



## Jordan's Tourism Sector – Post COVID-19 Road Map for Recovery

March 2021



منتدى الاستراتيجيات الأردني  
JORDAN STRATEGY FORUM



## منتدى الاستراتيجيات الأردني JORDAN STRATEGY FORUM

The Jordan Strategy Forum (JSF) is a not-for-profit organization, which represents a group of Jordanian private sector companies that are active in corporate and social responsibility (CSR) and in promoting Jordan's economic growth. JSF's members are active private sector institutions, who demonstrate a genuine will to be part of a dialogue on economic and social issues that concern Jordanian citizens. The Jordan Strategy Forum promotes a strong Jordanian private sector that is profitable, employs Jordanians, pays taxes and supports comprehensive economic growth in Jordan.

The JSF also offers a rare opportunity and space for the private sector to have evidence-based debate with the public sector and decision-makers with the aim to increase awareness, strengthening the future of the Jordanian economy and applying best practices.

For more information about the Jordan Strategy Forum, please visit our website at [www.jsf.org](http://www.jsf.org) or contact us via email at [info@jsf.org](mailto:info@jsf.org). Please visit our Facebook page at [Facebook.com/JordanStrategyForumJSF](https://Facebook.com/JordanStrategyForumJSF) or our Twitter account [@JSFJordan](https://twitter.com/JSFJordan) for continuous updates about Jordan Strategy Forum.

-  #JSFJo
-  @JSFJordan
-  /JordanStrategyForumJSF
-  Jordan Strategy Forum

Amman, Jordan  
 T: +962 6 566 6476  
 F: +962 6 566 6376

## Table of Contents

Introduction .....	4
International Tourism in the COVID-19 Reality .....	6
Economic Impact of the COVID-19 Pandemic on Jordan's Tourism Sector .....	8
Impact of COVID-19 on Tourism Sub-Sectors .....	9
COVID-19 Recovery Measures .....	15

## 1. Introduction

In January 2020, Jordan's tourism sector was full of aspirations for a great year ahead. Spearheaded by both the public and private entities, the sector looked forward to unprecedented growth. However, the unexpected spread of the COVID-19 pandemic crashed all aspirations and threw one of the main economic pillars of the Jordanian economy into a whirlwind of losses and uncertainties. According to estimates made by Jordan Ministry of Tourism and Antiquities (MOTA), sector losses by end of 2020 would exceed 85% of tourism contribution to GDP<sup>1</sup>.

Up until early December 2020, prospects for 2021 remained somewhat uncertain. However, vaccine news has led to a spike in travel bookings for 2021 and beyond<sup>2</sup> bringing back high hope that the new vaccine will help stabilize the situation. Expectations for travel varied between destinations, with many expecting traffic to start returning as early as the first quarter, but primarily domestically or to close-by destinations. Medium and long-haul travel, on the other hand, was expected to return around the third quarter of 2020 and even further.

For Jordan, the return of tourism is a high priority. But, for tourism to return, there are certain measure that need to be in place:

- Ensuring that there is a strong private sector that is able to operate a seamless travel experience, enacting strict protocols for health & hygiene,
- Rebuilding the trust of travelers in the destination, together with the private sector, through a well-organized communication campaign and provision of detailed and accurate information that is easily accessible,
- Embracing the acceleration of technological transformations on both private and public sector levels to be able to offer a contactless process,
- Offering continued support to the Travel & Tourism sector, while introducing new incentives for development of sustainable practices and responsible transformation,
- And most importantly increasing cooperation with other countries to ease travel restrictions and allow growth and recovery.<sup>3</sup>

Sadly, the losses to date are very big, with almost 100 travel agencies closed, 800 restaurants and local cafes, 80% of hotels rated 3 stars and below and some 14,000 employees all lost their sources of income and closed<sup>4</sup>. Mid-March 2021 the Jordan Society for Travel Agencies (JSTA) announced that by end of March all its members will close offices and shall release all employees if no serious support is offered<sup>5</sup>. Therefore, it is imperative that government does not impose further burdens on companies already suffering from dramatic liquidity problems and low prospects for survival.

2021 started with some new hope for the sector in Jordan. With the elevation of Friday lockdowns early January and eliminating the need to quarantine upon arrival brought first

<sup>1</sup> Al Rai newspaper, local news – [Risk Fund Achievement and further support for the sector](#), published 10/12/2020

<sup>2</sup> [Travel bookings spike as vaccines fuel optimism for 2021 and beyond - The Washington Post](#)

<sup>3</sup> [To Recovery & Beyond - The Future of Travel & Tourism In The Wake Of Covid-19, WTTC & Oliver Wyman](#), 9/2020

<sup>4</sup> Al Rai newspaper – [Government efforts did not correspond with the severe impact on sector](#) , published 14/1/2021.

<sup>5</sup> Al-Ghad newspaper – [Tourism companies threatening to shut down](#), published 17/3/2021.

signs of sector relief and increased hope that inbound tourism will return sooner than later. However new lockdowns worldwide and in Jordan by late February and early March will result in delayed recovery. UNWTO news published March 8<sup>th</sup> confirms that “One in three destinations worldwide are now completely closed to international tourism... the emergence of new variants of the COVID-19 virus has prompted many governments to reverse efforts to ease restrictions on travel, with total closures to tourists most prevalent in Asia and the Pacific and Europe. As of the beginning of February, 32% of all destinations worldwide (69 in total) are completely closed for international tourism. Of these, around just over half (38 destinations) have been closed for at least 40 weeks. At the same time, 34% of worldwide destinations are now partially closed to international tourists”.<sup>6</sup>

This paper examines the impact of the current crisis on the various tourism sub sectors in Jordan and explores various opportunities that may support the sector’s inclusive recovery as tourism returns.

---

<sup>6</sup> [Tightened Travel Restrictions Underline Current Challenges for Tourism \(unwto.org\)](https://www.unwto.org/en/news-room/press-releases/2020/03/08)

## 2. International Tourism in the COVID-19 Reality

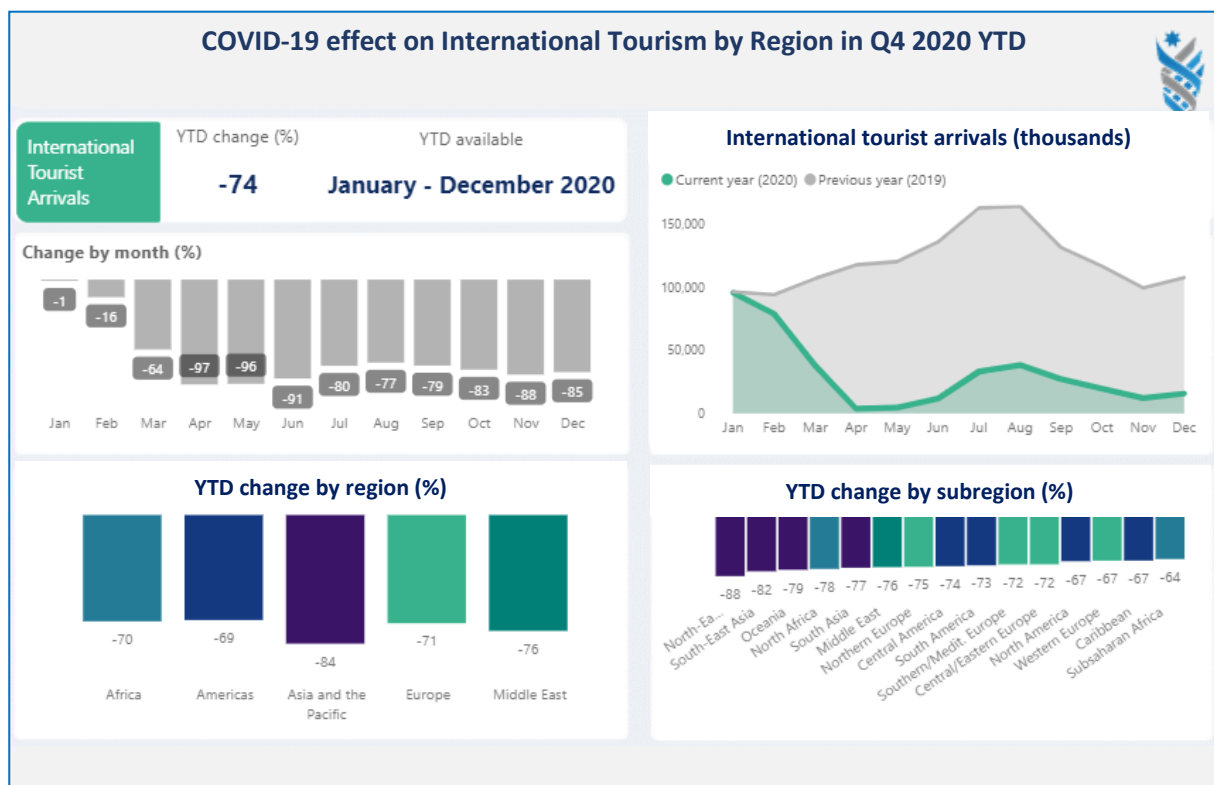
The COVID-19 pandemic is leaving all sectors of the global economy with a serious challenge. However, there is no doubt that tourism sector was among those hit hardest. With borders closed around the world, aircrafts grounded, and serious outbreaks of the virus in many of the key international tourist source markets, resulted in confining passengers' movement to Jordan, and other tourism receiving countries.

Due to the unprecedented nature of the pandemic, many countries have been exploring different recovery scenarios. Sadly, there is not a single scenario that fits all. In various countries, financial incentives have been granted to city councils, underprivileged families, and rural communities. Food and supplies have also been sent to frontline workers and vulnerable groups. Some business chambers have worked with the public, real estate, and financial and legal entities to provide SMEs with funding and identify guarantors for those unable to receive a loan. Associations have engaged in local pandemic committees to flag up the most pressing issues and better articulate necessary support.

“As of September 2020, more than 121 million jobs and livelihoods in the Travel and Tourism sector have been impacted globally creating the worst economic and social crisis.”

World Travel & Tourism Council

The UNWTO, illustrates the situation in the international markets compared to 2019 results as below:<sup>7</sup>



<sup>7</sup> <https://www.unwto.org/international-tourism-and-covid-19>

International tourism expenditure resulted in a loss of US\$ 730 billion in export revenues from international tourism between January till August 2020<sup>8</sup> and continued to reflect very weak demand for outbound travel through 2020.

In August 2020, the United Nations published a policy brief<sup>9</sup> to help transform tourism recovery. The brief highlighted 5 primary areas of focus that need to be addressed:

- 1- Manage the crisis and mitigate the socio-economic impacts on livelihoods, particularly on women's employment and economic security.
- 2- Boost competitiveness and build resilience.
- 3- Advance innovation and the digitalization of the tourism ecosystem.
- 4- Foster sustainability and inclusive green growth.
- 5- Coordination and partnerships to transform tourism and achieve the SDGs.

For many countries, domestic tourism has been a good backbone to fall on. This is especially true for larger countries, where domestic tourism is already well developed, and where the number of inbound visitors does not represent a major income in comparison to domestic travel. According to the WTTC, as of 2019, the majority of the global Travel & Tourism expenditure continues to be generated by domestic travel, accounting for 71.3% of total global spending, with only 28.7% coming from international visitors<sup>10</sup>.

---

<sup>8</sup> UNWTO, World Tourism Barometer. Volume 18. Issue 6. October 2020.

<sup>9</sup> United Nations - Policy Brief: COVID-19 and Transforming Tourism, AUGUST 2020.

<sup>10</sup> WTTC, Travel & Tourism, Global Economic Impact & Trends 2020, June 2020.

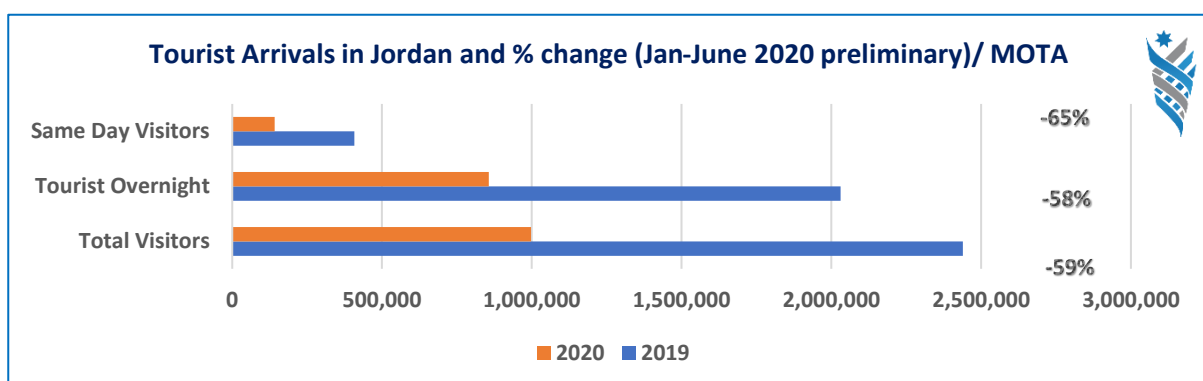
### 3. Economic Impact of the COVID-19 Pandemic on Jordan's Tourism Sector

Jordan's overall economic growth slowed down through 2020, reflecting only partially the impact of COVID-19 pandemic. Meanwhile, labor market indicators for the second quarter of 2020 reflected the significant disruptions of the COVID-19 crisis. The unemployment rate has risen to 23% in Q2-2020 compared to 19.3% in Q1-2020<sup>11</sup>. Simultaneously muted tourism and trade (hit by the global turndown) have led the IMF to revise its originally forecasted Jordan's GDP growth of 2.4% for 2020 and change it to a contraction of 3.7%.<sup>12</sup> According to Jordan Department of Statistics, Q3 of 2020 witnessed a decrease in economic growth by 2.2% over same period in 2019; while hotels & restaurants were among the most affected sectors with a decrease of 9.1%.<sup>13</sup> Bearing in mind that Hotels, restaurants, and retail sector contribute to 10.6% of GDP.

Although tourism economic numbers in the first few months of 2020 were higher than the previous years, this growth gradually slowed down in March. With zero tourist arrivals after March, all major tourism economic indicators witnessed a severe drop:

YTD change for Jordan's Tourism Indicators, MOTA, Q2 2020			
Indicator	Jan-May 2019	Jan-May 2020	% change
<b>Total Tourism Income (JD Million)</b>	1,504.00	784.00	-47.9%
<b>Jordan Pass Sales (JD)</b>	7,671,540.00	3,133,060.00	-46%
<b>Total Arrivals</b>	1,983,200	997,726	-49.7%*

\*Total arrivals % of losses by end of June 2020 were -59.1%.



<sup>11</sup> Source: [Jordan Overview \(worldbank.org\)](https://data.worldbank.org/jo)

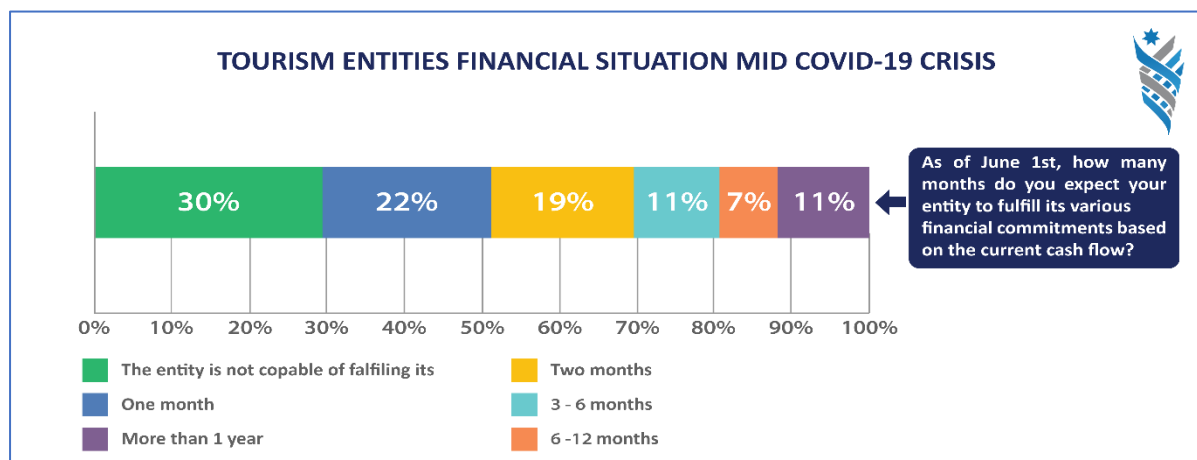
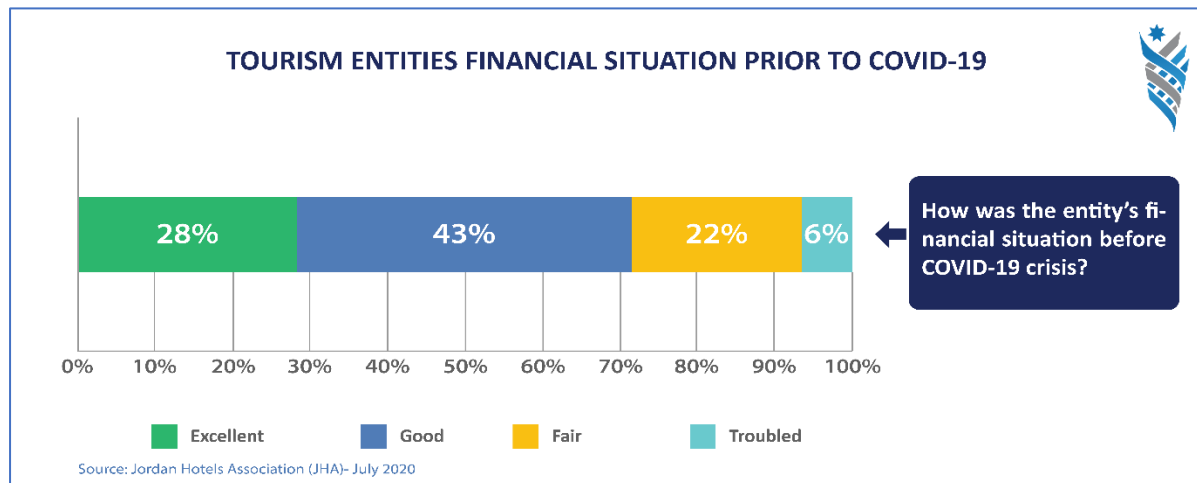
<sup>12</sup> Arabia Monitor - MENA COVID-19 Situation Report - Middle East & North Africa Outlook. Issue 11 – Updated 08 June 2020

<sup>13</sup> Al-Ghad newspaper – 2/1/2021 - [Hotels and restaurants among the most affected sectors](#)



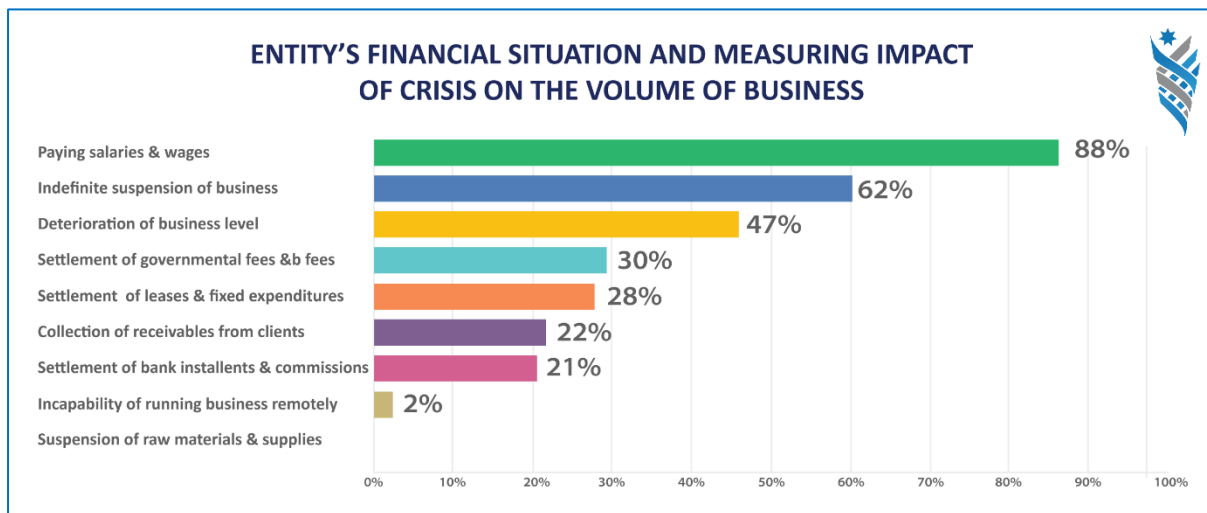
## 4. Impact of COVID-19 on Tourism Sub-Sectors

In a study published in July, 2020<sup>14</sup> by the Jordan Hotels Association (JHA), assessing the economic impact of the crisis on the sector (covering 87% Hotels, 7% Travel Agencies, 5% Restaurants, 1% handicrafts), it was clear that the private sector's financial situation was strongly affected by the decreased volume of business. The following 2 charts show the difference in the status quo of various entities prior and during the pandemic:



In regard to the areas most affected within the various business establishments, the chart below highlights what constituted the biggest worries for surveyed entities:

<sup>14</sup> Impact of Covid-19 on Tourism Sector in Jordan, conducted by Edara in cooperation with JHA, July 2020.



## 1. Hotels

There are a total of 604 hotels in Jordan of various categories employing a total of 20,918 people in 2019. Of these 64% are located in Amman and 14% located in Aqaba. At the start of the pandemic when all economic sectors were closed, the Government of Jordan, in an unprecedented step to support 5- & 4-star establishments, opened up hotels as quarantine facilities to accommodate returning Jordanians from abroad (Dead Sea, Amman and Aqaba). As the country gradually returned to business by mid-June, hotels were allowed to open up for visitors at 50% capacity and later at 75%, under strict rules and conditions to maintain social distancing measures and enhanced sanitization. By September, a total of 90 hotels were engaged in quarantine measures. Though a number of employees returned to work, staff deemed unnecessary for the operation during this period (such as sales teams, PR, etc.) stayed home with a 50% and subsequently a 70% salary decrease. Aqaba's hotels probably benefited most throughout 2020 being a favorable domestic destination. Nevertheless, Aqaba witnessed its lowest occupancy rate in its history. And while 4- and 5-star hotels were mostly in demand by capable Jordanians, majority of 3-star hotels and less (that rely primarily on foreign tourists) remained closed and are suffering heavy financial losses.

## 2. Restaurants

The 2<sup>nd</sup> biggest tourism sub-sector, with 1031 tourist restaurants registered in 2019, employing a total of 20,701 people. After almost 40 days of total lockdown, tourist restaurants were re-opened in May 2020 only with delivery options and minimal staff to operate, which many found challenging and not feasible. In June 2020, all restaurants including the hubbly-bubbly cafes were allowed to receive clients on location, with restrictions in allowed visitor capacity and number of operating staff. Restaurants in Amman and other main cities relying on domestic market benefited from the opening. While those relying on foreign tourists, around tourism sites and along trails, continued to suffer. Some restaurants in governorates participated in "Urdon Janneh" domestic programs, however the extent of their benefit is not very clear. With a new lockdown for 2 weeks imposed on all restaurants mid-September, any benefit gained in summer months was jeopardized again,

and continued lockdown on Fridays for the last 13 weeks of 2020 and early curfew hours, cumulatively resulted in some 65% of revenue losses for restaurants in 2020, with 13650 jobs at risk and 654 establishments at risk of closure, according to an assessment conducted by the Jordan Restaurants Association.

### 3. Tour Operators & Travel Agencies

There are 256 registered tourism offices in Jordan spread into 4 categories (Inbound, Outbound, Ticketing and Pilgrimage) and they employed 4793 people in 2019. Inbound operators constitute the majority of these offices and represent 76% of all leisure inbound spending in the country. They sustain 2,600 full time jobs and 350-part time jobs with an annual wage bill of 32.1 million JOD. With the closure of airport all their operations were put on hold and all bookings were cancelled resulting in significant financial burdens. Whilst many Inbound tour operators have benefitted from the refund of their membership fees by MoTA and JTB, there is considerable concern and anxiety amongst all the operators with regards to their cash flows. With around 60%-70% of annual costs being on salaries (with an average monthly salary being JD970), the continuity of many operators is in question. It is estimated that by mid-2021 as many as 30%-40% of all inbound tour operators may cease to trade. For those who survive, the ability of marketing their services when tourism reopens is a major concern due to a lack of cash flow as a result of supporting wages, which will limit their capability in attending trade shows and undertaking other marketing activities that are critical to the growth of their businesses in 2021 or beyond.<sup>15</sup> As it became clear that tourism will not return until Q2 2021, the tour operators pleaded government for extra support measures to help them survive through a full year of zero income. Despite the prime ministry's decree of involving tour operators in the operations of returning Jordanians, this decree has not been implemented. Furthermore, the domestic program of "Urdon Jannah" barely engaged tour operators, while the medical tourism revival program cut them out completely allowing hospitals to perform their role. Very few benefited of the offered government support through the SSC and CBJ, due to complex bank requirements and banks' labeling of the sector as a high-risk sector.

### 4. Tour Guides

With 1,229 tourist guides registered in 2019, the tour guides community were hit very hard by the pandemic, as they are primarily self-employed and only rely on inbound tourism. In June, the Government allocated 3 million JDs to support the tour guides through a bank loan program guaranteed through the Jordan Tourism Board (JTB). Through this program, each guide could get a loan of up to 5000 JD with a low payback percentage where money is dispersed over a 10-month period in even batches with a grace period for pay back. Since this amount was not enough for all, the Jordan Tour Guides Association (JTGA) had to set eligibility criteria, where retired tour guides receiving support from Social Security and those employed by companies were excluded from this support scheme. By end of the year some 350 guides benefited from this program with a total sum of 1,750,000 Jordanian Dinars. However, many

<sup>15</sup> Impact and Challenges Facing the Inbound Tour Operators Sector in Jordan, USAID Building Economic Sustainability through Tourism Project, October 2020.

who were eligible couldn't receive it due to complication in bank procedures. Some Tour guides also received food support packages from other government programs as a mean of support and 152 tour guides received a one-time sum of 299.5 JOD as support from the "Himmet Watan" program with another 300+ still in line. Meanwhile MOTA engaged some 730 tour guides in the "Urdon Janneh" programs with a total support of JD 580,000, where some worked just 3 days a month while others managed 20 days a month for the duration of 5 months.

## **5. Souvenir Shops and Producers of Local Handicrafts**

Similar to the rest of the sector, 314 registered souvenir producers and shops employing 862 people were all hit hard as they primarily rely on foreign tourism. A few were included in the Urdon Janneh program due to their convenient locations as stops for busses on the Desert Highway. Souvenir shops and producers were also offered a loan program through the JTB similar to the tour guides. In addition, MOTA launched an online application to help sell their products online, but it never saw the light of implementation.

## **6. Tourism Busses**

With a total of 8 tourist bus companies registered in 2019 employing 2050 people, some received support through the Urdon Janneh program and others were available for private rentals by Jordanians wishing to experience tourism with groups of family and friends. Nevertheless, lack of international tourism resulted in severe financial losses for all companies. It is estimated that under the Urdon Janneh program by July 20<sup>th</sup>, 10,239 people used tourist busses through travel agencies and a total of 933 busses were operated. By end of 2020, all tourism bus companies were in critical condition and pleaded for government support to survive.

## **7. Rent a Car Companies**

There were 253 companies registered in 2019 employing 1902 people that cater to tourism sector as well as to expats and Jordanians residing abroad when visiting. At the start of the pandemic, many international companies and NGOs released their staff and returned cars that were under long contracts. With airport closure to many Jordanians residing abroad and a minimal domestic market, most rent-a-car companies closed doors and have either released their staff, or those who were able to, maintained staff at 50% salary. Office bonds were released by ministry in attempt to ease the conditions. Starting August 15, MOTA included Rent a car option in the Urdon Janneh program. In June, the GOJ promised to lower sales tax for rent a car contracts, which may have helped in attracting business, but this promise was not fulfilled. Many attempted to receive loans, first through Central Bank, and after several months of waiting they were redirected to their respective banks, who complicated loans with very difficult to meet requirements. The Union of Rent-a-Car owners addressed Ministry of Transport to make benefit from Sales Tax balances, and despite the ministry's verbal consent, no action has been taken. Furthermore, the Union discussed with Aqaba Airport the option to return the money paid for 2020 booth renewals, but there was no response from AQJ

management. ASEZA has also been unresponsive to Union calls for releasing bonds for parking spaces and exempt licensing fees.

## 8. Air Travel

On September 8<sup>th</sup>, Queen Alia International Airport (QAIA) resumed regular international flights after a five-month hiatus, with the exception of government-operated flights to evacuate Jordanians stranded abroad and cargo flights, which resulted in severe financial losses amounting to JD 200 million for the overall sector as per Ministry of Transport calculations<sup>16</sup>.

COMPARISON OF PRIME QAIA INDICATORS FOR THE FIRST 9 MONTHS OF 2019 AND 2020 <sup>17</sup>			
Indicators	2019	2020	% difference
Number of Arriving Aircrafts	35.9 thousand	9517	-73.5%
Number of Departing Aircrafts	25.3 thousand	9491	-62.5%
Number of Arriving Passengers	3.5 million	837.9 thousand	-75.8%
Number of Departing Passengers	3.4 million	868.7 thousand	-74.7%

Despite government's support, packages offered to various economic sectors in response to the crisis, including tourism, were more targeted towards the protection of workers through extended and low interest rate loans from the Jordan Social Security Corporation (SSC) and Central Bank of Jordan (CBJ), but resulted in additional financial burdens for many MSMEs.



<sup>16</sup> Al-Ghad newspaper, 9/12/2020 – Airport arrivals to Jordan are down by 76%.

<sup>17</sup> Al-Ghad newspaper, 9/12/2020 – Airport arrivals to Jordan are down by 76%.

One of the most positive acts of government perhaps was the establishment of the long called-for “Risk Fund” in November 2020 with a starting capital of 20 million JOD, the operating mechanism of which and sustainability plan are still in development. It is clear therefore that the tourism sector cannot survive without real government aid.

Based on the above and following the current developments in the sector it could be estimated that almost 80% of sector employment is in danger. Therefore, government needs to closely cooperate with the sector to find solutions because:

1. It is in the interest of government to help the sector taken tourism’s propensity for growth.
2. There will be little collection of taxes during this crisis (weak revenues; weak cash flows), hence government unlikely to lose much providing at least a 12-24-month tax relief.

## 5. COVID-19 Recovery Measures

To ensure Jordan's best-case recovery scenario post COVID-19, it is essential to instill programs that will help the sector survive, adapt, and then commence recovery. Short- and medium-term programs are essential and can be achieved through a number of focus areas. The good news is that Jordan has been featuring in many prime international media channels as one of the most desired destinations in 2020 and 2021, and one present on many bucket lists.

It is expected that four major trends will lead the way through for tourism recovery and beyond<sup>18</sup>. By examining the variety of recommendations by world tourism leaders and leading tourism organizations, and looking into Jordan's current situation, the Jordan Strategy Forum has compiled a list of recommendations within these four trends, for policy makers, advocacy leaders, public and private sector stakeholders in Jordan to consider, as they fight their way through the pandemic chaos:

### DEMAND EVOLUTION

Traveler preferences and behaviors have shifted toward the familiar, predictable, and trusted. Domestic and regional vacations and the outdoors will reign in the short-term. Transparent communication on pandemic situation and travel procedures to Jordan will be even more important to travelers in spurring demand. Though the longevity of these shifts is still unclear, the Travel & Tourism sector has a unique opportunity to rethink prevailing business models and co-create with local communities<sup>19</sup>. Specific actions in this area may include:

#### JORDAN NEEDS TO BE READY IN TWO WAYS:

- 1- Private sector has survived and is ready to operate in post pandemic conditions with a higher quality of service and stronger adherence to health protocols, with additional focus on sustainable and responsible travel practices.
- 2- Government is ready to support the private sector through financial and fiscal incentives, provision of protocols and ensuring that all parties within the tourism value chain are working coherently to ensure the health safety of its visitors, while working on the international arena to facilitate movement and trust of international travelers.

#### 1. Continued Development of Domestic Tourism

Despite its current weaknesses, domestic tourism should receive necessary support from the government to build trust in the local tourism product by locals and residents, ensure higher quality of standards and provide enough information and resources for people to be able to travel around, experience the various products and programs, and support local communities. It's important to build on the existing programs and better engage private sector to allow them to innovate and showcase their capabilities to the local market.

#### 2. Collaborative SMART Marketing and Market Intelligence

The Jordan Tourism Board should lead the sector through timely provision of intelligence data and compile it into a holistic cooperative marketing program that will encourage local hotels and tour operators to market the destination with minimal risk to their scarce finances.

<sup>18</sup> To Recovery & Beyond - The Future of Travel & Tourism In The Wake Of Covid-19, WTTC & Oliver Wyman, 9/2020

<sup>19</sup> To Recovery & Beyond - The Future of Travel & Tourism In The Wake Of Covid-19, WTTC & Oliver Wyman, 9/2020



Through assessing the online demand for Jordan (sector leaders expect tourism demand to surge as soon as Q1 2021) the JTB can guide the private sector into preparing targeted offers. Research shows that people coming out from lockdown will be hungry for travel and will be looking for meaningful experiences, clean beaches, hiking, outdoor and wellness activities that will give them more energy and will help come out of the gloomy lockdown mood.

### **3. Digital Forums**

Until the sector is able to meet in person, digital forums, and virtual networking opportunities and B2B activities for Jordanian, trade with existing and potential businesses abroad should be maintained and organized as soon as possible in a coherent manner for the sector to follow. This could be done by source markets (newly identified through research as those with the biggest propensity for travel in the nearest future), and / or by focused segments like adventure, medical, religious. The idea is to keep Jordan on the map and give Jordanian businesses the opportunity to connect with their peers and explore new opportunities.

### **4. Product Prioritization and community engagement**

In the coming year, it would be imperative to prioritize tourism and archaeological sites as well as local communities that may be most in demand and would be most ready to receive guests while adhering to necessary protocols. Such prioritization will help identify gaps and direct necessary work to eliminate them easily through intensive training of communities and staff around these locations, with added attention to detail for necessary physical improvements. In turn, this will ensure that adequate high-level service is produced for the early international travelers and thus result in positive feedback for family and friends.

### **5. Work on a collaborative marketing campaign for Medical tourism**

That involves hospitals and other medical institutions, hygiene and pharma companies, hotels, tour operators, transport companies, tour guides, souvenir shops and handicraft producers. In such a campaign, each of these components have a role to play without being shadowed by others. This requires a review of the current composition of the Board of Trustees of Health Tourism at the Jordan Tourism Board to ensure the full representation of sectors involved. Cooperation with international insurance companies will be of great benefit to ensure the success of this campaign.

## **HEALTH & HYGIENE**

Following and improving hygiene protocols will be paramount for the whole tourism sector value chain to ensure tourist safety is maintained and trust is acquired in Jordan's measures. Specific elements requiring attention in this regard include:

### **1. Communication is Key**

Given travelers renewed interest in safety and cleanliness, businesses will not only have to implement such protocols, but communicate them in a clear and simple way, providing travelers with easily accessible, digestible, accurate, and timely information and facts about



the health and safety procedures in Jordan and be open to answering questions to inform their decision-making.

## **2. Pass and enforce anti-littering law**

Littering needs the attention it truly deserves, as it has been a major challenge in recent years and needs to be properly regulated. As we move into the “travel New Normal”, where travelers will be more demanding especially in relation to cleanliness and hygiene, this area will negatively impact recovery plans and will create unnecessary negative feedback for those seeking more information for their travel decision making.

## **3. Revise Medical Tourism approach and promote medical integrity**

As the pandemic brought new trust in the Jordanian medical system, it is a golden opportunity to reassess previous weaknesses and travelers’ concerns (including cost of treatments control), and reposition Jordan, as a medically and technologically advanced hub that can attract regional and international patients in cancer treatment, cardiac treatment, general surgery, pediatric and gynecology, dentistry, eyes and vision, medical support centers, Labs and X-ray centers, and specialized clinics. A special online “medical visa” should be considered for this purpose with full medical history to be submitted pre-arrival. It is also necessary to set “An Integrity Oath” for medical facilities and personnel to ensure the reliability of those working in these sectors, and possibly create and promote a special quality seal for medical tourism over the longer term.

## **4. Public-private partnership to offer Liability and Medical Insurance for travelers and staff**

Government and private sector need to consolidate efforts to offer liability insurance scheme for travelers which is now a worldwide requirement for tour operators. In addition, tourism sector employees should have stronger sense of security through provision of medical insurance for them. MSMEs that cannot afford staff insurance or do not comply with minimum insurance requirements can pool into a group for insurance offers (could be via business associations or 3rd parties). Smaller companies may also partner with hotels that have enough staff and can get better insurance rates. Furthermore, it is necessary that local communities that offer tourism services can benefit from such partnerships as this will show a direct benefit for them from tourism and will ensure that they are able to continue offering their services after the crisis.

## **INNOVATION & DIGITISATION**

COVID-19 is proving to be an unexpected catalyst in the Travel & Tourism sector’s quest for innovation and the integration of new technologies. Amid stay-at-home orders, digital adoption and consumption are on the rise, with consumers now expecting contactless technologies, including biometrics among others, as a basic prerequisite for a safe and seamless travel experience. Cybersecurity is only becoming more important, particularly as remote work becomes the norm in the short to medium term and as identities are digitized. While digitization offers tremendous opportunities, precautions are needed to make sure

employees and local communities are not left behind this digital revolution.<sup>20</sup> Specific actions should include:

### 1. Fast track digitization of tourism operations to full online presence

Whether it is responding to customer demand, decreasing the cost of operation by reducing dependency on a large physical location or expanding reach, there are certain benefits for companies to go online. Tourism sector can benefit from many tech and fintech advances in Jordan to assure their travelers and partners of cybersecurity.

### 2. Digitization of entrance tickets to sites

This would include archaeological sites, museums and other tourism locations with entrance fees managed by MOTA, ASEZA, PDTRA and similar. This will also help in the management of tourists' flow in Petra and Jerash for example, by requiring advance reservations. This can address local safety and social distancing requirements and crowd management, while supporting gradual adoption of sustainable destination management practices to preserve these sites. Furthermore, this can provide additional income for licensed tour operators with a selling advantage over direct online sales to consumers, through commissions and free tickets based on number of bookings and other incentives.

### 3. Develop a support program for innovative ideas and partnerships in tourism

This includes waste management projects, water conservation, community projects, eco transport, marketing, etc. For example, Red Roof hotel chain in the US launched its "Work under Our Roof Day Rate" with reduced rates for anyone looking for a quiet place to work during the day, including Wi-Fi & in-room coffee. Another new marketing program, called "Buy Now, Stay Later", is attempting to help hotels during the crisis by selling "hotel bonds". In Jordan it can be adapted to reduced rates for business and repeat customers, and even for local tour operators.

#### Partnering for success



### 4. Promote "Tourism Accelerators" and "Hackathons"

To support innovation and startups and link them to local, regional, and international venture capitals. This will help promote design thinking to support MSMEs transformation.

### 5. Introduce Hybrid work schedules

In an effort to reduce unemployment and the need to release well trained staff, while simultaneously reduce expenses, companies in the sector may resort to hybrid work schedules where staff can work several days a week, take turns, work partially from home, etc. According to the JSF's paper entitled "Tele-Workable Occupations in Jordan: Winners and Losers of the Full Lockdown", 20.5% of employed Jordanians are potentially able to work

<sup>20</sup> To Recovery & Beyond - The Future of Travel & Tourism In The Wake Of Covid-19, WTTC & Oliver Wyman, 9/2020

remotely. Mapping the percentage on the 2019 total employed labor, this ensures the continuity of roughly 276,000 jobs from home and many people in tourism can do that.

## **6. Partnerships between hospitality and other sectors to help temporary re-direct available workforce into other domains**

Such as medical, tele-marketing, call-centers, packaging, food supplies, training, and other areas. For example, Majid Al Futaym group has activated an employee redeployment program which has seen more than 1,000 leisure, entertainment, and cinema employees being reskilled to join the company's Carrefour business on a temporary basis to assist with online order fulfilment, food packing, stock replenishment, and more. Similarly, in China, 40 restaurants, hotels, and cinema chains optimized their staffing by sharing their employees with Hema, an Alibaba-owned "new retail" supermarket chain.

## **SUSTAINABILITY**

Issues related to social, environmental, and institutional sustainability are becoming more important for travelers. Businesses are facing growing scrutiny, for both their environmental track record and their support for diversity and inclusion. Internationally tourism employs a high percentage of women and youth compared to other sectors, thus giving the Travel & Tourism sector a unique ability to further protect and engage vulnerable groups whilst reducing poverty and inequality<sup>21</sup>. However, this is not the case in Jordan and the region, which presents an opportunity for the sector to accelerate meaningful changes that will support future growth. Particular actions towards sustainability include:

### **1. Continuous Support of employees and employers**

It is essential that government puts all efforts to keep the reduced taxes and offered social security support for another 24 months until the sector is capable to assume again its financial responsibilities and is steadily on the road to financial recovery and sustainability.

### **2. Promote and incentivize Sustainable Tourism Development Practices and certifications, and encourage circular economy schemes**

It has become imperative that tourism recovery and sustainability is achieved through a well-organized and structured manner that adopts certain destination management and development certification schemes. This can be easily achieved by starting with small steps by encouraging ministries, local governments, hotels and local accommodations, restaurants, tour operators, tour guides and handicraft producers to:

- Support the employment of people with various disabilities, provide them with appropriate transportation and amenities, and encourage tourists with disabilities to visit Jordan.
- Give preference to local purchases, local produce, and local suppliers.
- Work with composting programs.
- Engage in green water and electricity schemes.

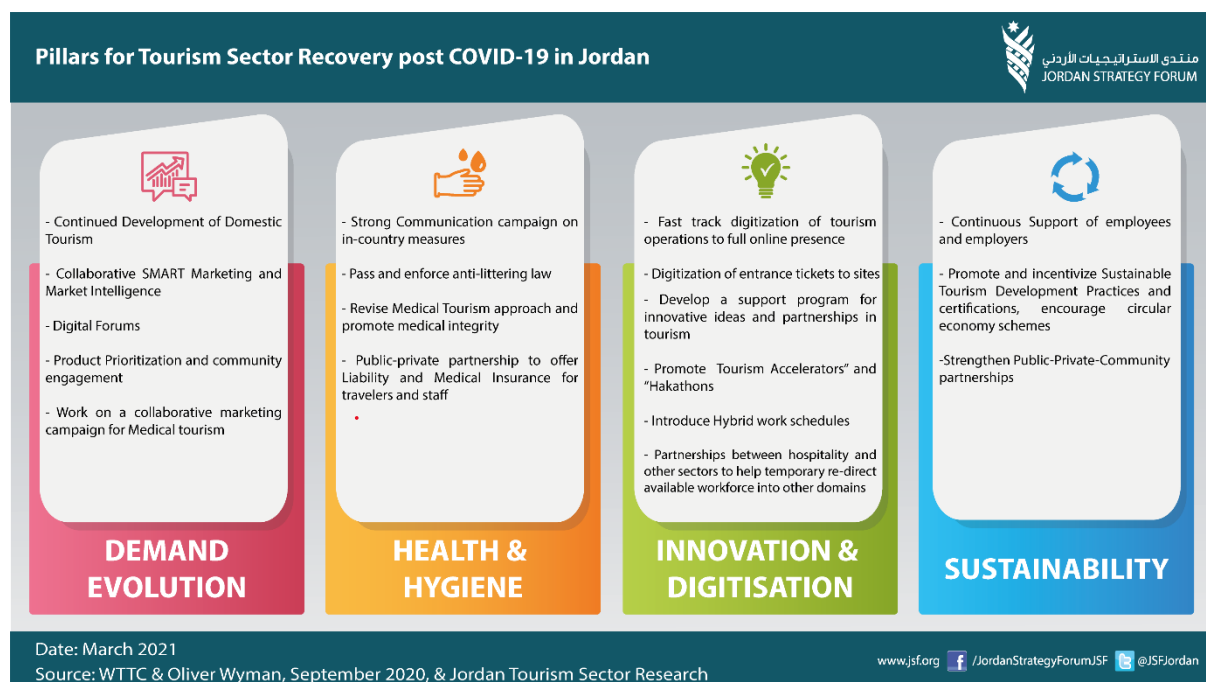
<sup>21</sup> To Recovery & Beyond - The Future of Travel & Tourism In The Wake Of Covid-19, WTTC & Oliver Wyman, 9/2020

- Introducing Solid Waste Management systems
- Implement sustainability certification schemes for both public and private entities, by choosing an international program that is most to Jordan.

### 3. Strengthen Public-Private-Community Partnerships

There are several levels to such partnerships:

- Local communities will be crucial partners in designing the types of authentic, immersive experiences that travelers will increasingly demand in this new age of travel, therefore there is a big opportunity to redesign some of the programs offered to tourists around resort areas and in less known locations.
- The newly formed “Risk Fund” is a great step and opportunity for government to work in a collaborative approach with the private sector and communities working in tourism to develop the rules and regulations for funds’ accumulation and disbursement. This is an opportunity for the private sector to enter into a financial partnership with government. The fund can be financially strengthened through donor funds and central bank deposits as a start and maintained through reinvesting a percentage of tourism receipts into it on the longer run. One way of funds disbursement in crisis conditions could be offering a 0% company loan that is collateralized by the participating company’s real estate, which will help keep the property/business in a minimal operational condition and fully prepared to serve the future flow of tourists. Funds can also be disbursed as a for-profit grants-based program developed for tourism sector MSMEs and managed through business associations or Tourism Chamber (if one is developed in the future).
- Facilitate and institutionalize a platform for young, creative and dynamic sector players to take a bigger role in sector dialogues and thus contribute to the development of national strategies and directions.





منتدى الاستراتيجيات الأردني  
JORDAN STRATEGY FORUM

Tel: +962 6566 6476

Fax: +962 6566 6376

[info@jsf.org](mailto:info@jsf.org)

[www.jsf.org](http://www.jsf.org)

[f /JordanStrategyForumJSF](https://www.facebook.com/JordanStrategyForumJSF)

[t @JSFJordan](https://twitter.com/JSFJordan)