THE HASHEMITE KINGDOM OF JORDAN
MINISTRY OF TOURISM AND ANTIQUITIES

THE WORLD BANK

THIRD TOURISM DEVELOPMENT PROJECT
SECONDARY CITIES REVITALIZATION STUDY

Jerash

Economic profile

Annex 3

JOINT VENTURE OF COTECNO WITH ABT ALCHEMIA CDG MGA

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Table of contents

Abbreviations and acronyms

CAS	Country assistance strategy
CH	Cultural heritage
CBO	Community based organisation
CRP	City revitalisation pact
DOS	Department of Statistics
EIA	Environmental Impact Assessment
GMM	Greater Madaba Municipality
GOJ	Government of Jordan
IBRD	International Bank for Reconstruction and Development
ITFCSD	Italian trust fund for culture and sustainable development
JTB	Jordan Tourist Board
MENA	Middle East and North Africa
MOE	Ministry of Environment
MOMA	Ministry of Municipal Affairs
MOPIC	Ministry of Planning and International Cooperation
MOTA	Ministry of Tourism and Antiquities
NEAP	National Environnemental Action Plan
NGO	Non Government Organization
PA	Public Awareness
PPP	Public-private partnership
STDP	Second Tourism Development Project
TOR	Terms of reference
TTDP	Third Tourism Development Project
UNESCO	United Nations Educational, Scientific and Cultural Organisation
URP	Urban regeneration program
VEC	Valued Environmental Components
WB	The World Bank
WHL	World heritage List
WTO	World Trade Organisation

1. Executive summary

1.1. ECONOMIC BASE

Jarash Governorate, which covers an area of 402 Km^2, is located in the northern region of Jordan. Jarash city, in Jarash Sub-District within the Qasabat Jarash District, is the main city in the Governorate. In 2004 the city counted a population of around 31,500 inhabitants and in the last decade it has experienced a demographic dynamic similar to the national one, increasing of around 25%. Furthermore, the fertility rate in Jarash is one of the highest in Jordan, standing at 5.4 children per woman, compared to 3.7 in Amman. **Thus, Jarash boasts a young population:** around 44% are below 19 years old and as such are school, college, or university students.

The average annual household income of Jarash Sub-District is JD 4.810, the same of the Governorate as a whole; the **poverty rate has declined** by 10.33% from 1997.

1.2. EMPLOYMENT

Only 35.8% of the 15+ years old population of Jarash Governorate are economically active, (only 9.2% of the females). This low level of activity is related to the high presence of young and the **lack of work among women**; in fact, the students constitute more than 1/3 of the economically inactive population, and the housewives more than a half. Also, 29.1% of the population is employed, only 6.6% of the females. The three **most labor-intensive sectors** are the public and armed forces sector (which employs 31% of the economically active population), the commercial sector (17.4%) and the education one (12%). As such, excluding the education and public sectors and the army, the great majority of Governorate population is employed in commercial activities. This is a clear sign of **weakness of the local economic system**, which has shown to be much less dynamic than the national one, which in 2004 has been able to create jobs overall in some tourism related sectors (such as hotels, restaurants, real estate and personal services).

Unemployment rate in Jarash Governorate is **18.9%**, higher than the national one and have **slightly increased** in the last 3 years. This indicates a growing employment problem; there is a mounting discouragement among the potential workers who have become tired of seeking work: 74% of the economically inactive persons believe there are no jobs around. The **unemployed are mostly educated holding diplomas or university degrees,** and the trend over the past five years shows an increasing number of applicants for work in the government.

As for **foreign labor**, by the end of 2003, the Ministry of Labor has permitted 5,962 foreign laborers for work, 84% of them being Egyptians who work overall in the agricultural sector, and in construction and unskilled production.

Regarding **social development potential,** the main problem is to improve the productivity and capability to compete in the market above all in handicrafts sector, as well as in the local typical agricultural production and all the others tourist related activities, also by creating new small and medium enterprises (SME) or strengthening the existing ones.

1.3. PRIVATE SECTOR DEVELOPMENT

In Jarash almost all establishments are small, employing less than 5 persons: manufacturing establishments have the biggest dimension and trade the smallest.

62% of businesses in Jarash city are in the commercial trade sector and as such are small retail shops rather unattractive, neither in their displays nor in the quality of goods they sell (mostly car parts, food stuff and clothes or shoeware). Almost all stores are located in the commercial area of the city, a gridded network of narrow streets, the two major and most wide of them being the King Abdullah Street to the west and King Hussein Street to east, both characterized by traffic, chaos and disorganization. As such, Jarash is in need for **better regulation of professional licensing** in order to control proper distribution of activities, as well as **finding a solution to the parking and traffic problems** in the streets.

As for the **informal sector,** women aged between 25 and 45 years old lead it and run their operation by themselves. In general, informal operators will be ready to sell away from their home at specified marketing places, even if not all are willing to attend training to enhance their product and make it more attractive.

Apart from the absence of a fixed facility from where to display and sell the products in a sustainable manner, other **major problems** reported by informal operator are: competition - mainly because they produce similar products and share the same market -, lack of marketing and outreach programs, and lack of raw material. Besides it, finance is another need for the informal businesses. Currently in Jarash there are 5 institutions offering micro-finance to 826 informal businesses.

NGOs and community based organizations play an important role in supporting the informal businesses and providing training and awareness raising. Such organizations are welfare associations in addition to government-supported centers representing national programs such as Enhanced Productivity Projects (IRADA) and the Knowledge Stations. All are effective in offering specialized training to the entrepreneurs in topics such as IT, sewing, food production techniques, how-to-start-your business courses, and political awareness raising. Those community-based organizations are the main outreach to the community, however **coordination between their efforts is highly needed** in order to organize the social dynamics of their work, and avoid redundancy and competition in resources.

Finally, the economic activities that could be easily "upgraded" to provide tourism or culture related services, jobs and products, and that will benefit from the launch of the city revitalisation process, could be summarised as follows:

- the **construction sector** (small enterprises and craftsmen);
- the **commercial sector** (shops in the historic core);
- **handicraft** (formal and informal production);
- the **informal sector**;
- the **public/municipal sector**;
- **tourism-related activities** (restaurants, hotel, other accommodations, tourist guides, tourist transport);
- **services** related to all the above.

1.4. HOUSEHOLDS CONDITION AND ACCESS TO SOCIAL SERVICES

The Census 2004 indicated the existence of 15,262 dwellings in Jarash city. Almost all households have access to the public electricity and to the public water networks, yet around 60% suffer from water cut-off, and weak electricity is one of the problems reported by respondents in the field survey. Sewerage public network is not prevalent, reaching only 20% of the Governorate households.

As for social services, proximity to Amman and Irbid makes Jarash and its immediate region dependent on the services provided by there, especially in terms of specialized health services, higher education, shopping and other services. The city also has high dependency on Amman in terms of job provisions.

1.5. CULTURAL ASSETS AND MANAGEMENT

Jarash city main cultural assets are its tourist sites, first of all the Roman Decapolis, 'the best example of a Roman provincial town in the Middle East' and the second largest tourist destination in Jordan, which is also the center of the **existing cultural supply**, since it features the world famous Jarash Music Festival. Besides it, on the eastern side of the city there are **other** not well known **heritage sites** such as the Roman pools and the eastern Roman Baths that are currently under renovation, as well as the old Suq that has been renovated and presents high potential for success in incorporating handicrafts and attracting tourism.

Hidden amidst the city there are also **many cultural heritage buildings** that are currently employed as stores, shops and popular cafes or are still inhabited by their owners whether as homes or offices. Of course, these are ground for potential adaptive reuse for cultural purpose too.

In addition, when considering the **various cultures** that Jarash houses within its families, the **potential cultural supply can be enlarged**; in fact, the living cultural activities of the Syrian, the Circassians and the Jordanians can easily brand the city with their specialties, also considering that Jarash is already known, and not only in Jordan, for its dairy products and for its vegetables as well as for wedding parties, Henna and the Circassian nights.

1.6. TOURIST ASSETS AND MANAGEMENT

Tourism supply is very limited, concentrated mainly in restaurants and souvenir shops located within the western side of the city, around the archaeological area. However, with the entire archaeological site under the jurisdiction of MOTA and the main rest house operated by the Social Security Institution, the two key sources of tourist income - admission ticket sales and catering - are not retained in the city. As such, **the opportunities for the local community to benefit financially from the current flows of tourists are limited** to the businesses generated by the craft/souvenir sales, the restaurants on the Irbid road, the petrol station and the nearby hotels, while the only employment opportunities are to work as tourist guides, as catering or security staff and as stone masons/builders.

Currently, **there is no interaction or cultural exchange between the tourist and the city residents** except when tourists stop for lunch at one of Jarash's restaurants. This is attributed both to the tour operators who control tourists' path and to **non-existent links between the two parts of the city**. Other aspects play a role such as **lack of tourist product supply** amongst Jarash city and its closed communities and lack of knowledge of tourists' needs in order to attract them to the city.

For Jarash to attract tourism for a longer period of time, **better standards of street cleanliness and organization** should be achieved, **more hotels and restaurants** should be opened, and above all **stronger and more targeted promotion** of the city as a whole and not just of the Roman Decapolis in tourist brochures, pamphlets and at travel agencies around the world should be realized, as well as reaching agreement with tour operators on tourist itinerary versus leaving such plans to be organized at their whims.

2. Economic base

2.1. ECONOMY OF JORDAN

In the last years Jordan has been witnessing a constant increase in its GDP, reaching in 2003 around JD 7,056.2 million at market prices. In particular, during the second quarter of 2004, the GDP registered a 7.6% growth at constant prices compared to the same quarter of 2003; this means that Jordan economy is sound and has not been affected by the Iraqi war or other regional disturbances[1].

Such an increase in GDP is mainly attributed to the growth in a) the manufacturing sector, which has recovered after the Iraqi war; b) the transport and communication sector, due to the continuous increase in communication activity and foreign trade; c) the construction sector, which has witnessed an increase in residential housing. Yet the finance, insurance, real estate and business services contribute to 21% of the GDP at current prices; government services contribute to 19%; transport and communications to 16.8%, and manufacturing to 16.2% of the GDP. The GDP/capita, as it stood by end of 2003, is estimated at JD 1,288[2] at current prices.

The National Disposable Income (NDI), as reported for 2002, was JD 7,661.9 million[3] and the NDI/capita was JD 1,438 at current prices. In 2003 the inflation rate stood at 2.3%.

					2004	
	2000	2001	2002	2003	1ST Q	2ND Q
GDP at Market Prices	5,989.1	6,339.0	6,698.8	7,056.2	1741.0	1995.9

TABLE 1 - GROWTH OF GDP IN JORDAN (MILLION OF JDS)

2.2. POPULATION[4]

Jarash Governorate is located in the northern region of Jordan. Its population is currently around 153,650 persons constituting 25,801 households, with an average household size of 5.96 members. The Governorate counts for around 3% of the population of Jordan, which is currently standing at 5.1 million.

During the last 10 years, Jarash Governorate population has increased even more than the national one: in fact, while Jordan's population has increased 23.2% at an annual growth rate of 2.1%, in the same period the population of the Governorate experienced a growth of around 25%, at a growth rate of around 2.21% per year (from 123,190 to 153,650 persons). Furthermore, the fertility rate in Jarash is one of the highest in Jordan standing at 5.4 children per woman, compared to 3.7 in Amman.

The area of Jarash Governorate is 402 Km^2 forming around 1.4% of the North Region area of Jordan. The Qasabat Jarash District is the only administrative district in the Governorate. Consequently, the estimated population density of Jarash Governorate is as high as 379 persons per Km^2 and this reflects also a high density at the Jarash sub-district.

Moreover, it is estimated that 51% of Jarash Governorate population live in urban areas, while the remaining 49% reside in rural areas.

Jarash is the main city in the Governorate. According to the preliminary census results for

[1] Ministry of Planning, 2004.
[2] Central Bank of Jordan, Monthly Statistical Bulletin, August 2004, Vol. 40- No.10, pg. 81.
[3] Central Bank of Jordan, Monthly Statistical Bulletin, October 2004, Vol. 40- No.10, pg. 85.
[4] Department of Statistics Census 2004 preliminary estimates, and Population Estimates for 2003 " *Attaqdeert Al-Sukkaniyaah 2003*".

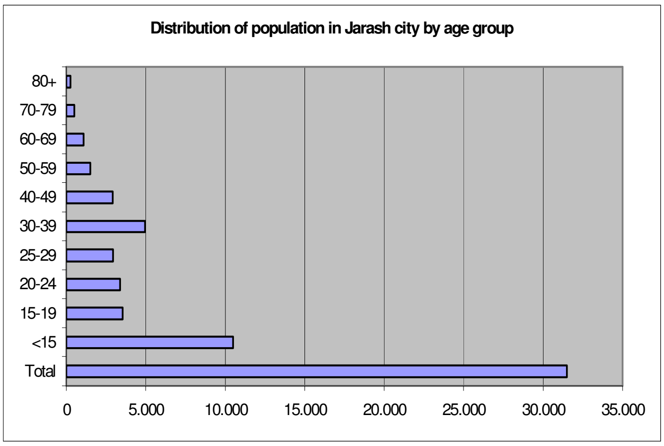
the year 2004, it includes around 31,500 persons, constituting around 5,250 households, 21% of the Governorate's population.

	POPULATION IN 2004
Total Jarash Governorate Population [5]	153,650
Qasabat Jarash District [6]	153,650
Jarash Sub-District[7]	133,400
Jarash city	31,500
Households in Jarash Governorate	25,801
Households in Jarash city	5,289
Average household size in Jarash city as per DoS 2004 Census	6 members
Average household size in Jordan as per DoS 2004 Census	5.4 members

TABLE 2 - POPULATION OF ADMINISTRATIVE DIVISIONS OF JARASH GOVERNORATE

2.2.1. GENDER AND AGE DISTRIBUTION

The population of Jarash city is 51% males. Around 44% are below 19 years and as such are school, college, or university students, 6% are above 60 years old, 20% (6,306) are in their twenties, and 16% (5,000) in their thirties. As such, Jarash city boasts a **young population**, where 36% are within the energetic working age of 20-39 years and 14% are within 40-59 years old[8]. Thus, youth must be the focus of the revitalization efforts in the city.

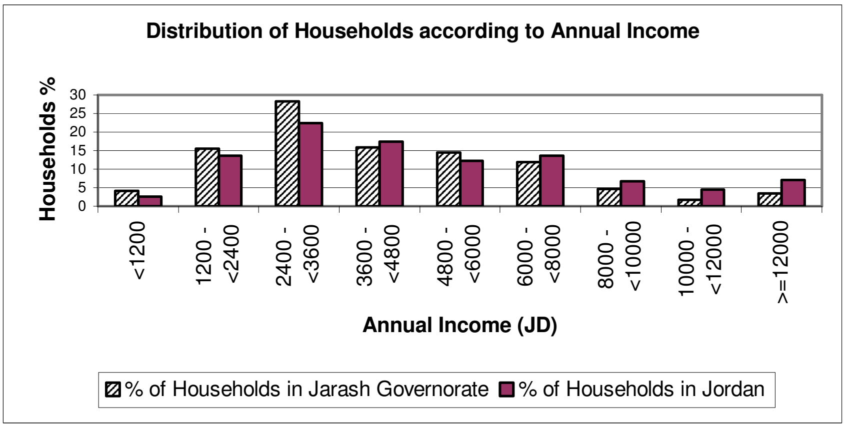


2.3. INCOME DISTRIBUTION

According to DoS, the average annual household income in Jarash Governorate and in Jarash Sub-district is estimated to be JD 4,810[9], almost JD 400 per month. Around 43% of this income is generated from employment, 24% from current transfers - mostly in the form of pensions, subsidy transfers from Government and transfers from expatriates -, 17% from own business, and 14% from rents (it must be noticed that this includes the amount in lieu of occupying one's own building or if living free of charge).

[5] Department of Statistics Census 2004 preliminary estimates.
[6] Department of Statistics Census 2004 preliminary estimates, and Population Estimates for 2003 " *Attaqdeert Al-Sukkaniyaah 2003*".
[7] Department of Statistics Census 2004 preliminary estimates, and Population Estimates for 2003 " *Attaqdeert Al-Sukkaniyaah 2003*".
[8] Civil Status Department, Statistics of population distribution by age and gender in Jarash city, November 2004, and DOS preliminary results of Census 2004.
[9] Department of Statistics, Household Income and Expenditure Survey 2002/2003, pg 98-99.

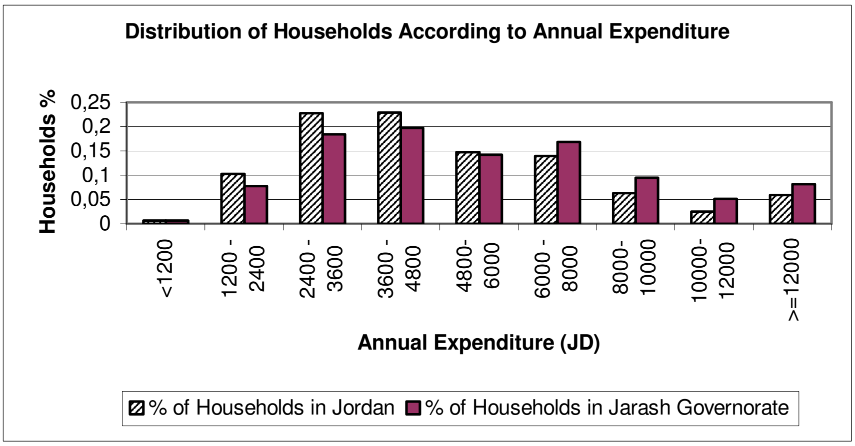
Considering the distribution of households in Jarash Governorate according to their income levels reveals that around a half of them has a total annual income below JD 3,600, less than JD 300 per month, while only 10% of them has a total annual income of more than JD 8,000.



The same situation can be found when the above distribution is applied to the city level of Jarash, where around 45% of the households achieve a monthly income between JD 200 and JD 400, while only 10% of them reaches a total income of more than JD 1,000 per month.

From another perspective, more than a half of the households in Jarash Governorate spends less than JD 400 per month and only 5.9% spends more than JD 1,000 monthly.

Comparing these data to the national ones clearly reveals that Jarash households are poorer than the average Jordan households, thus having a **low purchasing power**.



In particular, a person living in Jarash Governorate earns on average an annual income of JD 802, which is below the national average of JD 900. As for individual expenditure, nearly 33.6% of household members spends less than JD 50 a month. **Very little of this expenditure is spent on recreational activities.**

POVERTY IN JORDAN

Poverty in Jordan has declined from 21% in 1997 to 14% in 2002 due to growth in GDP and in private per capita consumption. The aggregate inequality measure (Gini) hasn't changed significantly during this period, showing that such a growth has affected in the same way both the poorer and the richer sections of society. This notwithstanding, the gains in consumption of the poor were not due to rising incomes[10], but have been driven by a greater share of spending and transfers. Moreover, consumption growth has been accompanied neither by higher employment- since the poor do not seek work as much as before - nor by better access to credit since the latter is still limited. Assessing poverty[11] in Jordan shows that poverty level in urban areas is about 13%[12], lower than the one in the rural areas.

Coping strategies among the poor in urban areas lie on many aspects:

- the poor base their decisions on short-term considerations ignoring long term social disadvantages;
- tribal and family customs play a part in coping methods; such a part is visible especially on social occasions through exchange of gifts;
- urban areas offer market opportunities for selling labor and buying inexpensive goods, which can be considered an advantage to better coping.

In Jordan, employment and education influence poverty. Indeed, the estimates show that the poverty rate among households with unemployed heads is 21.5% compared to 12.8% of households with employed heads. Also, the unemployment rate of the poor in 2002 is estimated at 27%, which is significantly higher than that of the non-poor found at 17%.

ECONOMIC ACTIVITY STATUS	POVERTY RATE 1997	POVERTY RATE 2002	CHANGE IN POVERTY
Total population	21.1%	14.2%	32.8%
Unemployed	35.0%	21.5%	38.6%
Employed	19.3%	12.8%	33.6%
Not economically active	22.7%	15.9%	29.8%

TABLE 3 - POVERTY RATES OF THE POPULATION, BY ECONOMIC ACTIVITY STATUS ON THE NATIONAL LEVEL, 1997 AND 2002[13]

Illiteracy too is associated with higher incidence of poverty: acquisition of higher education has tangible effects on the likelihood of being poor. In this case the cause/effects link can be reversed, since the poor have generally less mobility, less knowledge about educational opportunities, less access to credit or student financial support programs, thus easily falling into a continuous dependency cycle.

POVERTY IN JARASH

The average total poverty line in Jarash Governorate has been set at JD 373 per capita[14] (compared to the national level of JD 392 per capita). According to estimates, in 2002-2003 around 18.4%[15] of Governorate population lay below this line and were therefore considered as poor. Yet, this poverty rate has declined by 10.33% from 1997.

As for Jarash sub-district, 19.4% of the population (around 25,893 persons) is poor. Also, the poverty gap is considered to be 5% of its population (6,670 persons coming in and out of poverty), and the poverty severity is 1.92% of its population[16].

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[10] Social and Economic Development Group, Middle East and North Africa, 2004, The Hashemite Kingdom of Jordan-Poverty Assessment, June 2004, pg 15

[11] The national poverty line has been set at JD392 per capita for 2002-03.

[12] 19% of the rural population is poor.

[13] Dos, Household Income and Expenditure Survey, 1997, 2002-2003.

[14] World Bank, Social and Economic Development Group, Middle East and North Africa, The Hashemite Kingdom of Jordan-Poverty Assessment, June 2004, pg 10.

[15] World Bank, Social and Economic Development Group, Middle East and North Africa, 2004, The Hashemite Kingdom of Jordan-Poverty Assessment, June 2004, pg 13 - taken from Staff estimates based on the HEIS 2002,2003.

[16] World Bank, Social and Economic Development Group, Middle East and North Africa, 2004, The Hashemite Kingdom of Jordan-Poverty Assessment, June 2004, pg 13, 32.

3. Employment

3.1. EMPLOYMENT AND UNEMPLOYMENT IN JERASH

Only 35.8% of the total 15+ years old population of Jarash Governorate is economically active[17], specifically 62% of the males and 9.2% of the females[18].

Furthermore, only **29.2% of the economically active population are employed**, in particular 51% of the males and only 6.6% of the females. Among them, roughly 6,000 are in Jarash city with only 1 out of ten of them being women. Currently, 94.2% of them earn less than JD 300 per month and only 1.5% achieve earnings above this line[19].

Almost half of the employed people in Jarash Governorate **holds elementary occupations requiring minimal skills**, or works as machine operator. On the other hand, 11.7% of Jarash labor force is composed by professionals, 11.4% is involved in crafts and related trades[20], 8.6% is made of technicians and associate professionals, and 4.3% of clerks.

The three **most labor-intensive sectors** are:

- the public and armed forces sector, employing 31% of the economically active population;
- the commercial sector, employing 17.4%;
- the education sector, employing 12% of the economically active persons.

Instead, the agricultural sector depends mostly on foreign labor, as well as the construction one, employing around 41% of all the foreign laborers in the Governorate.

On the other hand, around 64.2% of the population are economically inactive. This inactive sector includes students (34.9%), housewives (51%), the disabled, persons with other means of income, and others.

Considering that persons available for work are those of age 15-69 years, then the size of the potential labor force in the city amounts to 20,277 persons. Applying the labor statistics reported for the Governorate to this estimate population gives insights about human resources that are capable of being producers in the community. As such, there are about 7,300 individuals who are economically active compared to 13,000 who are economically inactive. Within the active population, there are about 1,400 persons, mostly males, who are unemployed and looking for work and around 6,600 housewives who may become economically active and join in productive activities.

However, looking at the trend of the economic activity, it becomes apparent that **unemployment has been on the increase** for the past years, growing from 17.8% in 2002 to 18.9% during 2003 and 2004, thus remaining higher than the national one, which now stands at a rate of 12.5%[21]. Once more, **unemployment is more prevalent among women** with a rate as high as 29.1% compared to the national rate of 16.5%.

Moreover, at present people are pulling out from the economically active sector and the unemployed become unwilling to seek work. In fact, surveys realized at Governorate level indicate that more than 74% of the economically inactive persons believes that there are no jobs around and is tired of seeking work[22]. **This feeling of discouragement among the potential workers is a negative feature that needs to be tackled in URP projects.**

[17] The unemployed according to DOS definition is a person who is 15 years of age or older, who is capable of work, and looking for work and who hasn't practiced any work during a specified period.
[18] Department of Statistics, Employment and Unemployment Survey, May 2004 pg 47,48.
[19] Department of Statistics, Employment and Unemployment Survey, May 2004, pg 124.
[20] Department of Statistics, Employment and Unemployment Survey, 2001, 2002, 2003, May 2004 pg 68.
[21] Department of Statistics, Employment and Unemployment Survey, May 2004, pg 142,146,148.
[22] Department of Statistics, Employment and Unemployment Survey 2000,2001,2002,2003, and May 2004, pg 153.

The above clearly indicates that **unemployment is high among the youth**: almost 55% of the youngsters between 20 and 40 years old are not employed, the great majority of them being between 25 and 39 years old; they are actually not contributing to the productivity of their city, and most of them are women who are considered as economically inactive and not looking for work. Therefore, **projects targeting men and women in their thirties will have highest impact on employment.**

As for job-hunting strategies, according to national statistics, a third of the unemployed in Jordan stays unemployed for a duration of 7 to 12 months, and 22% for 4-6 months. During that time, the most common approach for looking for work is visiting establishments and work sites (almost 87.5%). The second most prevalent method, widespread among the unemployed males and reported by 46.8% of them, is seeking the assistance of relatives, friends, and current or previous officials. On the contrary, among the females the second most prevalent method, reported by 33% of the interviewed (compared to only 4.2% of the males), is to apply for a job in the government through the Civil Service Bureau.

Other job seeking methods are applying to the Ministry of Labor Bureau – this method is adopted by 10.5% of the females vs. 6.4% of the males - and reading, watching and responding to ads in newspapers and TV (19.8% of the females adopted this method, vs. 12.5% of the males[23]).

Above is true specifically to Qasabat Jarash District. According to the Civil Service Bureau, around 4,400 university and college graduates (constituting 62% of the rough estimate of unemployed number for the District – 7,000 persons), applied for work in the government during the first 10 months of 2004. Only 315 persons were hired. This information indicates that **the unemployed in Qasabat Jarash are mostly educated holding diplomas or university degrees**, and that the trend over the past five years shows an increasing number of such applicants despite the fact that hiring percentages into the government has been constantly dropping.

As for applicants to the Ministry of Labor Bureau in Jarash city, it has received around 475 job applications during 2003 and 322 job applications by October 2004. Of them, 19.4% were employed in 2003, as well as 57% of the 2004 applicants.

As for the **foreign labor** in Jarash, by the end of 2003 the Ministry of Labor has permitted around 5,962 foreign laborers for work in the Governorate, 84% of them being Egyptians. As already mentioned, around 41% of the foreigners works in the agricultural sector, 40% in construction and unskilled production, while 15% works in the services sector.

3.2. MAIN ECONOMIC SECTORS AND THEIR CONTRIBUTION TO EMPLOYMENT

According to the Hashemite Kingdom of Jordan Poverty Assessment of June 2004, several sectors of the economy (such as hotels, restaurants, real estate and personal services) have shown dynamic job growth at national level. On the other side, high-employment sectors as public administration, defense and education, experienced either weak or negative employment growth[24].

As for Jarash Governorate, in 2004 17.4% of the total employed (roughly around 5,000 persons) worked in the wholesale and retail trade sector, 12% (3,450) in education, 10% (3,000) in the transport, storage & communications sector, 5.7% (1,700) in manufacturing, 5.2% (1,500) in community, social & personal services, and 4,9% (1,400) in the construction sector.

Moreover, a third of the employed holds jobs in the government or in the army. This sector is preferred by 34% of the economically active men, while the education sector is chosen by 46% of the economically active women.

[23] Department of Statistics, Employment and Unemployment Survey, May 2004 pg 142,146,148.
[24] Social and Economic Development Group, Middle East and North Africa, 2004, The Hashemite Kingdom of Jordan-Poverty. Assessment, June 2004, pg 22.

As such, excluding the education and public sectors and the army, the great majority of the Governorate population is employed in commercial activities. This is a clear sign of weakness of the local economic system; at this regard, the **Urban Revitalization Program should focus** on the effort of **stimulating the handicrafts sector, as well as the local typical agricultural production and all the others tourist related activities, also by creating new small and medium enterprises (SME) or strengthening the existing ones.**

As for already existing SME, preliminary estimates of Jarash city establishments and employment numbers in 2004 indicate the existence of about 1,387 SME operating in the trade, services, and manufacturing sectors and employing around 2,560 persons. In particular, around 62% of these establishments is active in the wholesale and retail trade employing around 49% (1,260) of the SME labor, while 25% is active in the services sector, employing 32% of laborers, and 12.5% is composed by manufacturing establishments which currently employ around 19% of SME labor.

In addition, Ministry of Planning studies[25] indicated that there are around 150 establishments involved in the construction sector, whether in terms of trade or manufacturing of construction related materials and goods, such as gypsum, stones, glass fitting, metal works, furniture and wood and equipment, or in terms of provision of services such as architecture, engineering, surveying, or renting of equipment. Those employ around 380 persons.

As for the registered contractors, Jarash Governorate has around 15 contractors employing 51 persons and offering each around JD 1,510 annually in compensation[26].

As previously mentioned, foreign unskilled labor is mostly employed in construction activities, whether working with registered contractors or within the unorganized complementary construction sector.

[25] Enhanced Productivity Project, Ministry of Planning and International Cooperation, ERADA Centers, "*The economic survey of small and medium enterprises for 1995-2202, Jarash Center"*. April 2003.
[26] DOS, Construction survey 2001 & 2002, Department of Statistics, the Hashemite Kingdom of Jordan, pg 33.

4. Private sector development

4.1. FORMAL SECTOR

The analysis is based on:

- the field research focusing on Jarash city;
- preliminary results and estimates based on the Department of Statistics Census of October 2004[27];
- results from the Ministry of Planning studies[28] that tackled formal sectors in Jarash city in 2002;
- the national study[29] conducted by CDG for a USAID funded project in 2002 that assessed demand for micro-finance in Jordan.

From all these contributions, it comes out that establishments in Jarash city are small, employing less than 5 persons; manufacturing establishments have the biggest dimension with 2.8 employees per establishment and trade the smallest with 1.46.

SECTOR	ESTABLISHMENTS	% OF SMES	EMPLOYEES	EMPLOYEES PER ESTABLISHMENT	% OF SME LABOR
Manufacturing	175	13%	489	2.79	19%
Trade	864	62%	1260	1.46	49%
Services	348	25%	811	2.35	32%
Total in 2004	1387	100%	2560	1.85	100%

TABLE 4 - SMALL AND MEDIUM ESTABLISHMENTS AND LABOR IN JARASH CITY PER SECTOR (2004)

COMMERCIAL SECTOR

Around 62% of businesses in Jarash city take place in the commercial trade sector[30]. Most of those stores are retailers in car parts and car maintenance, groceries and foodstuff and clothes and shoeware. Such shops employ Jordanians from Jarash itself and during 2002 have contributed around JD 5 million to the economy.

SERVICES SECTOR

The second largest sector in Jarash city is the services sector encompassing 348 establishments and constituting 25% of the SMEs. Most of the existing services are in car maintenance, hairdressing salons, small non-classified restaurants serving sandwiches and coffee, dental services and law services. The services sector employs around 15% of the foreign labor in Jarash and in 2002 it contributed around JD 2 million to the economy.

MANUFACTURING SECTOR

The manufacturing sector is **the smallest sector,** including 175 small establishments constituting 13% of all SMEs in Jarash city. The most prevalent industries are in bakeries and pastry making, metal works, cement blocks and gypsum, dairy products manufacturing, animal

[27] Preliminary unpublished results, Department of Statistics, November 2004.
[28] Enhanced Productivity Project, Ministry of Planning and International Cooperation, IRADA Centers, "The economic survey of small and medium enterprises for 1995-2202, Jarash Center". April 2003.
[29] Community Development Group, June 2002, Update of Micro loan demand in Jordan, conducted under contract to USAID-funded Access to Market Friendly Initiatives and Policy Reform Project . In its due course around 78 formal businesses in Jarash Governorate were surveyed, of which 64 were located in Jarash city itself.
[30] Preliminary results of DOS census of 2004

and plant oils manufacturing. The manufacturing sector also employs unskilled foreign labor. In 2002 the sector contributed around JD 1 million to the economy.

CONSTRUCTION SECTOR

The construction sector **is small, yet its activities increase annually**. There were 70 private buildings licensed in 2000, 281 in 2001, and 297 in 2002; totaling 648 licenses, out of which 351 were completed by year 2002 providing around 445 dwellings and a total area of 59,297 m^2.

As previously mentioned, there are about 15 registered contractors in Jarash Governorate. Those contributed in 2002 around JD 153 thousands to the economy of the Governorate[31].In 2002 their gross output, amounting to nearly JD 600 thousands, was mainly generated from main contracting works (vs. sub contracting)[32]. Besides the registered contracting sector, the unorganized construction sector employs most of the unskilled foreign labor.

AGRICULTURAL SECTOR[33]

Like other regions in Jordan, Jarash Governorate too is witnessing a **relative decline of the agricultural sector** due to a faster growth in other sectors, especially trade, which implies a transformation from traditionally rural to a more urbanized society. Yet Jarash has always been in Jordan an area famous for its vegetables, greens, and fruits. It has around 266 thousand cultivable dunums, of which 63% is actually used for agriculture.

In 2003, around 5,701 dunums were dedicated to the production of vegetables: lettuce, cauliflower, broad beans, eggplant (aubergine), cucumber, squash, string beans and tomatoes among others.

Jarash land also features around 90,400 dunums of fruit tree orchards, with 88% of the land planted with olive trees and producing 12,400 tons of olives in 2003. The rest is planted with grapevines, apricots, apples, citrus fruit orchards, figs and almonds among others.

Finally, there are around 15,540 dunums cultivated with wheat, barley and chickpeas producing around orchards.

Animal husbandry is the base for the Governorate entire dairy production, especially among the informal sector working in the rural areas. The animal assets as on 2003 were about 6,217 sheep, 26,104 goats, and 1,234 cattle.

As already mentioned, the agricultural sector employs mostly foreign unskilled labor.

TOURISM SECTOR

As for the tourism sector, please refer to Section 7 below.

FORMAL SECTOR DYNAMICS

As already mentioned above, most of the businesses in Jarash take place within the commercial sector, and as such are small retail trade shops. The commercial area is a gridded network of narrow streets, the two major and most wide of them being the King Abdullah Street to the west of the city and King Hussein Street to east of the city; these are characterized by rather unattractive shops, neither in their displays nor in the quality of goods they sell. Furthermore, the extent of signage and advertising that adorns the retail and commercial premises is very chaotic and makes it more confusing for the shopper trying to locate a place.

The narrower streets have a predominantly pedestrian character but are in general badly paved and hard to walk in. In particular, King Abdullah Street buzzes with parked and delivery vehicles and constant slow moving through traffic. The narrowness of the pavements and

[31] DOS, Construction survey 2001,2002, Department of Statistics, Jordan pg 35
[32] DOS, Construction survey 2001 &2002, Department of Statistics, Jordan pg 53-56
[33] DOS website www.dos.gov.jo

the shop goods that spill over onto the footway forces pedestrians to utilize the roadway and therefore it originates, in practice, a free flow of pedestrians around and between both stationary and moving vehicles. And of course this only adds to the traffic jam in the street.

As such Jarash is in need for **better regulation of professional licensing** in order to control proper distribution of activities, as well as **finding a solution to the parking and traffic problems** in the street.

4.2. INFORMAL SECTOR[34]

According to the field research and the CDG study mentioned above, **the informal sector is mostly led by women of 19-45 years old**. Almost all of them run their operation by themselves, also because in most cases the home-based activity is not the major income generator for the family or the individual and another source of income usually exists; income from the informal operation, which is on average around JD 30 per month, **is considered a supplement**.

The skills and products of the informal sector players may be divided into **five main categories**:

1) traditional food production activities such as dairy products, specifically Labaneh and goat cheese, Circassian pastries, pickled vegetables, and jams;
2) embroidery, beading and Koufiyah lining;
3) stone, copper and silver carving and shaping;
4) other handicrafts skills such as wood carving, flower arrangements, braiding straw products, bottling sand souvenirs;
5) services, such as providing IT related services and tailoring.

In most cases an individual has more than one skill and can produce more than one type of product or offer more than one service.

Currently informal operators sell their products directly from their homes to the immediate neighbors and to members of the proximate community. Few also sell to middlemen, while many depend on welfare associations to purchase their food products as per catering orders or to arrange one-day bazaars to sell them. Some operators suffer from competition mainly because they produce similar products and share the same market.

In general, informal operators will be ready to sell away from their home at specified marketing places, even if not all among them are willing to attend training to enhance their product and make it more attractive[35].

Apart from the absence of a fixed facility from where to display and sell the products in a sustainable manner, other **major problems** that are deterrents to successful informal entrepreneurial activity are the lack of marketing and outreach programs and the lack of raw material (such as hay, silver and beads). Besides it, finance is another need for the informal businesses. Currently in Jarash there are 5 institutions offering micro-finance to 826 informal businesses.

[34] Socio economic field research conducted in Nov. 2004 for the purpose of this study and information compiled by Community Development Group, June 2002, Update of Micro loan demand in Jordan, conducted under contract to USAID-funded Access to Market Friendly Initiatives and Policy Reform Project.

[35] 27 out of 29 respondents indicated their willingness to sell away from home: 12 out of 29 respondents indicated being unwilling to attend training to enhance their products and service.

SOURCE OF LOANS	NUMBER OF BENEFITING INFORMAL BUSINESS
Microfund for Women	32
Community Habitat Finance	230
Ministry of Social Development	33
Development and Employment Fund	75
General Federation of Jordanian Women	56
Estimated Informal Businesses with Loans	826

TABLE 5 - DISTRIBUTION OF INFORMAL BUSINESSES ESTABLISHED THROUGH LOANS BY SOURCE OF LOAN[36]

Furthermore, **NGOs and community based organizations play a very important role in supporting the informal sector** not only through finance, but also providing training and awareness raising. Most of those organizations are welfare associations in addition to government-supported centers representing national programs such as Enhanced Productivity Projects (IRADA) and the Knowledge Stations. All are effective in offering specialized training to the entrepreneurs in topics such as IT, sewing, food production techniques, how-to-start-your business courses, and political awareness raising. They also provide a marketing vehicle, since usually the association buys the services and products of their members to resell them in national and local fairs, exhibitions, and bazaars held in Jarash or another city in Jordan, or to satisfy purchasing orders.

Community-based organizations are the main outreach to the community, however **coordination between their efforts is highly needed** in order to organize the social dynamics of their work, and avoid redundancy and competition in resources. Once they organize their efforts and coordinate their needs and requirements with the Municipality, they can be the drivers behind prosperous informal sector activities that will include the women in the productive society and will help in increasing the income of the community. They can also be a pressuring force on the Jarash Festival management to increase the participation of Jarash community members, display Jarash products and benefit from the Festival.

[36] Data acquired from each organization based on their records.

5. Household conditions and access to social services

5.1. HOUSEHOLD CONDITIONS

The results of the Census 2004 indicated the existence of 15,262 dwellings in Jarash city constituting 45% of the dwellings in the Governorate. Available information over the general conditions of those dwellings is detailed in the Household Income and Expenditure Survey of 2002/2003 at Governorate level. The survey indicates that around 84% of households own the house they live in, while 3% rents it[37]. The prevalent (87%) type of dwelling is called "Dar" in Arabic - meaning separate house in English -; it is built with bricks and has two bedrooms[38] and is typical for most Governorates except Amman. The other dwellings are flats[39]. The average area of household is around 120 m^2, similar to the national average.

Almost all households have access to the public electricity and to the public water networks[40], yet around 60% suffer from water cut-off[41], and weak electricity was one of the problems reported by respondents in the field survey. Sewerage public network is not as prevalent, reaching 21% of the Governorate households while 78% use cesspools[42].

Most households (82%) depend on kerosene or gas heaters for warmth in the winter, while only 1.8% has a central heating system installed[43].

Furthermore, around 95% of the households owns a TV while 22% owns a satellite receiver[44].Telephone services cover all planned residential areas. The number of subscribers has reached 10,970 units in 2003.

5.2. SOCIAL SERVICES

Proximity to Amman and Irbid makes Jarash and its immediate region dependent on the services provided by there, especially in terms of specialized health services, higher education, shopping and other services. The city also has high dependency on Amman in terms of provision of jobs.

Basic social services in terms of education, health and communication are provided in Jarash city but are not sufficient or even comparable to the standards of similar services in other Governorates.

SCHOOLS

In Jarash city and immediately surrounding areas there are five nurseries under the jurisdiction of the Ministry of Social Development, 15 primary schools and 12 secondary schools. Around 15,400 students attend those schools, which are mostly public institutions often with **inadequate facilities.**

As for higher education, Jarash **lacks training centers**: the youngsters have to travel to Irbid for training on sewing machines in order to secure jobs at the clothing factories there. A new vocational training center has been newly established in 2004 for this purpose but is still not operational. There is also a Knowledge Station that trains in IT and provides Internet services, but is not sufficient.

Furthermore, currently the Governorate has no intermediate colleges but **one University**, Jarash Private University that has around 4,000 students thus providing all the supply of educated youth.

[37] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 50.
[38] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 32, 88.
[39] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 48.
[40] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 51.
[41] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 52.
[42] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 56.
[43] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 54.
[44] Department of Statistics (2002/2003), Household Income and Expenditure Survey, pg 35-36.

COMMUNITY BASED ORGANIZATIONS

There are 28 welfare organizations in the Governorate, 9 of which are located in Jarash city. All these organizations are local branches of the General Union of Voluntary Societies (GUVS), and are monitored by the Jarash Directorate of Ministry of Social Development. Cooperative associations are not prevalent.

In most cases those welfare associations operate on voluntary membership basis and their success depends on individual efforts and on the connections of the administrative committee members. In general they **lack financing and the knowledge of how to secure it**.

At local level the most active among such organizations are the Circassian Society and the Ladies of Jarash Welfare Society which are by now implementing projects that will benefit local communities.

Unfortunately **they do not coordinate their work** in such a way that combines their efforts and financing and prevents redundancy of projects and ideas. Neither they have structured channels of communication among them and between them and the Municipality or the donor agencies.

Yet, and as mentioned under the informal sector section, those associations are very close to the community and **they can be instrumental** in offering training in specialized crafts and skills, as well as in raising awareness in tourism and cultural issues. Moreover, **they are very willing to coordinate efforts with the Municipality and any other party.**

GOVERNMENT ORGANIZATIONS[45]

Directorates representing most Ministries are located in Jarash city. They offer services to the entire District yet they are not completely decentralized from Amman.

The Ministry of Social Development is responsible for National Aid Fund, social welfare support to orphans, widows, old aged and other low-income sections of population.

In addition, the Water Authority and the Electricity Company have branches in Jarash city, yet they are not responsible for the billing procedures and are strongly tied to Irbid headquarter.

HEALTH SERVICES

Most of the available health service facilities in Jarash Governorate are public and are provided by the Ministry of Health. Specifically there is only one public hospital with a total of 135 beds. Hospital bed per population ratio is low, amounting to 9 beds per 10,000 persons[46].

There are 26 Primary Health Clinics, 12 mother and child Centers, 12 dental clinics, and 19 chemistries serving the population of Jarash Governorate.

Doctors are estimated to be around 100 in the Governorate as a whole.

Health services in Jarash are lacking, with 63% of households having no health facilities within 10 minutes walking distance.

FINANCIAL SERVICES

There are branches of the major Jordanian banks.

5.3. PARTICULARLY DISADVANTAGED GROUPS

There is no information available about disadvantaged groups in Jerash city.

[45] Preparation of Urban Regeneration and Tourism Development Plans, Programs, and Action Projects for the City of Jarash, Phase I Report, revised version, Vol. 1, July 2003.
[46] Directorate of Information Studies & Research, Ministry of Health, Annual Statistical Book 2003, English Section, pg 7.

6. Cultural assets and management

6.1. CULTURAL ASSESTS

Jarash city main cultural assets are its tourist sites.

Archaeological Site

The Roman Decapolis City of Jarash is 'the best example of a Roman provincial town in the Middle East' and the second largest tourist destination in Jordan.

The monuments cover half of the original walled city area and are separated from the center of Jarash by a deep Wadi. Visitors approaching Jarash from the south are met with the grand view of the Hadrian's Arch proving a sample of what awaits them inside the Roman Decapolis.

The archaeological area, which is also called the Heritage Site, is through-road from Amman to Irbid. It is under the jurisdiction of the Department of Antiquities and includes the western half of the walled city of Jarash, bounded by the Irbid Road, southwards to include the Hippodrome and Hadrians Gate, as well as the new tourist entry facilities located just south of the hippodrome.

To the eastern side of the walled city lies the Roman Bath area. This is dominated by the ruined structure of the East Baths developed around the natural spring, Ain Qeirawan, just at the foot of the high ground that rises in the north east quarter of the city. This had been a monumental spring developed by the Romans to feed the East Baths with water, as well as the settlement that ran round to the east of it.

The Old Suq, Roman Pools and Wadi

As already mentioned above, in the 19^{th} century the line of the water channels behind the East Baths became the main street of Jarash (King Hussein Street) and the area around the East Baths became the new city center.

The line of the water channels behind the East Baths became the main street of Jarash (King Hussein Street) and the area around the East Baths became the new city center, served by the village mosque. To the south of the Mosque, a suq was established. Around the Suq a Circassian housing quarter was established with distinctive narrow alleyways and small spaces, with a line of small shops.

The suq served as the southern most point of this line of development, adjoining the southern walls and the Water Gate, where the wadi, that provides a corridor of open space running on a north-south axis through the heart of the City, crossed the walls. The **Old Suq** is the most significant and best-preserved focus of post-Roman historic buildings within the City, and although several buildings are in poor condition and indeed some are derelict, the area still retains the ambience of an active part of the City. In the last two years parts of the Old Suq have become pedestrian and have been paved, but till now they have not been put to use yet; this has created a cleaner and safer public realm and helps to demonstrate how the ambience and environment can be relatively easily improved.

Moreover, **the Wadi** has the potential to offer a highly attractive setting for both the archaeological site and the modern town and indeed certain parts of it have been attractively terraced and landscaped and are very well maintained, yet a lot can be done especially around its small waterfalls and green areas.

Finally, the **two Roman Pools** located on the eastern side of the city could represent an additional tourist attractive site and thus should be taken into account for a urban renovation project that will add to the attractiveness of the eastern side of the city and to its cultural assets.

Access to the Heritage Site

It must be noted that the limited number of **access points into the Heritage site** stifles the establishment of meaningful physical integration between the Heritage Site and the Walled City. There are no connecting passages between the two cities and their cultural context. Creating such a connection is of utmost importance to the inhabited city of Jarash.

6.2. CULTURAL SUPPLY AND DEMAND

As mentioned, at present the west side of Jarash is the center of the **existing cultural supply**, since it features the archaeological city and the related facilities, such as the 'cultural market' and the world famous Jarash Music Festival. Such a Festival is held every year in July within the archaeological site and hosts famous music groups and performers offering international and national talents. It is the most successful cultural event in Jordan.

As mentioned above, there are **other heritage sites** on the eastern side of the city that are not well known, such as the Roman pools and the eastern Roman Baths, currently under renovation, as well as the old suq, that has been renovated but is still no operational, though with high potential for success in incorporating handicrafts and attracting tourism.

Hidden amidst the city there are also **many cultural heritage buildings** that are currently used as stores, shops and popular cafes or are still inhabited by their owners whether as homes or offices. Of course, these are ground for potential adaptive reuse for cultural projects too.

In addition the **potential cultural supply can be enlarged**, when considering the **various cultures** that Jarash houses within its families; in fact, the living cultural activities of the Syrian, the Circassians and the Jordanians can easily brand the city with their specialties, also considering that Jarash is already known, and not only in Jordan, for its dairy products (Labaneh and Cheese) and for its vegetables. Yet, such products are not well packaged and marketed beyond Jarash neither are they developed to be offered as branding activities for the city. Anyway, traditional activities based on those agricultural products are natural to Jarash communities and as such are not hard to enhance, as well as the copper, stone, and silver carving skills.

Other living cultural activities that residents pointed out were the wedding parties and Henna, and the Circassian nights.

Demand by Jarash people for cultural activities is great whether during their free time or holidays and weekends. The free time is usually spent by most in watching TV, reading magazines, sleeping, and visiting friends and families at their homes. Holidays are spent by most in Jarash city also visiting friend and family, or working, while some travels to other cities in Jordan for internal tourism. Apparently **lack of cultural facilities** is felt deeply by the community and especially by the youth. They actually reported missing cultural venues such as public libraries, cultural centers - especially for women who have nothing to do in their free time - children's cultural clubs, and recreational facilities such as public parks, swimming pools and sports clubs. Currently the youngsters travel to Irbid and Amman to spend the day at the swimming pools.

Lacking other cultural and more interesting things to do in their free time, residents usually spend their time walking at the archeological Column Street and the Circassians Street, or meeting at the Circassian Welfare Society.

The residents expect mostly to find information about any recreational and cultural activities in their city at the municipality, followed by the Tourism Directorate and at school/university. In general, most of the people spends practically nothing on recreational activities in their city, and the few who do, do not afford more than JD 20 per month for themselves and the family[47]. Actually, based on DoS statistics, people of Jarash Governorate spend only 1.8% of their annual household expenditure on culture, recreation and sports activities. The same as for the individual.

6.3. POTENTIAL INVOLVEMENT AND COOPERATION OF THE COMMUNITY

In general, the residents are very **aware of their city's importance to tourism in Jordan**, and care very much for the preservation of its heritage and archaeological sites[48]. Yet when asked whether they would be willing to cooperate with parties concerned with developing projects for their city revitalization and cultural and tourist supply, they were divided in their response with **half willing and the other half not having any interest in doing so**.

The major issue for ensuring potential participation of the city communities and businesses in the revitalization program would be the **expropriation of land and of cultural heritage buildings at market prices**, accompanied by **extensive awareness activities** aimed at demonstrating the feasibility and the financial benefits of suggested projects both to the owners and to the stakeholders. Once the businesses minded residents are convinced of the feasibility of projects that require their participation, and the **cooperation both of the Ministry of Tourism and the Municipality** is ensured, as well as effective support in marketing, they would be willing to invest in the projects and help in realizing them. Therefore, requests for any expropriation or relocation measure should be accompanied by the new proposed physical and financial destination of the land/building to the concerned party. **Financial compensation** is the first issue to consider in such cases: this can be whether direct compensation to owner or a project utilizing the facility under concern with guaranteed financial profitability.

Cooperation will be obtained also when **the community is involved** from the planning stages of projects, especially when a total plan is presented that details the developments in store and their effect on Jarash.

Moreover, **a mechanism to inform the community** about governmental tenders that concern development in their city must be found. This could be in the form of a **conference that informs people on how to get involved**, and what is needed to partake in investments within the tourism, cultural and environmental milieu.

The community based organizations as well as the various environmental and other national NGOs are ready to cooperate with the municipality, and look forward to having venues for their products and centres for teaching their handicrafts and traditional skills.

Therefore, the need for awareness raising, and planned communication strategies, as well as budgeting for direct financial compensations and/or proper financial studies of potential projects must be taken into consideration to secure cooperation of the community. No cooperation will be readily available by the community otherwise. Consultation and communication with the community should take place prior to any project in order to inform and prepare the community towards gaining their support.

[47] Information compiled through the field research conducted in November 2004.
[48] Information compiled through the field research conducted in November 2004. In fact 12 out of 14 rated their personal feeling regarding preserving the heritage of their city as 'care very much' similarly their opinion as to its importance to tourism. Also 7 out of 14 indicated their willingness to cooperate in revitalization programs.

7. Tourism assets and management

7.1. TOURISM ASSETS

The main tourism assets of Jarash are of course the Roman Decapolis and its extension on the eastern side of the city, mostly exemplified in the Easter Baths, Old Suk, and Roman Pools.

For an extended presentation of such assets, please refer to Section 6.1. above.

7.2. OUTLOOK OF JERASH RESIDENTS TOWARDS TOURISM[49]

The residents are generally **welcoming people**. Almost all interviewed citizens indicate that they would welcome tourists in their city, neighborhood, and businesses and 75% of them would even welcome them in their house. They also have positive views of tourism and generally expect no problems as results of it.

Yet currently, **there is no interaction or cultural exchange between the tourist and the city residents** except when tourists stop for lunch at one of Jarash's restaurants. This is attributed to the tour operators who control tourists' path and to non-existent links between the two parts of the city. Other aspects play a role such as **lack of tourist product supply** amongst Jarash city and its closed communities and lack of knowledge of tourists' needs in order to attract them to the city.

The residents also pointed out their **inability to converse in foreign languages and the lack of appropriate knowledge** about their city's culture and history as two main obstacles to tourism. Furthermore, no matter whether they are employed or not**, working in tourism is not very attractive to residents** because some believe they lack the needed skills for, including knowledge of English, others view themselves as too old for such jobs, while the great majority is just not inclined towards tourism[50]. Yet some indicated their willingness to work in tourism related jobs such as tour guides, translators, and handicraft production, and are willing to attend paid courses to gain better skills. To this extent, it is worth stressing the fact that Jarash boasts a solid base of interacting and rich living culture based on the different traditions surviving in the city, which if handled properly can prove to be a rich attractive ground for tourism and revitalization of the city in general.

For Jarash to attract tourism for a longer period of time, better standards of street cleanliness and organization should be achieved, more hotels and restaurants should be opened, and above all stronger and more targeted promotion of the city as a whole and not just the Roman Decapolis in tourist brochures, pamphlets and at travel agencies around the world should be realized, as well as reaching agreement with tour operators on tourist itinerary versus leaving such plans to be organized at their whims. **Tour operators** that control the path of tourists are another problem that affects people's attitude and exposure to tourism. In fact, residents complain about the fact that the tour operators guide the tourists through the archaeological site, spend at most two hours, and then hurry the tourists out of the city without passing to the eastern inhabited side of Jarash where they can interact with the people. If time allows and the tour operator has an established agreement with a restaurant, the tourist coach will only stop for lunch in Jarash before getting on the road to somewhere else in Jordan.

[49] Information compiled through the field research conducted in November 2004.
[50] Field survey Nov 2004: 28 out of the 43 respondents reported having a secondary and lower education level, 7 with a diploma degree and 8 with a university degree. Also 6 out 14 rated their information of Jarash history and culture as very weak and 8 as average. Moreover, 2 out of 14 reported knowing additional skills to what they have studied or practice, and only 5 out of the 19 wished to work in tourism.

7.3. TOURISM DEMAND AND SUPPLY

7.3.1. TOURISM SUPPLY

Tourism supply is concentrated mainly in restaurants and souvenir shops. There are about 11 classified restaurants, yet not all of them can cater for a tour coach, which include the rest house near the archaeological area run by the social security corporation.

There are 29 souvenir shops within the cultural market on the western side of the city, however, they display more 'China-made' products than original handicrafts.

There are no car rental agencies, and only two travel agents.

In terms of accommodation, there are only 2 classified hotels offering 38 rooms and 74 beds per night, one of them, the Ghusn Al-Zaytoon hotel, being located 5 km from Jarash on road to Ajlun.

As such, the opportunities for the local community to benefit financially from the current flows of tourists are limited to the businesses generated by the craft/souvenir sales, the restaurants on the Irbid road, the petrol station and the nearby hotels, while the only employment opportunities are to work as tourist guides, as catering or security staff and as stone masons/builders.

As such, the tourism sector employs around 1,202 persons, mostly Jordanians.

7.3.2. TOURISM DEMAND[51]

FAMILY TOURISM AND EXPENDITURE[52]

Holidays are spent by most of residents at home. Few travel to other cities in Jordan for internal tourism. Once traveling to other cities in Jordan, Jarash residents usually do that for the day. If they need to sleep over they do that at friends and relatives houses. They spend on average around JD 20 per day mostly on food.

The most common city they visit during the year is Amman and usually for business, studies, or family visits and recreational activities, next is Ajlun for one-day recreational trips and family visits.

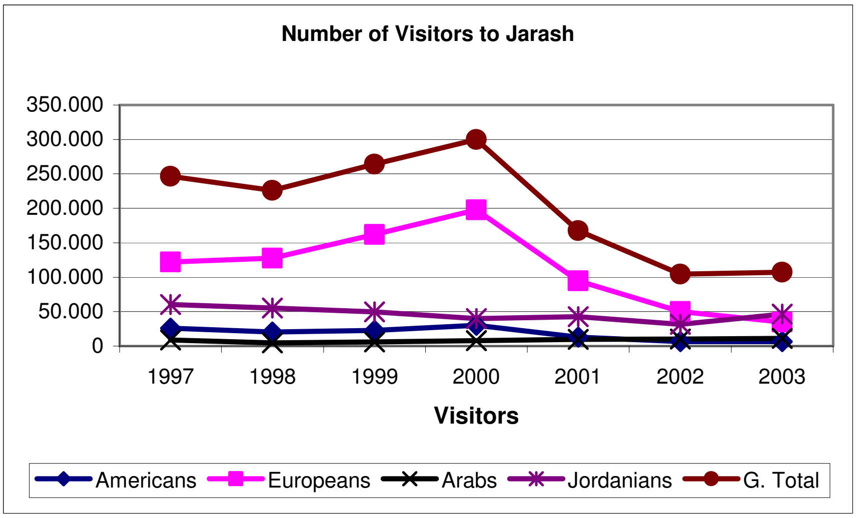
TOURISM QUANTITY

Tourism is at its minimum in Jarash as is the case in all Jordan. It has reached its peak during 2000 and now is at its minimum. In 2003, around 60,590 foreign tourists, mostly Europeans, visited the Roman Decapolis in Jarash, as well as 46,600 Jordanians, generating total revenue of around JD 155,315 for the Ministry of Tourism only. In comparison during year 2000, the tourist numbers reached 259,600 foreign tourists and 40,150 Jordanians generating around JD 1,316,435. With the entire heritage site under the jurisdiction of MOTA, and the main rest house operated by the Social Security Institution, the two key sources of tourist income - admission ticket sales and catering - are not retained in the city.

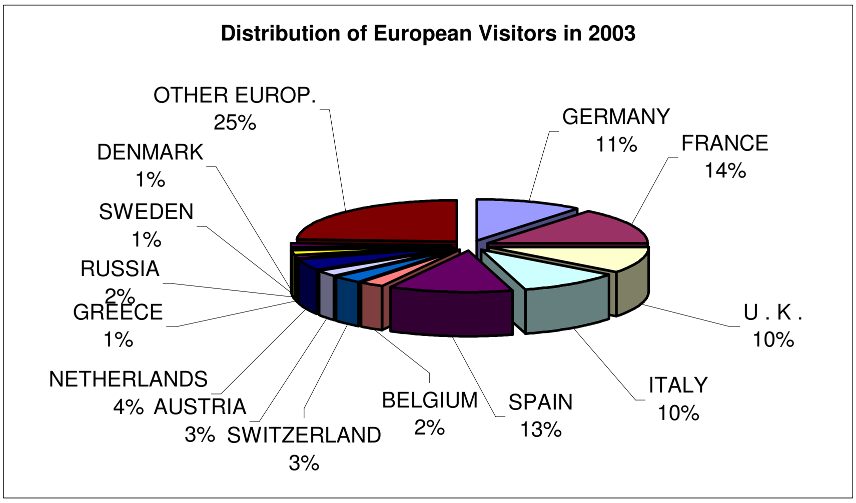
The trend enlightened above is a clear demonstration of the sensitivity of the tourism sector to political conditions, which, due to the Arab-Israeli conflict in Palestine and the Iraqi war, has witnessed increased instability during the last four years.

The chart below indicates the recent trends of tourists' visits to the archaeological sites.

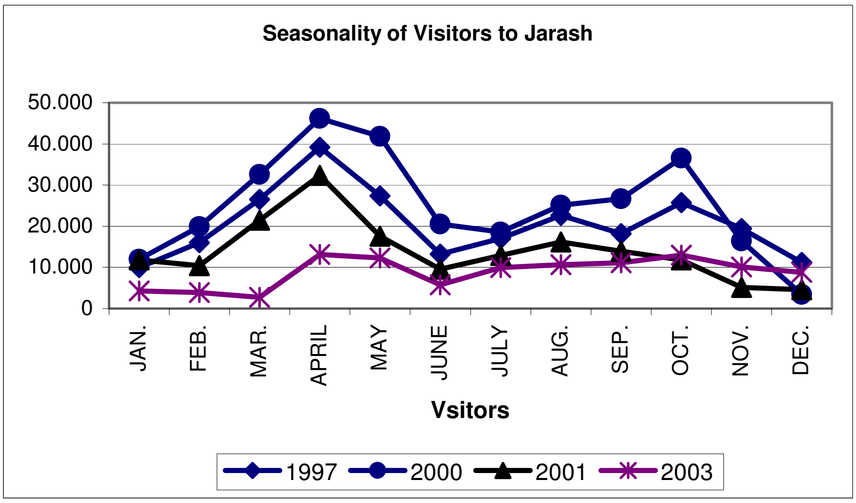
[51] Source: Ministry of Tourism and Antiquities (MOTA).
[52] Field research, November 2004.



The pie chart below shows the distribution of European visitors.



The seasonality of tourism has also not changed much during the past few years. It is still at its maximum during spring, specifically April-May and during the fall or September-October, the least popular months being June and July and the winter months from November to February.



STAY DURATION

Visits to Jarash, as well as Jordan as a whole, are dominated by the international package holiday. The main consequence is that visiting patterns are largely determined by the programs set out by the international tour operators, among which Jarash is seen as a half-day excursion, involving a two-hour tour and a visit to the Rest House or other restaurants.

In 2002 only 5,000 out of 3.5 million tourist nights in Jordan were spent in Jarash (0.14%). Also this figure had actually declines from 8,600 in 2000, and further to 4,683 in 2003, most spent during the third quarter of the year.

In 2003, European visitors tended to stay 1 night in Jarash while Arabs, Americans, and Jordanians stayed 2 nights on average.

Also in 2003, the room occupancy rate stood at 19.2% only and the bed occupancy rate at 17.3% compared to the national statistics of 33.8% and 30.7% respectively. Room and bed occupancy rates have dropped down from 32.9% and 24.58% in 2000 respectively.

7.4. TRANSPORTS FOR TOURISTS & ENTRY POINTS/ACCESS TO SITES[53]

Highways access to Jarash is good, with access from both the north and south off the dual carriageway Amman-Irbid road (route 35). There is considerable car parking available adjacent to the current entrance. The tourist's buses have a large, un-shaded car park adjacent to the current entrance. It would be possible for these buses to drop off passengers at any location if the entrance pattern is altered. Even if they did this they would return to the existing bus park to lay over whilst their passengers visited the Antiquity and the town.

Tourists could also take advantage form a bus service from the South Bridge area of the town to the bus park, thus reducing the distance they have to walk when visiting the site. It is possible that this service could be extended to serve also the new local bus station completed at the south of the town.

[53]Preparation of Urban Regeneration and Tourism Development Plans for the City of Jarash, Final Report, 2004.

8. Monitoring and performance indicators

Monitoring and evaluation activities - according to the program logical framework - must be developed at a double level; in order to evaluate the achievement of the development objectives, appropriated impact indicators will be calculated and analyzed, while to monitor the realization level of the specific activities related to the various program actions, output indicators will be used.

As long as the city revitalization process is concerned, the key monitoring focus will be, on one hand, on the level of revitalization related to economic activities and, on the other hand, on the appreciation of the quality of life into the city by both residents and tourists. Impact indicators of the city revitalization process could be identified, inter alia, as shown in the following table.

IMPACT INDICATORS	BASELINE	FREQUENCY AND REPORTS	DATA COLLECTION INSTRUMENTS	RESPONSIBILITY FOR DATA COLLECTION
1. INCREASED LOCAL EMPLOYMENT				
Occupied in the city	11,819	Yearly report issued at national and governorate level	Department of Statistics, *Employment and unemployment Yearly Report*	Department of Statistics
Activity rate	35.8%			
Employment rate	29.2%			
2. INCREASED EMPLOYMENT IN THE ECONOMIC SECTORS INVOLVED				
Commercial sector	5,000	Yearly report issued at national and governorate level	Department of Statistics, *Employment and unemployment Yearly Report*	Department of Statistics
Services sector	1,500			
Tourism sector	1,200			
3. INCREASED VALUE ADDED OF THE ECONOMIC SECTORS INVOLVED				
V.A. services sector	2.45 MJD	Yearly report issued at national and governorate level	Department of Statistics, *Employment and unemployment Yearly Report*	Department of Statistics
V.A. commercial sector	5.44 MJD			
4. INCREASED LOCAL EMPLOYMENT OF THE WOMEN				
Women occupancy rate	6.6%	Yearly report issued at national and governorate level	Department of Statistics, *Employment and unemployment Yearly Report*	Department of Statistics
Women activity rate	9.2%			
5. INCREASED LOCAL EMPLOYMENT OF THE YOUTH				
Youth occupancy rate	45%	Yearly report issued at national and governorate level	Department of Statistics, *Employment and unemployment Yearly Report*	Department of Statistics
6. INCREASED INCOMES				
Average individual annual income in the Governorate	712 JD	Periodical survey	Department of Statistics, House Income and Expenditure Surveys, periodically issued	Department of Statistics