beds offered in addition to formal commercial accommodation facilities were 55,000.²¹

The number of nights spent by tourists in Jordan are low (5.2 million) compared to other countries in the region. In Egypt, more than 10 million nights were spent, in Israel 7 million and in Syria 11.4 million. Domestic tourism in Jordan accounted for 20.7% of the overnight stays. Due to the relatively low income in Syria, only 13% of hotel nights came from Syrian nationals.

Jordan's revenues from tourism exceeded 2.3 billion US\$ in 2007 while Egypt garnered more than \$ 8 billion and Syria \$ 4.1 billion in the same year. Despite the growth of tourism revenues in Jordan, spending of the tourist per trip is low as depicted in Figure 7.

Figure 7: Spending of Tourist per Trip in Jordan, Israel and Egypt 2007



Source: Jordanian National Competitiveness Team, Ministry of Planning, Tourism Cluster (No Date).

²¹ Qala'h, S.A., Tourism Investments in Syria, 2008.

The World Economic Forum issued in 2007 and 2008 a report on Travel and Tourism Competitiveness index (TTCI) in which regulatory framework, business environment, and tourism factors (human, cultural and natural resources) are measured. Every category consists of different variables (13 in all) and covered 124 countries in 2007 and 130 countries in 2008.

Jordan ranked 46 in overall Travel and Tourism competitiveness with a score of 4.52 out of 7 (score 7 being the best); Israel 32 (4.80) and Egypt 58 (4.24) in 2007. Both Syria and Lebanon were not covered in the ranking. The rank of Jordan, as other countries of the region, has been pushed backwards in 2008 but not as much as Egypt as shown in Table 4 below:

Table 4: Tourism competitiveness Index 2008, Jordan and selected countries

Country	Rank	Score
Israel	35	4.51
Jordan	53	4.21
Egypt	66	3.96
Syria	94	3.58

Source: World Economic Forum, 2008

Considering the latest TTCI of the World Economic Forum 2008, Jordan took a good position in comparison to neighboring countries. Only Israel ranked better than Jordan (35 to 53).

More importantly is the weight of different sub-indexes of the tourism sector through which the strengths and the weaknesses of tourism in the country can be distinguished. Jordan is dominant in the region in safety and security, prioritization of tourism in the Jordanian economic policy, affinity for tourism, and in environmental sustainability. Jordan also ranks high in encouraging tourism businesses through the promotion of investments and support associations and unions related to tourism.

This regulatory and cultural framework pushed Jordan to rank above Egypt and Syria on the world scale: Jordan ranked 53 out of 130, Egypt 66 and Syria 94. Only Israel is better positioned with a rank of 35. In terms of safety, security and level of crimes, Jordan shows an excellent position, a rank 15 out of 130 countries, where Israel, Egypt and Syria ranked 60, 84 and 22 respectively, as shown in Table 5 below.

Visa regulation in Jordan differs according to nationalities. Travelers from the countries of Africa, Latin America and South and South East Asia need a visa in advance. This regulation includes countries which are very promising such as Iran. But regulations are subject to change when necessary. When Jordan recognizes the necessity of issuing new visa regulations, new measures will be applied. In February 2009, for example, Indians and Chinese nationals were deleted from the list of visa-restricted countries.

The government of Jordan restricts free entry to many nationalities to protect the country from a flux of immigrants. Syria, in comparison, signed a tourism agreement with China in 2004 to facilitate the traveling of Chinese to Syria.

Table 5: Rank of different tourism categories in Jordan, Israel, Egypt and Syria (2008)

country	overall index ²²	regulatory frame work	Business environment & infrastructure	human cultural & natural resources	policy rules regulations	environmental sustainability	safety & security	health & hygiene	prioritization of travel & tourism	air transport infrastructure	ground transport infrastructure	tourism infrastructure	ICT infrastructure	price competitiveness in industry	human resources	affinity for travel & tourism	natural resources	cultural resources
Israel	35	32	36	59	30	67	60	8	61	47	31	36	22	91	20	59	64	60
Jordan	53	36	60	64	78	38	15	58	16	60	65	56	65	37	70	9	87	91
Egypt	66	58	69	70	70	81	84	86	12	75	62	83	78	32	82	31	86	58
Syria	94	74	97	95	115	98	22	74	88	95	70	104	98	66	97	27	123	77

Source: World Economic Forum , The Travel & Tourism Competitiveness Report, 2008.

In terms of the regulatory environment, Jordan ranks closely with Israel at 32 compared to 36; while Egypt and Syria are ranked far below at 58 and 74 respectively.

Less developed, but acceptable, is the business environment and infrastructure (rank of 60). There is much to do in the fields of air and ground transportation, ICT and tourism infrastructure. However, Jordan tourism prices remain competitive: Jordan ranks 37 while Israel 91 and Syria 66. Only Egypt (rank 2 Worldwide) was more competitive.

When it comes to human, cultural and natural resources, the report seems to be unrealistic, Jordan ranks 64, Egypt 70 and Syria 95 while Israel 59. The qualification of Jordan's labor force working in the tourism sector could be seen as an obstacle for the development of the sector as a whole. Interviews with hotel employees in different sites (Amman, Aqaba and Petra) revealed that this is the result of poor on-the-job training and very low salaries. Only in 5–star hotels with foreign managers is sufficient training offered.

Table[U17] 6: Travel and Tourism Competitiveness Index (TTCI) for Jordan (2008)

country	overall index ²³	regulatory frame work	Business environment & infrastructure	human cultural & natural resources	policy rules regulations	environmental sustainability	safety & security	health & hygiene	prioritization of travel & tourism	air transport infrastructure	ground transport infrastructure	tourism infrastructure	ICT infrastructure	price competitiveness in industry	human resources	affinity for travel & tourism	natural resources	cultural resources
Jordan	4.21	5.06	3.64	3.92	4.12	4.87	5.98	4.84	5.5	3.08	3.74	3.77	2.63	4.99	4.95	6.11	2.81	1.81

Source: World Economic Forum, The Travel & Tourism Competitiveness report, 2008.

²² A score of 1 represents the "best" score

²³ Out of 7 points with 7 representing the "best" score.

7.0 Sector SWOT analysis

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • High level of political stability, safety and security • Long history in tourism industry (Tacit knowledge) • Prioritization of tourism by the government of Jordan • Excellent image • Uniqueness of some tourism sites and brand name recognition (Petra, Dead Sea, Wadi Rum, Jerash and Bethany/Baptismal site) • Tourism product mix • Advanced infrastructure • Integration in global systems (International hotel Chains, reservation systems) • High quality investments (Aqaba and Dead Sea) 	<ul style="list-style-type: none"> • Short length of stay of the tourists • Low occupancy rate in hotels • Lack of qualified labor and low level of tourism education • Insufficient protection of the environment • High level of carbon dioxide • Negative neighborhood-effect (Palestinian cause and Iraq) • Insufficient marketing • Weak institutions (associations, societies, unions .etc) • Poor basic services in the tourist's sites • Limited public beaches • Poor Availability visitor information • Poor handicraft products • Poor urban tourism and lack of entertainment in tourist sites
Opportunities	Threats
<ul style="list-style-type: none"> • Petra as one of the "Seven Wonders of the World" • Cluster building in Amman, Aqaba, Petra and Dead Sea • Increasing domestic tourism 	<ul style="list-style-type: none"> • Tough competition through the neighboring countries, as well as Dubai and Oman • Increasing prices, particularly for Jordanian and Individuals tourists • Neglecting the potential of Arab markets • Decreasing levels of Arab tourists

7.1 Strengths:

Jordan tourism products are very diverse. They include, inter-alia, natural and cultural products that are unique in the World. Petra, recognized as one of the Seven World Wonders and considered as a trademark for the Jordanian tourism, is the main attractive site in the country. Additionally, Wadi Rum, Dead Sea, Aqaba, Jerash, Um Qais, Islamic and Crusader castles and desert palaces are further tourist sites and attract cultural and natural tourism; the main types for international tourists.

Sites, such as Mount Nebo, Bethany, where Jesus was baptized, Makawer and Islamic shrines build the basic elements for religiously motivated tourism.

Private and public universities, in addition to new colleges, offered different levels of education and trainings in tourism. Some universities now offer low fees and provide scholarships to encourage students to participate in tourism education and to break the cultural barriers associated with this service industry. Graduates of universities and colleges programs readily find work in the sector.

Medical tourism is another strength factor to the Jordanian tourism sector. Inbound and domestic tourists use the Dead Sea spa for medical purposes. The highly developed

medical sector, mainly in Amman attracts a large number from Arab countries and from Israel for treatment. The share of medical tourism in Jordan is 10% ²⁴.

Jordan has a well-developed major road network to the most tourist sites and two international airports in Amman and Aqaba.

Furthermore, Jordan is considered regionally and internationally as a safe and secure country. Its people are considered to be friendly and honest. The country reached an advanced stage in terms of the regulation and organization of the sector. The country has an active private sector, which has developed excellent accommodation facilities in most tourist sites. Both private and public sectors are keen to recognize the sector as one of the main priorities of the kingdom²⁵.

Weaknesses:

Despite the uniqueness of some sites in Jordan, there is a deficit of information on the country circulating in the global tourist market. Marketing is still nascent and greater investment and efforts are needed to reach more segments of potential tourists worldwide. The lack of information and marketing efficiency affects, inter-alia, the occupancy rates in the hotels and even the length of stay negatively.

Despite improvements in education and training, workers in the tourism sector lack professionalism and external qualification.

Civil associations and public institutions are still insufficient in two ways: in cooperation with each other across the sector and in terms of their internal organization. Teamwork is weak and personalization of handled issues is very common. ²⁶

The environment, particularly outside larger cities and main tourist sites, is neglected. Since the 1990s, the Royal Society for Nature Conservation (RCNC) integrated tourism (ecotourism) with nature conservation and extended its efforts to more than 6 reservoirs in the country. Such effort remains partial.

Basic public services at the tourist sites like sanitary services, public telephone and special facilities for people of special needs and alike are still sub standard.

Opportunities:

One of the main opportunities for the development and sustainability of the tourism sector in Jordan is the increasing propensity of the Jordanian citizen to tour in the country and to spend a couple of days in the resorts and spas. Aqaba and the Dead Sea hotels are overbooked during national and religious holidays.

Jordan hoteliers and tour operators are more and more integrated in the global tourism businesses and they have established a worldwide network. The last tourism crises

²⁴ Jordanian National Competitiveness Team, Ministry of Planning, The Tourism Cluster (No Date),P.40.

²⁵ Stakeholder interviews.

²⁶ Stakeholder interview

(September 11th) forced them to look for new markets and to be flexible. Most travel agencies now deal with many markets as shown in Table 7 below.

Table 7: Travel Agencies and Markets

Number of markets	Number of Travel Agencies
Travel Agencies dealing with 1 market	23
2 markets	10
3 markets	17
4 markets	10
5 markets	13
More than 5 markets[U18]	

Source: Abd Alraheem, A. 2006, Governance forms in value chains of the international tourism in Jordan, unpublished Ph.D Thesis, Jordan University,

Moreover, the trend toward specialization in product type is gaining ground. Some tour operators are specialized in ecotourism, others in incentive tourism, and well as other specialties.²⁷

Threats:

The sandwich location of Jordan between Israel and Iraq, both insecure states, is threatening the needed stability for tourism. Tourism is affected by the so-called "Neighborhood Effect", which means that any crises in the region affect the flow of international tourists negatively.

Jordan is fully dependant on imports of food, oil and equipment needed for modern hotels and other infrastructure elements. Last summer for example, tourist transport costs increased by 30 % due to climbing oil prices. In this regard, Jordan cannot compete with the neighboring countries, Syria and Egypt.

Jordanians themselves, spend their winter holidays in Taba or Sharm El Sheik in Sinai/Egypt, instead of Aqaba benefiting from offers made by Jordanian tour operators. It is the same in summer when Jordanians tend more and more to spend a couple of days in Syria, Lebanon or Turkey.²⁸

8.0 Opportunity Scan

Jordan is developing its tourist infrastructure very professionally and needs to further develop its marketing channels and modes. The diversity of its tourist products, launching fairs and cultural events could serve to promote the sector.

The Kingdom uses its potential at the Dead Sea only partially. It is possible to look for joint ventures with tour operators in European or American countries specialized in health tourism. In the same way, treaties could be signed with health insurance companies to offer medical treatment for different diseases to secure the needed number of tourists for the business. The same could be said for the development of the desert region as well as ecotourism.

²⁷ Stakeholder Interview

²⁸ Stakeholder Interview

The fact that tourist products cannot be exported, Jordan has to facilitate the usage facilities by the people in the neighboring countries, especially Saudi Arabia^[W19]. Jordan enjoys pleasant weather in summer when people of Saudi Arabia escape the high temperature in their country. Ras El Nakab (south of Ma'an) is very close to the borders of Jordan and Saudi Arabia and could be utilized as summer resort. The same could be applied for the mountains of Ajloun in the North.

9. 0 Constraints to development.

The development of tourist products, basically, followed one path, namely the historical and archeological one. Such a development interested a highly educated and mid to old age population. This situation prevailed for a long time and the state was the main actor in the sector.

During the 1990s, the private sector took advantage of the liberalization of the economy and started to invest in the same sites where the government was involved but also in other sites and in new products. Both, the government and the private sector have one point in common: They focused on comparative advantage. The price and the number of tourists were the main factors to be considered. With further development associated with tough competition, both actors recognized the importance of changing the rules of the game. The state left the arena to the private sector and focused on regulation and facilitation of the sector, but refrained from direct investments.

The private sector has to compete regionally and internationally. The heavy bureaucratic procedures and regulations, the structure of the institutions, the poor occupational training, and the lack of human and social capital are the main constraints to development.

Taking the Dead Sea as an example for development, the private sector established up to 4 hotels (another 8 hotels are under construction). Only one hotel was developed for medical tourism. The others are considered resorts.

None of the hotels, for instance, went in joint venture with tour operators organizing medical tourism in Europe to secure their clients. None of the tourist sub-sectors understood the concept of the value chain and looked for a leading firm, in this case health insurance companies, to sign a contract for a long period to benefit from the "leading role" in securing health tourism.

Hotel guests need entertainment, information on the heritage of the country and its handicraft, music, food, politics, to name a few. Generally those issues are left to the guest him/her self to discover.

Hotels or tour operators do not coordinate nor cooperate with any institution which could offer a show or lecture and/or similar event.

In one way or another, countries of the region have to cooperate together to facilitate tourists' movement (domestic, regional and international) through their borders. The regulations, such as car insurance and departure fees are so complicated and expensive so that the trip to Syria or to Egypt becomes a burden instead of a pleasure.

Constraints to development:

- Lack of creativity, skill and qualification of the employees of the sector.
- Lack of simple and quick regulation to cross the borders
- Lack of regional insurance companies (car, luggage and health insurance).
- Lack of cooperation, coordination and trust among the actors in the sector and within the members of the associations.
- Neither the Arabs nor the national population are targeted as potential tourists in Jordan. Domestic and regional tourism is still spontaneous.
- Lack of national research centers for tourism issues, which monitor relevant changes on all levels.

9.1 Recommendations:

- Jordan has to diversify its tourists' origin countries and its products.
- Undertake aggressive marketing towards Arab countries, particularly oil countries.
- For sustainability of tourism, more emphasis should be put on environmental regulations and area protection.
- Upgrading of the qualification of employees of the tourism sector should be one of the main priorities of the country's tourism policy.
- Strengthening of associations working in different fields of tourism
- Involving local communities in the sector to broaden the knowledge on tourism and its developmental role.
- Applying and promoting tourism clusters (it should not be understood as just a geographical location).
- Application of value chain approach in dealing with international institutions.
- Moving towards establishing a school for tourism management on the standards of international management.

Annex 1: CPC Code

Tourism Services

1) Hotel and Restaurant Services:

I. 641 - Hotel and other lodging services

This Group is divided into the following Classes:

- 6411 - Hotel lodging services

Lodging and related services typically provided by hotels. Related services comprise services normally furnished with and included in the lodging price and include room service, desk service, mail service and bellboy service.

Hotels also generally make available other services such as parking, food, beverages, entertainment, swimming pools, banquet, convention and meeting facilities. Resort hotels may provide extensive recreational facilities. These various services are included here, if provided as a part of the price of lodging. If they are priced separately, they are classified according to the service provided.

The services rendered by hotels are generally more complete than those offered by motels and other lodging places.

- 6412 - Motel lodging services

Lodging and related services typically provided by motels, including all services normally included in the price of lodging. Motels are typically located along highways or thoroughfares and cater specifically to the needs of people traveling by car. Parking is thus generally included. The services rendered are generally less complete than full hotel service.

- 6419 - Other lodging services

This Class is divided into the following Subclasses:

- 64191 - Children's holiday camp services
- 64192 - Holiday center and holiday home services
- 64193 - Letting services of furnished accommodation
- 64194 - Youth hostel and mountain shelter services
- 64195 - Camping and caravanning site services
- 64196 - Sleeping car services and sleeping services in other transport media
- 64199 - Other lodging services n.e.c.

II. 642 - Food serving services

This Group is divided into the following Classes:

- 6421 - Meal serving services with full restaurant service
- 6422 - Meal serving services in self-service facilities
- 6423 - Caterer services, providing meals to outside
- 6429 - Other food serving services

III. 643 - Beverage serving services for consumption on the premises

This Group is divided into the following Classes:

- 6431 - Beverage serving services without entertainment
- 6432 - Beverage serving services with entertainment

2) Travel agencies and tour operators

- 7471 - Travel agency and tour operator services

Services rendered for passenger travel by travel agencies tour operators, and similar services; travel information, advice and planning services; services related to arrangement of tours, accommodation, passenger and baggage transportation; ticket issuance services. These services are provided on a fee or contract basis.

3) Tourist Guide Services

- 7472 - Tourist guide services

Tourist guide services by tourist guide agencies and own-account tourist guides.

Exclusions: Services by own-account hunting guides are included in subclass 96419 (Other sporting services).

Personal escort services are included in subclass 97090 (Other services n.e.c.).

UnStatsCPCprov:

<http://unstats.un.org/unsd/cr/registry/regcs.asp?Cl=9&Lg=1&Co=64>

<http://unstats.un.org/unsd/cr/registry/regcs.asp?Cl=9&Lg=1&Co=747>

Annex 2: Questionnaire

Note: Unless specified, please give information for the latest year available and indicate which year. If insufficient space is provided, please attach additional information on separate sheets.

Please report all monetary values in their reported currencies.

Within this section of the questionnaire, two concepts will be frequently encountered:

commercial presence and **cross-border supply**. They are alternative modes of supply and are defined by the WTO in the context of the GATS schedules of commitments. To avoid confusion, a preliminary discussion of the two concepts is necessary. Foreign suppliers provide services according to the “cross-border” mode if they operate from their own country without establishing a local branch or subsidiary or acquiring shares in a firm located in the country to which the service is destined. The “commercial presence” mode of supply means exactly the contrary, i.e. the foreign firms establish locally in the country where they want to supply the service and open a branch, subsidiary or participate to the capital of a local firm (the share can go up to 100%).

Market Access

Commercial presence

1. Are there policy restrictions to new entry (refer only to commercially-established ²⁹ operators)?				
Service type	Entry by any firm	If yes, total number of firms allowed	Entry by firms with foreign participation ³⁰	If yes, number of firms with foreign participation allowed
---	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	
---	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	

²⁹ The term commercially-established refers to locally-established operators.

³⁰ This category also includes branches and subsidiaries of foreign suppliers.

---	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes
---	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes
---	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes

2. If entry is restricted, what are the reasons provided by the government?

Use the definitions below to fill in the table:

- 1—To give incumbent operators time to prepare for competition. If so, please specify time given.
- 2—To increase government revenue from privatization or license fees
- 3—Exclusive rights believed necessary to attract (strategic) investment. If so, please specify time given
- 4—It is believed that market can sustain only a limited number of operators
- 5—Strategic activity reserved to the state.
- 6—To protect the industry.

Service (Give reasons for each service or sub-sector)	Reasons						Other (describe in brief)
	1	2	3	4	5	6	
--							
--							
--							
--							
--							

CROSS-BORDER SUPPLY

Are there restrictions on cross-border entry of foreign service providers on the ----- market?

No Yes

If yes, what are the instruments used to implement restrictions?

Bilateral agreements specifically related to the sector or agreements where the sector is mentioned therein

Other:

If entry is restricted, what are the reasons provided by the government?

	Total number of bilateral agreements
Routes not specified	
Routes specified	

B. Ownership

7. Is private ownership in the provision of services through commercial establishment allowed?

Services	Existing operators	Maximum private equity permitted (%)	New entrants	Maximum private equity permitted (%)
	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	
	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	
	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	
	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	
	<input type="checkbox"/> No <input type="checkbox"/> Yes		<input type="checkbox"/> No <input type="checkbox"/> Yes	

8. Does government (national, state or provincial) hold equity stakes in a national business company?

Services	Government equity participation	Equity participation (%)	Name of company
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		

8.1 If yes, are there any statutory or other legal limits to the number or proportion of shares that can be acquired by foreign investors in those companies?

Services	Foreign equity participation	Foreign Equity participation (% or number)	Name of company
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
	<input type="checkbox"/> No <input type="checkbox"/> Yes		
8.2 If yes, are there any legal constraints to the sale of the equity held by the government in publicly controlled companies?			
			Legal constraints
			<input type="checkbox"/> No <input type="checkbox"/> Yes
			<input type="checkbox"/> No <input type="checkbox"/> Yes
			<input type="checkbox"/> No <input type="checkbox"/> Yes
			<input type="checkbox"/> No <input type="checkbox"/> Yes
			<input type="checkbox"/> No <input type="checkbox"/> Yes

9. Is owner-operators allowed in the in any of the service markets?					
Name	Year first offered services	Designated to provide international services	Market share National	International	Is the firm federal, state or provincial?
		<input type="checkbox"/> No <input type="checkbox"/> Yes			
		<input type="checkbox"/> No <input type="checkbox"/> Yes			
		<input type="checkbox"/> No <input type="checkbox"/> Yes			
		<input type="checkbox"/> No <input type="checkbox"/> Yes			
		<input type="checkbox"/> No <input type="checkbox"/> Yes			
		<input type="checkbox"/> No <input type="checkbox"/> Yes			

C. Market Structure

10. Please list below the characteristics of all commercially-established companies operating in Jordan.

Name	Year company first offered services	Designated to provide international services	Market share		Is the firm federal, state or provincial?	Owners of capital and their respective shares (domestic/foreign)
		<input type="checkbox"/> No <input type="checkbox"/> Yes	National	International		
		<input type="checkbox"/> No <input type="checkbox"/> Yes				
		<input type="checkbox"/> No <input type="checkbox"/> Yes				
		<input type="checkbox"/> No <input type="checkbox"/> Yes				
		<input type="checkbox"/> No <input type="checkbox"/> Yes				
		<input type="checkbox"/> No <input type="checkbox"/> Yes				

Do providers participate in informal cartel? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, please describe.
--

Please indicate the total number of foreign companies providing services cross-border:

Services

13. Please list the characteristics of the 6 most important commercially-established operators for the following services:

Name of firm	Year of service commencement	Market share	Owners of capital and their respective shares (domestic/foreign)

D. Regulation

14. Institutional status of sector regulator		
		For providers
When was the regulator established?		
Is the regulator an institutionally independent agency? ³¹		<input type="checkbox"/> No <input type="checkbox"/> Yes
How is the sector regulator financed?		
License and other fees (%)		
State budget (%)		
Other _____ (%)		
How many technical and economic professionals are employed?		
15. What are the main requirements of companies to operate in the sector?		
Type of service	Requirements	
16. Price regulation		
a) Does the government or regulatory agency regulate tariffs?		

³¹ “Institutionally independent” means that the regulator is not part of the ministry and is not linked to the operating entity.

On ... No Yes

On No Yes

b) If yes to a), please explain

If no to a) how are abuse of monopoly power (cartel) and/or predatory pricing dealt with?

Does the government or regulatory agency provide pricing guidelines for some services?

Service... No Yes

Service ... No Yes

etc

Are professional bodies or representative of trade and commercial interests involved in specifying or enforcing pricing guidelines or regulations?

On service tariff No Yes

On service No Yes

17. Regulation on entry of new business

17.1 Licenses

a) If the number of providers is not restricted by policy, specify the main conditions new entrants must fulfill

	Payment of license or permit fee (indicate amount in local currency)	Obtainment of concession, or franchise by a level of government	Other (describe in brief)		
b) If the number of providers is limited by policy, through what mechanism are licenses or concessions allocated?					
	Competitive tender	First come, first served	Public hearings	Other discretionary mechanism	Other (describe in brief)
c) Who does issue license?					

	Government	Regulatory agency	Other (describe in brief)

d) Does the regulator, through licenses or otherwise, have any power to limit industry capacity? No Yes

If the answer is “No”, are any of the following constraints in place?

a) complete prohibition

b) limitations

c) domestic requirements for government (public procurement)

d) restrictions on foreign firms

e) other (please specify) _____

17.2 Registration

Is registration in any register required in order to establish a new business?

No Yes

In order to operate nationally, does an operator need to notify any level of government or regulatory agency and wait for approval before the operator start business?

No Yes

If establishing a business in national services is subject to either of the procedures in a) or b) of the previous question, please answer the following questions:

are criteria other than technical and financial fitness and compliance with public safety requirements considered in decisions on entry of new operators?

does an authorisation to operate cover the entire country?

is the authorisation to operate limited in duration?

are authorisations to operate transferable?

17.3 Do above entry regulations apply to an owner-operator? No Yes

17.4 Does an authorization (license, permit, concession or franchise) to operate extent to the entire territory of the country? No Yes

17.5 Is the authorization transferable? No Yes

17.6 What is the average amount of time that the responsible agency may take to reach a decision about a complete authorization? _____

17.7 How many agencies are involved in examining the authorization?

18. Discrimination between foreign companies and domestic ones.

Do foreign firms have the same right to operate in the domestic market as domestic firms?

No Yes

If no, are any of the following constraints in place:

complete prohibition No Yes

limitations No Yes

restrictions on the possibility for foreign firms to operate

No Yes

Others:

Do foreign companies have social obligations without adequate compensation?

No Yes

Does the government provide subsidies to domestic companies?

Bus No Yes

Truck No Yes

e) Are there any regulations setting conditions for operation periods?

f) Do regulations prevent or constrain any value added services: specify below

....

.....

.....

d)

g) Within the last five years, have laws or regulations removed restrictions on certain services:

...

b)

Public consultation and transparency

Which of the following are consulted in advance of regulatory decisions?

Service providers

Consumer groups

User industries

Other: _____

b) How are laws and regulatory decisions made public?

Published on the regulator's website

Published in an official gazette

Other: _____

E. Past and Future Changes in Policy

22. Please indicate major changes in market access policies, ownership rules, and regulation since 1990. (e.g., domestic liberalization, implementation of free trade agreements, joining of regional trade agreements, privatization etc.) Please attach copies of laws and regulations, if possible.

Area of policy change (market access, ownership or regulation)	Year of chan ge	Description of change

23. Please indicate announced or anticipated changes in the same areas.

Area of policy change (market access, ownership or regulation)	Anticip ated date	Description of change

F. Regional Integration Agreements

Please indicate if there are any preferential arrangements affecting services, and list the preferential measures.

Name of agreeme nt	Partner country(s) in agreement	Date of entry into force	Preferential measures

G. Employment

<p>Main indicators (for the years 1990-2007).</p> <p>How many people are employed by the main national companies? How many people are directly employed in the provision of services? _____</p>
--

What share of the total labor force is directly employed in the provision of services?

What share of workers is employed by foreign-owned operators providing ... services?

What is the annual average wage in this sector?

If available, please attach time series data on these employment indicators them separately. If time-series data from 1990 to 2005 is not available, please collect indicators for the years 1990, 1995, 2000 and 2005.

H. Investment

26. Investment indicators (for the years 1990-2005)

	Total amount of investment	Total amount of foreign direct investment	Total stock of foreign direct investment

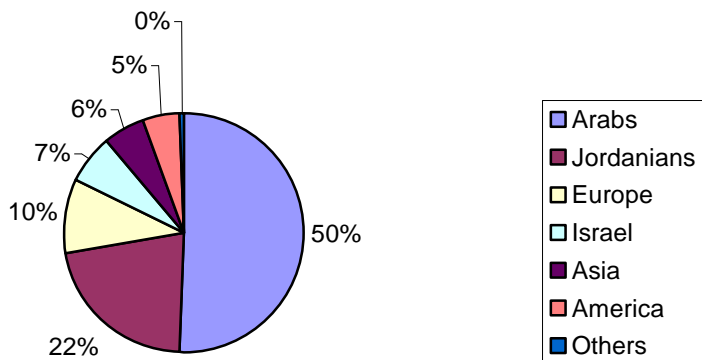
If time-series data from 1990 to 2005 is not available, please collect indicators for the years 1990, 1995, 2000, 2005 and 2007.

I. Prices

Please fill in the table below. If time series data are available, please attach them separately (preferably electronically).

Service	Price (in local currency)	Date	Comments

Inbound Tourist in Jordan 2007



Access to Services

fill in the following indicators of access to services.

Indicator	Value	Date	Comments

K. Innovations

29. Docompanies adopt the following technological innovations?

Innovations	If yes, how many companies out of ten major ones adopt it?
<input type="checkbox"/> Technologicalrelated innovations.	
<input type="checkbox"/> Improved computer systems and administrative controls	
<input type="checkbox"/> Improved systems	
<input type="checkbox"/> Improved facilities	
<input type="checkbox"/> Internet	

Please, provide the name and contact information of the respondent of this questionnaire, or of a specialist from whom we can obtain clarifications if necessary.

Name _____

Telephone _____

Fax _____

E-mail address: _____