



MINISTRY OF TOURISM AND ANTIQUITIES

# **TOURISM QUARTERLY REVIEW**

## **Q2-2024**



## Contents

<b>1. INTRODUCTION.....</b>	<b>3</b>
<b>2. TOURISM PERFORMANCE SUMMARY – Recent History .....</b>	<b>4</b>
<b>3. TOURISM PERFORMANCE SUMMARY – H1 2024 .....</b>	<b>5</b>
<b>4. IMPACT OF WAR ON GAZA .....</b>	<b>6</b>
<b>5. PREDICTIONS FOR 2024 .....</b>	<b>9</b>
<b>6. PRIORITIES FOR 2024.....</b>	<b>11</b>
6.1. Economic Modernization Vision Requirements.....	11
6.2. Connectivity.....	11
6.3. Seasonality .....	11
6.4. New Products/Source Markets .....	13
6.5. Investments .....	13
6.6. Training and Employment .....	13
6.7. Domestic Tourism (Urdunna Jannah).....	13
6.8. Site Management .....	15
6.9. Regulatory Reforms.....	15
6.10. Digital Maturity Assessment .....	15
<b>7. SUMMARY .....</b>	<b>16</b>

# 1. INTRODUCTION

This Tourism Quarterly Review summarizes the performance of the tourism sector till H1 2024. It will detail the achievements, analyze the impact of the war on Gaza on the tourism sector, as well as provide scenarios regarding the potential impact for the forthcoming periods. Additionally, this review will include a set of priorities which will form the action plans for 2024 for the Ministry of Tourism and Antiquities (MoTA)<sup>1</sup>.

Furthermore, Quarterly Reviews will be published on the Ministry of Tourism and Antiquities website and disseminated to key stakeholders at the end of each quarter.

To access the Tourism Statistical Dashboard, please scan the QR-Code below.



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<sup>1</sup> MoTA includes Ministry of Tourism and Antiquities, Jordan Tourism Board and Department of Antiquities

## 2. TOURISM PERFORMANCE SUMMARY – Recent History

At the time, 2019 was a record year for tourism having attracted 5,360,586 Tourists, thus generating 4.1 billion JD of receipts.

As a result of COVID-19 in 2020 the tourism sector witnessed a massive decline in tourism numbers with a drop of ▼77% in number of tourists and ▼76% drop in terms of receipts compared to the previous year.

In 2021 the offshoots of recovery began to surface with ▲90% increase in the number of tourists and receipts compared to 2020.

2022 witnessed a ▲114% increase in the number of tourists Vs 2021, with an equivalent increase of ▲117% in receipts.

2023 was the pinnacle of success for tourism in Jordan having attracted 6.35 million tourists with receipts of 5.25 billion JD. Unfortunately, this trend was interrupted by the war on Gaza which began to surface in November 2023 and continued into 2024 – details of the impact of this war are articulated in the sections below

	2019	2020	2021	2022	2023	Jan - Jun 2023	Jan - Jun 2024
# Tourists	5,360,586	1,239,910	2,358,675	5,049,105	6,353,778	3,026,052	2,786,084
% Change		-76.9%	90.2%	114.1%	25.8%		-7.9%

	2019	2020	2021	2022	2023	Jan - Jun 2023	Jan - Jun 2024
Receipts (Bn JD)	4.10	1.00	1.89	4.12	5.25	2.45	2.33
% Change		-75.6%	90.0%	116.8%	27.4%		-4.9%

### 3. TOURISM PERFORMANCE SUMMARY – H1 2024

#### Performance (2024)



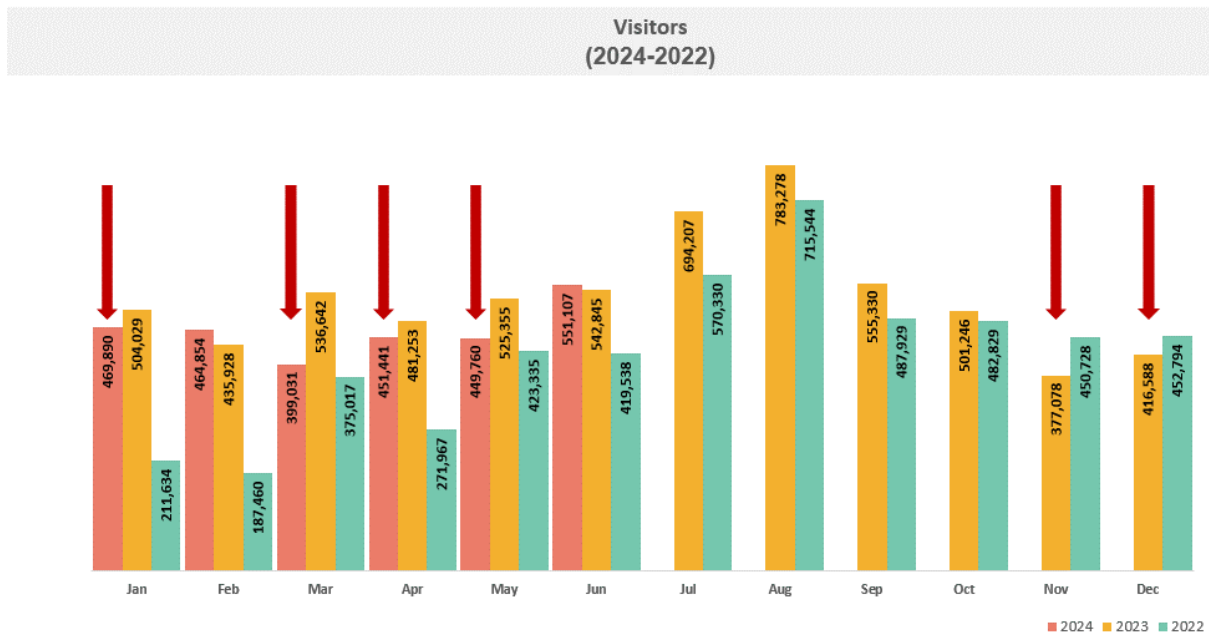
The number of tourists for H1 2024 reached 2.786 million, which represents ▲11% above target for the same period. This, however, is ▼7.9% below the number of visitors for the same period of 2023, but is still ▲14.2% higher than H1 tourists of 2019<sup>2</sup>.

Similarly, the receipts generated by tourism in H1 2024 reached JD 2.329 billion JD, which represents ▲1.8% above the target for H1 2024. However, this is ▼4.9% below H1 receipts of 2023, but is still ▲25.6% above 2019 receipts for the same period.

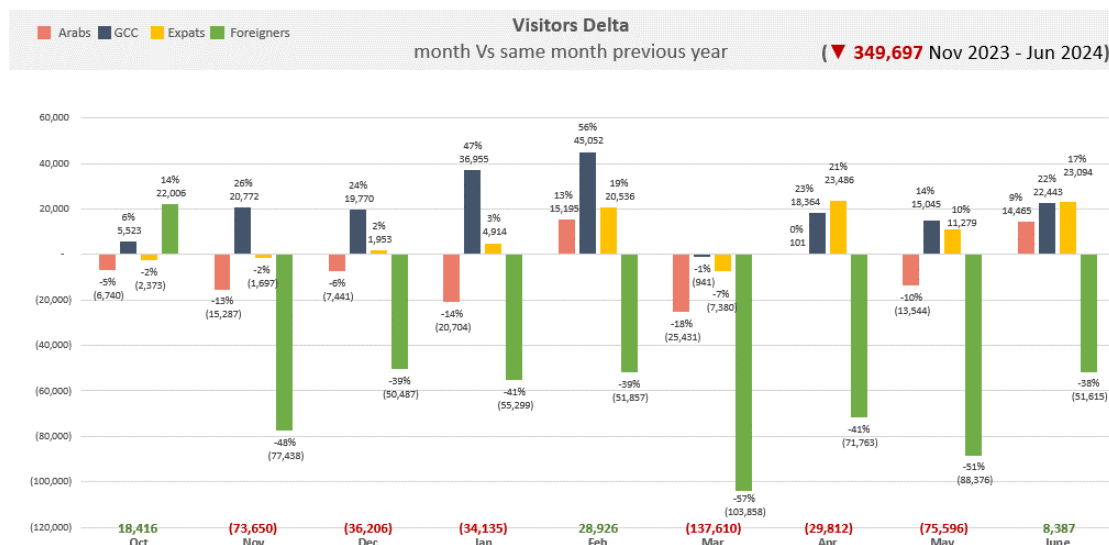
It is clear the war on Gaza has a detrimental impact on the performance of tourism in Jordan – this is explored in details in subsequent sections of this document

<sup>2</sup> 2019 is internationally recognized as the “base year” for tourism performance according to UN Tourism

## 4. IMPACT OF WAR ON GAZA

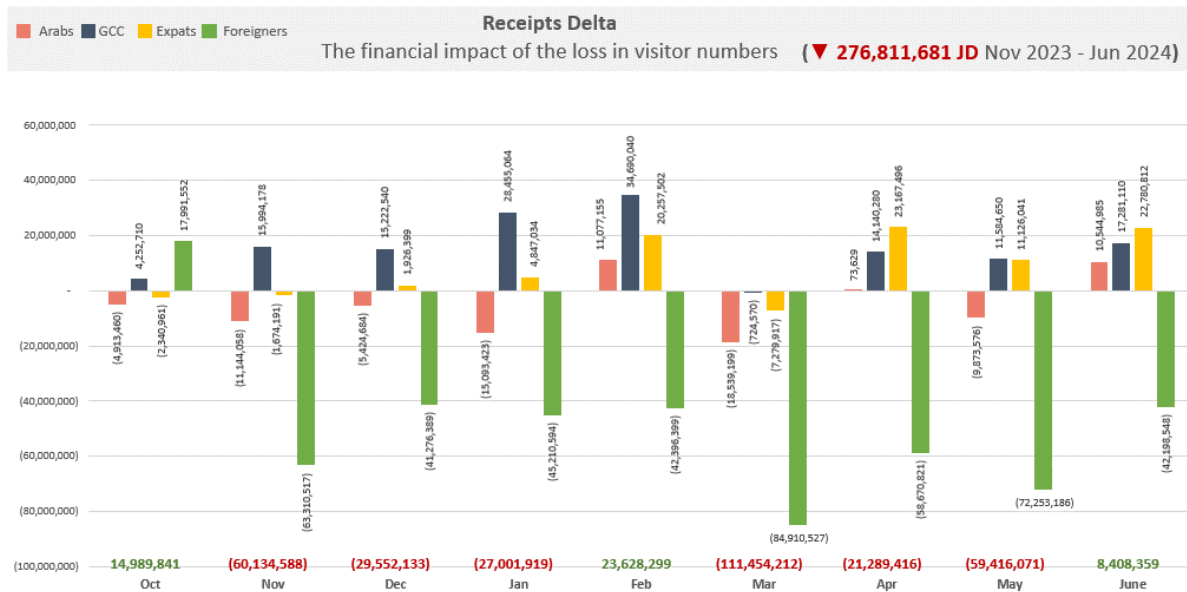


As can be seen, the impact of the war on Gaza commenced in November 2023 and continued through to first Half of 2024, with the exception of February and June of 2024.



Further analysis revealed that the most significant decline came from International (mainly European and North American) tourists, but this was partially offset by an increase in GCC tourists and Jordanian Expats. November 2023 - June 2024 witnessed a “loss” of ▼349,697 tourists compared to the same period of pervious year(s), with the biggest net loss occurring in March 2024 (partially due to Ramadan occurring in this month).

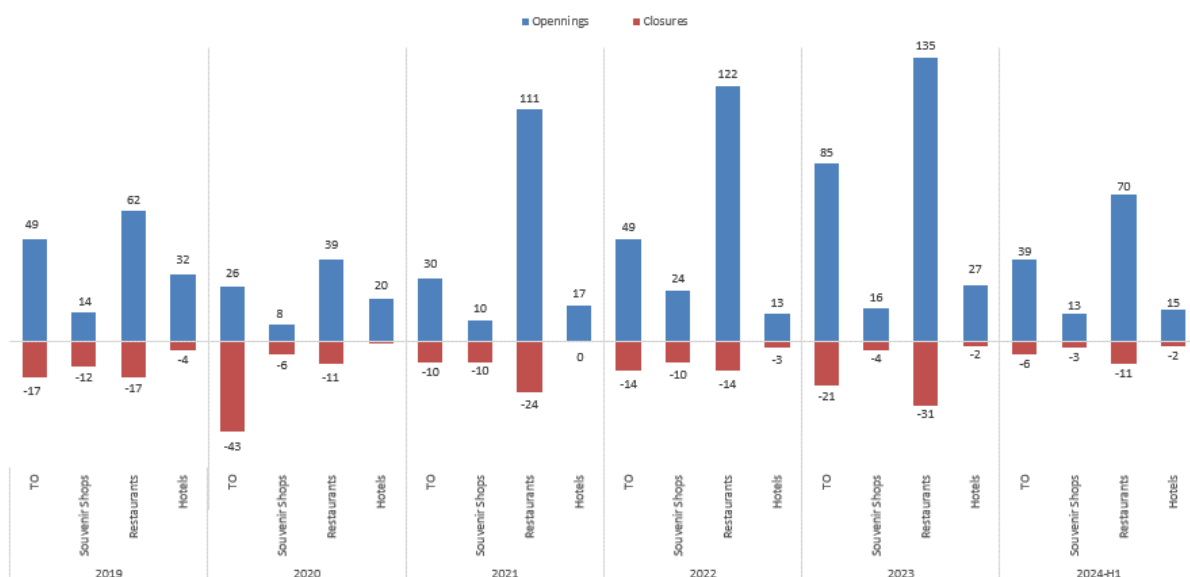
Several factors contributed to the reduction of international tourist arrivals including concerns over travel safety due to the war on Gaza as well as cancellation of inbound routes by Low Cost Carriers as was detailed in the Q1 2024 Tourism Quarterly Report.



By taking the average expenditure of each segment (International, GCC, Arab and Expats) into consideration, it can be deduced that the tourism sector in Jordan “lost”/would have gained an additional 276 million JDs between November 2023 and June 2024 had Jordan received the same number of tourists in previous/similar timelines.

It is worth noting that the main clients of hotels are international tourists, hence a drop in their numbers will significantly reduce hotel occupancy rates; conversely the increase in GCC, Arab and Jordanian Expats may not fully compensate the absence of international tourist as far as hotel occupancy rates are concerned due the fact that these segments are more likely to have their own accommodation and tend to visit rural areas where there is a dearth of hotels.

However, despite the negative impact of the war on Gaza, the tourism sector remains resilient, with the number of newly-registered tourism establishments outpacing the number those closing down. This phenomenon is apparent even in times of turbulence such as COVID-19 period and H1 2024.<sup>3</sup>



<sup>3</sup> Source: MoTA – Licensing Department



The most significant impact of the war on Gaza emanated from international tourist – For the period of November 2023 till June 2024, the number of international tourists declined by ▼550k, thus reflected by a drop of ▼450 million JD. This huge drop in international tourists was partially compensated by an increase in GCC tourists ▲177,459 tourists with a value of ▲136 million JD. Additionally, the receipts of Jordanian Expat tourists increased by ▲75 million JDs, whilst the receipts from Arab tourists declined by ▼38 million JD. These fluctuations resulted in a global decline of ▼349,697 tourist with a value of ▼276 million JDs.

# of Visitors/Receipts lost compared to previous months distributed according to expenditure categories in TSA													
عدد زوار					دخل سياحي								
	عربي	خليجي	اردني	اجنبي		عربي	خليجي	اردني	اجنبي				
Nov	(15,287)	20,772	(1,697)	(77,438)	➡	(11,144,058)	15,994,178	(1,674,191)	(63,310,517)	➡	(60,134,588)		
Dec	(7,441)	19,770	1,953	(50,487)	➡	(5,424,684)	15,222,540	1,926,399	(41,276,389)	➡	(29,552,133)		
Jan	(20,704)	36,955	4,914	(55,299)	➡	(15,093,423)	28,455,064	4,847,034	(45,210,594)	➡	(27,001,919)		
Feb	15,195	45,052	20,536	(51,857)	⬆️	11,077,155	34,690,040	20,257,502	(42,396,399)	⬆️	23,628,299		
Mar	(25,431)	(941)	(7,380)	(103,858)	⬇️	(18,539,199)	(724,570)	(7,279,917)	(84,910,527)	⬇️	(111,454,212)		
Apr	101	18,364	23,486	(71,763)	➡	73,629	14,140,280	23,167,496	(58,670,821)	➡	(21,289,416)		
May	(13,544)	15,045	11,279	(88,376)	➡	(9,873,576)	11,584,650	11,126,041	(72,253,186)	➡	(59,416,071)		
Jun	14,465	22,443	23,094	(51,615)	⬆️	10,544,985	17,281,110	22,780,812	(42,198,548)	⬆️	8,408,359		
	(52,646)	177,459	76,184	(550,693)		(38,379,171)	136,643,293	75,151,177	(450,226,980)				
▼ 349,697					▼ 276,811,681 JD								
Expenditure Items بنود الإنفاق													
أخرى	وقود ومحركات	تأمينات سيارات وأمنية	تسوق	تنقلات محلية	دراسة	علاج	أنشطة ترفيهية	الطعام والشراب	الإقامة	الرحلات الشاملة	النسبة	إجمالي إنفاق الزوار الدوليين (ملايين JDs)	الجنسية
Other	Fuel & Oil	Insurance Expenses and Vehicles' fees	Shopping	Local Transport	Study	Medical Treatment	Entertainments	Food & Beverages	Accommodation	Package Tours	Percentage	Total Expenditure of International Visitors (JDs)	
0.16%	3.94%	1.09%	38.53%	6.95%	5.95%	3.10%	16.54%	22.16%	1.58%	0.03%	100%	75,151,177	ألمانيا
116,875	2,958,007	821,269	28,953,413	5,221,504	4,467,847	2,326,292	12,426,936	16,654,790	1,183,851	20,393			مملكة البحرين / الإصفائي من دراهم البحرين في الخارج 2023 6 حتى 2024 6
0.04%	3.32%	2.88%	16.29%	3.42%	10.87%	19.17%	14.76%	13.50%	15.68%	0.06%	100.00	136,643,293	إلى الخليج العربي
55,001	4,537,974	3,938,428	22,260,592	4,666,859	14,854,630	26,201,285	20,164,860	18,451,873	21,428,805	82,985			مملكة البحرين / الإصفائي من البحرين 2023 6 حتى 2024 6
3.42%	0.84%	5.80%	23.07%	8.89%	9.25%	16.47%	8.18%	13.22%	10.56%	0.30%	100.00	-38,379,171	دولة الكويت
-1,311,678	-322,875	-2,225,044	-8,853,996	-3,412,695	-3,549,754	-6,322,441	-3,138,186	-5,074,150	-4,053,682	-114,668			مملكة البحرين / الإصفائي من سرب 2023 6 حتى 2024 6
0.15%	0.44%	0.78%	13.11%	5.25%	2.53%	1.05%	7.67%	11.18%	11.61%	46.23%	100%	-450,226,980	دولة الكويت
-693,560	-1,967,071	-3,498,651	-59,030,996	-23,640,364	-11,381,313	-4,720,341	-34,515,762	-50,856,734	-52,271,976	-208,150,213			مملكة البحرين / الإصفائي من الأجانب 2023 6 حتى 2024 6
-1,833,362	5,206,035	-963,998	-16,670,987	-17,164,695	4,391,409	17,484,794	-5,062,152	-20,324,220	-33,713,002	-208,161,504		-276,811,681	مملكة البحرين / الإصفائي

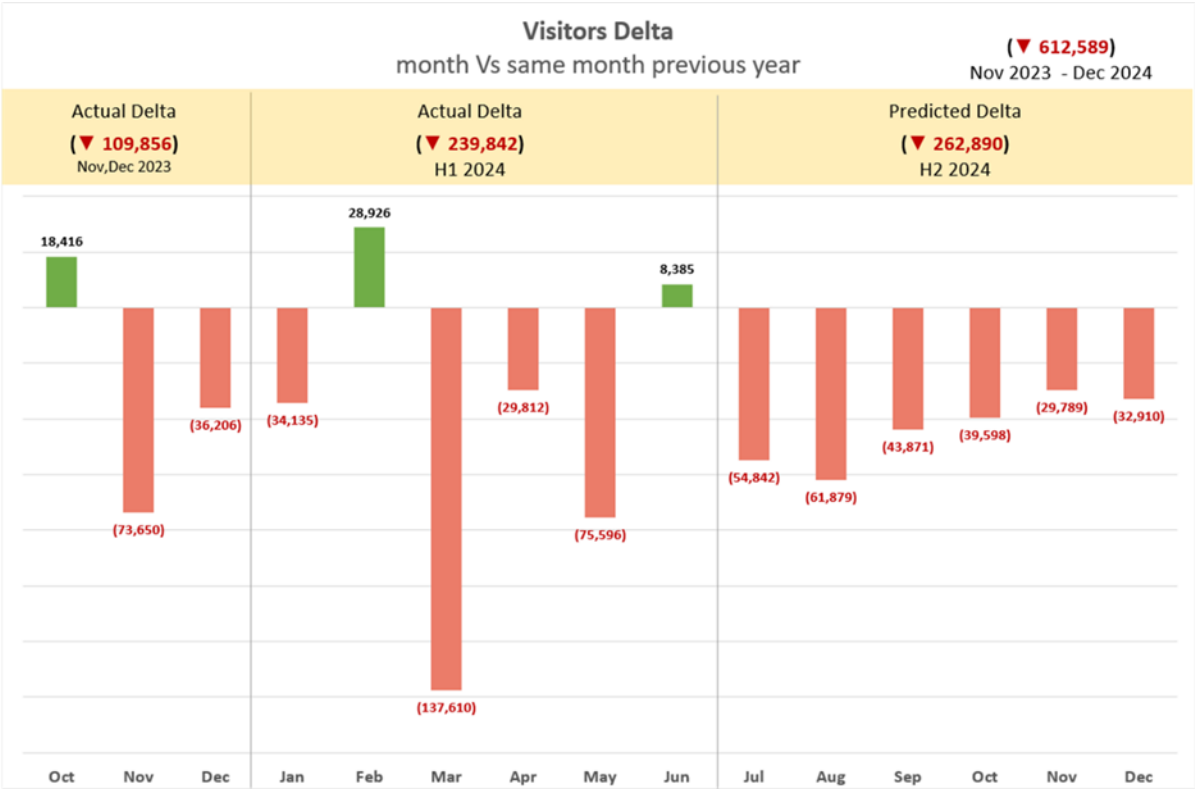
By reflecting the expenditure patterns of the various tourist categories (international, GCC, Arab and Jordanian Expatriates) on the percentage of spending on the expenditure items as per the Tourism Satellite Account (TSA), it can be deduced that for the period of November 2023-June 2024, the Accommodation sector “lost” ▼33 million JD and the Food & Beverages sector “lost” ▼20 million JD.



# 5. PREDICTIONS FOR 2024

The impact war on Gaza on the tourism sector began to surface in November 2023. Nov-Dec 2023 witnessed a “loss” of ▼109,856 tourists had the same number of tourists for the same period for the same months of the previous year arrived during this period. Similarly, H1 2024 saw a “loss” ▼239,842 visitors.

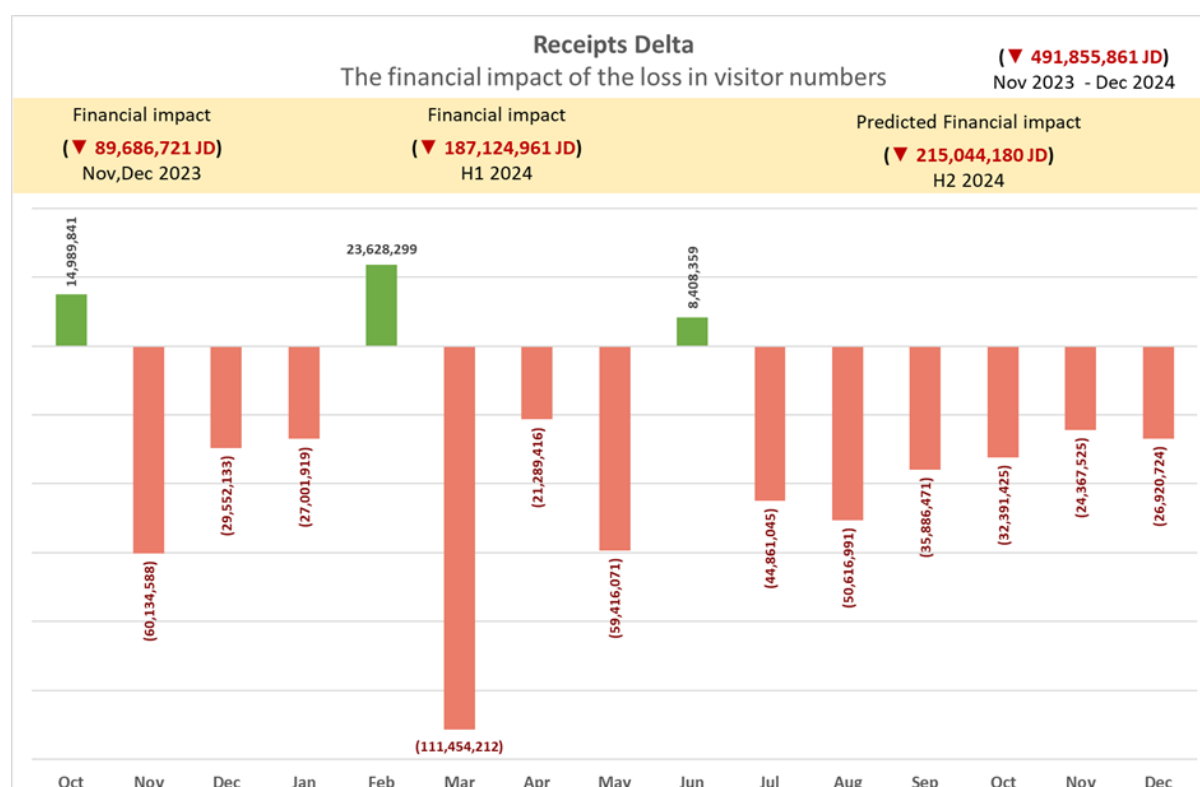
The average percentage drop H1 2024 is ▼7.9%. If this percentage of decline continues throughout H2 2024, the additional “loss” of tourists for H2 2024 will amount to ▼262,890, hence the total “loss” of tourists since the start of the war on Gaza will reach ▼612,589.



In term of receipts, the impact during Nov-Dec 2023 witnessed a “loss” of ▼89,686,721 JD had the same number of tourists for the same period for the same months of the previous year arrived during this period. Similarly, H1 2024 saw a “loss” ▼187,124,961 JD.

The average percentage drop of receipts in H1 2024 is ▼4.9%. If this percentage of decline continues throughout H2 2024, the additional “loss” of receipts for H2 2024 will amount to ▼215,044,180 JD, hence the total “loss” of receipts since the start of the war on Gaza will reach ▼491,855,861 JD.

These above-mentioned calculations represent the “realistic” scenario.



The pessimistic scenario predicts a “loss” of ▼756,422 tourists with a value of ▼638,455,127 JD – this is close to the predictions of the Central Bank of Jordan (CBJ)<sup>4</sup>, who estimate a “loss” of ▼700 million JD.

It is worth noting the impact of the war on Gaza is not uniform across the Kingdom and various establishments in Tourism value chain, with Petra being the most affected location due to the significant drop in international tourists, which represent over two thirds of Petra’s visitors - MoTA will be pleased to collaborate with ASEZA & PDTRA to conduct further analysis of the impact of the war on Gaza in the Golden Triangle in order to assess the special circumstances of this region.

<sup>4</sup> Meeting with MoTA and CBJ on 17<sup>th</sup> July 2024

## 6. PRIORITIES FOR 2024

In pursuit of continuous improvement and resilience to deal with the challenges that face the tourism sector especially during times of turbulence such as COVID-19 and the war on Gaza, MoTA will be focusing on the following priorities during 2024 and beyond.

### 6.1. Economic Modernization Vision Requirements

MoTA will deliver its commitments to the Economic Modernization Vision (EMV) by following up on all of the government priorities that are specific to tourism, each of which consists of a number of activities with specific delivery dates. MoTA will monitor the performance of these activities on a monthly basis and report to the Prime Ministry Delivery Unit (PMDU). Additionally, MoTA will focus its efforts and activities to ensure the delivery of the 10% YoY growth in tourism receipts as specified in the EMV.

MoTA will develop a National Tourism Strategy (2025-2030) to succeed the (2021-2025) version.

### 6.2. Connectivity

The war on Gaza has diminished the level of air connectivity between Jordan and tourism source markets due to the cancellation/reduction of routes operated by Low Cost Carriers e.g. <sup>5</sup>Ryanair reduced its routes to Jordan from 25 to 3 and others such as easyJet cancelled all its flights. In 2023, these carriers operated 2,925 flights to Jordan, carrying 445,856 tourists 82% of which are international tourists.

MoTA will endeavor to compensate such losses by providing financial incentives to airline operators such as LCCs, Charter Flights and Regular Operators including Royal Jordanian to expand their routes networks from existing/new tourism source markets.

Connecting the most popular tourism sites with land transport facilities (scheduled bus service) is under consideration by MoTA – this will enable tourists to expand their travel itineraries to a wider geographical span, which will also benefit local communities.

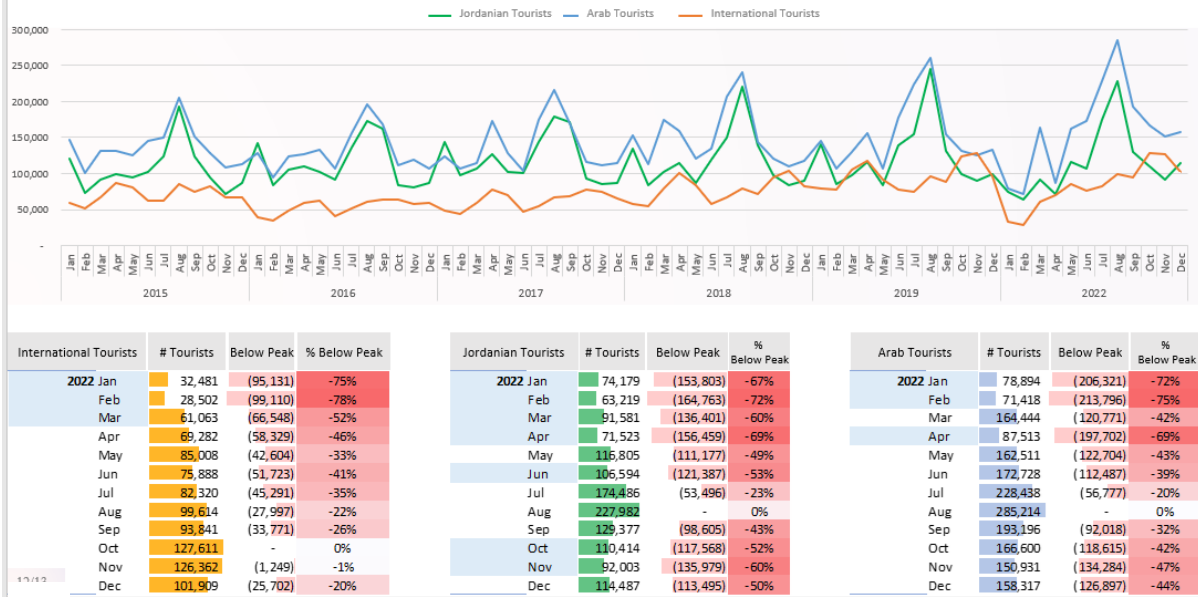
### 6.3. Seasonality

One of the biggest challenges faced by the Jordanian tourism sector is that of seasonality, whereby the low season poses a number of issues such as underutilized resources, thus impacting hotel occupancy rates, reduced revenues and diminished employment. To reduce the negative impacts of seasonality fluctuations, MoTA will develop bespoke/targeted marketing campaigns for each segment that will include financial incentives for tour operators who extend the tourist length of stay to 6+ nights, joint marketing campaigns, sponsorships of large events/festivals/conferences in the low season etc. Marketing plans to combat the impact of seasonality will be developed based on high level of patterns of tourist segmentation (International, Arab and Jordanian Expats) as well at lower levels of granularity (country level).

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<sup>5</sup> Source: Jordan Tourism Board

## Targeted Marketing to reduce seasonality

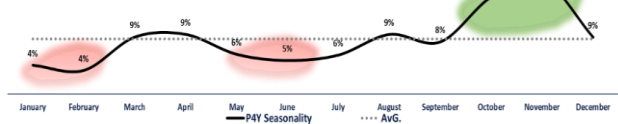
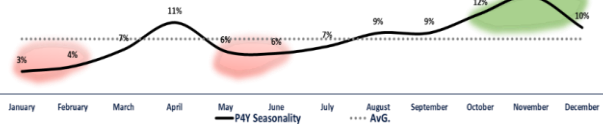
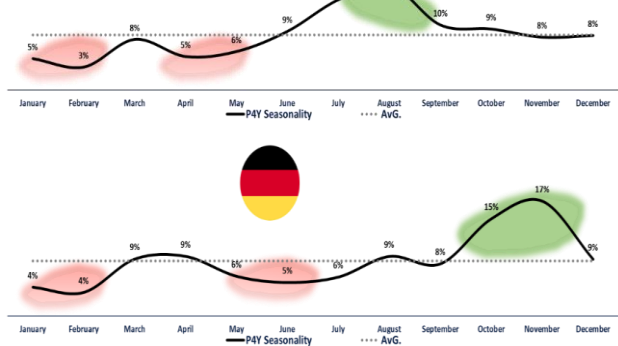
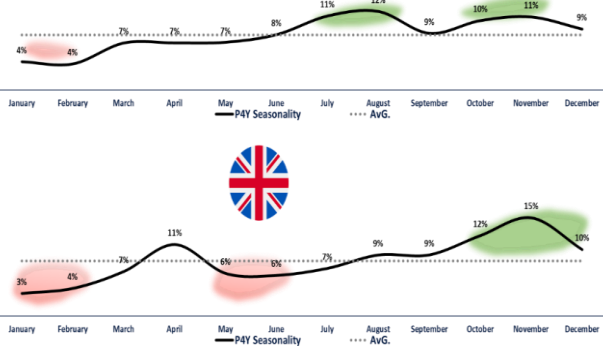
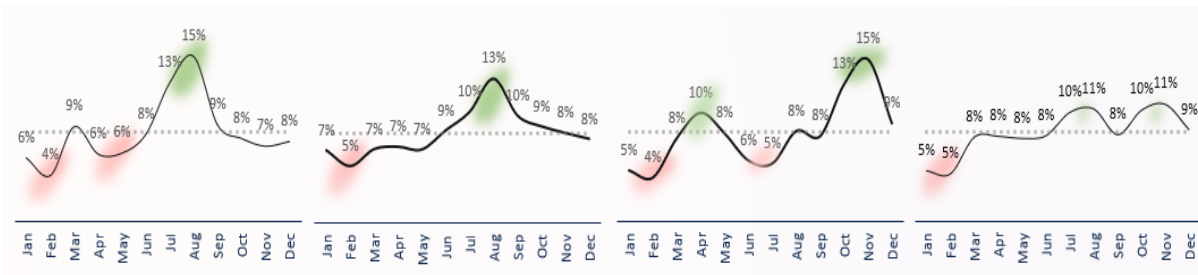


### GCC

### Other Arab Countries

### Europe

### North America



## **6.4. New Products/Source Markets**

MoTA will pursue new source markets including, but not limited to the Chinese, Russian, African, Indian, Pakistani, Malaysian, Indonesian and Arab markets including foreigners residing in GCC countries. Marketing plans will also focus on various product segments e.g., Medical & Wellness + Faith tourism in Africa where a high percentage of the population are of the Christian faith such as Ethiopia (64% Christians), Kenya (85% Christians), and Rwanda (94% Christians) in addition to specific campaigns for Islamic faith tourism. Other product segments that are ripe for growth include adventure tourism and MICE tourism (Meetings, Incentives, Conferences and Exhibitions); therefore, MoTA will actively offer incentives to attract international conferences to take place in Jordan.

MoTA will utilize a variety of communication channels such as digital media, exhibitions, sponsorships, conferences and partnerships to promote the various tourism product segments.

Additionally, MoTA will build on the declaration of Jordan as a regional hub for Medical & Wellness Destination by UN Tourism – to this end MoTA has formed a Wellness Council whose members are experts in this domain who are tasked with creating a long-term Wellness strategy & associated action plan in addition to the establishment of a Wellness Academy in the Dead Sea in collaboration with UN Tourism.

## **6.5. Investments**

Investments are the growth engine for the development and advancement of tourism in Jordan. MoTA, in collaboration with UN Tourism has published the “UN Tourism Investment Guide” for Jordan. Additionally, MoTA has completed a Kingdom-wide scan of all potential tourism investment opportunities, which will form the basis for a “Tourism Investment Map” that may be published on [invest.jo](https://invest.jo).

Furthermore, MoTA has established a “Tourism Development and Resilience Fund” as referenced in the newly-published Tourism Law in order to enable SME/Micro entrepreneurship and provide financial assistance to the sector in times of difficulties.

## **6.6. Training and Employment**

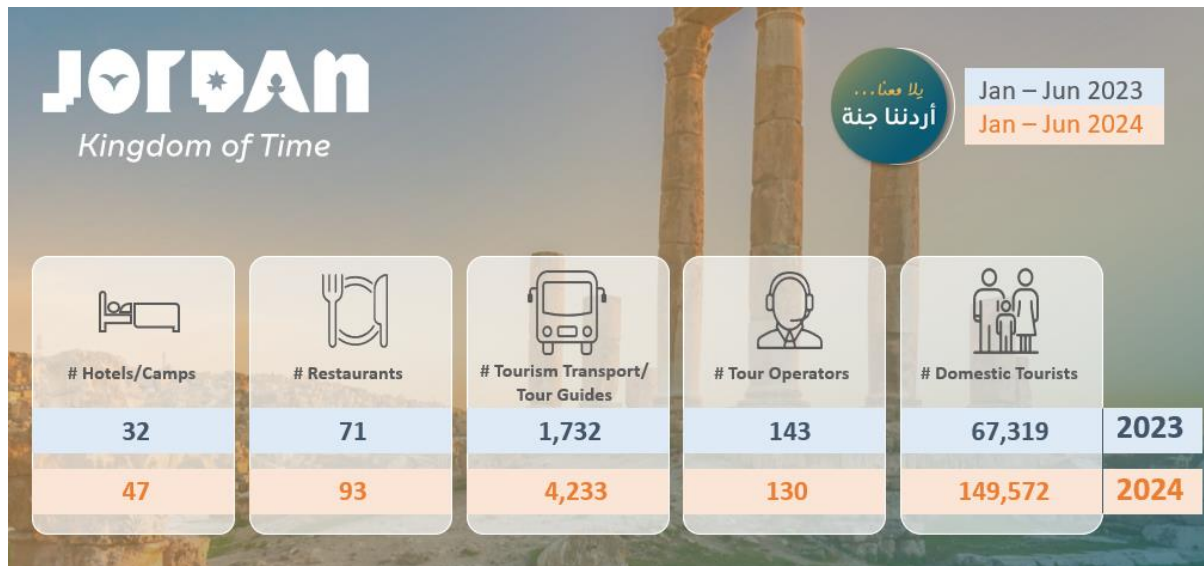
The tourism sector currently employs 54,004 employees, most of which are in the hotel/restaurant segment. MoTA’s training program, in line with the newly-released Training Strategy will focus on skilling, re-skilling and up-skilling of job seekers, existing employees and well as service providers in local communities. Additionally, training will be provided to “front liners” especially informal groups such as camel and horse riders in Petra, 4x4 vehicle drivers in Wadi Rum, local guides, tourism bus drivers, tourism police and passport control staff at border points.

Additionally, MoTA has developed a repository of over 220 local experiences and published their details on <https://traveljordanian.com/>

## **6.7. Domestic Tourism (Urdunna Jannah)**

Despite the fact that revenues from domestic tourism do not contribute to MoTA’s receipts targets, this form of tourism is an important management tool that is utilized by MoTA to

boost/restore economic activity in the tourism ecosystem – due to the economic difficulties faced by tourism entities in the Golden Triangle (Petra, Aqaba and Wadi Rum) as a result of the decline in international tourist in these locations, MoTA was able to direct domestic tourism to these location by sending 62,899 out of the 149,572 domestic tourists in H1 2024 via its Urdunna Jannah program.



Additionally, the financial subsidies (free transport, free guide and discounts at restaurants/hotels/camps) provided by MoTA enable Jordanians with limited income to enjoy an abundance of Jordanian tourism destinations and provide economic activity to the various operators in the tourism ecosystem (hotels/camps, restaurants, tourism transport, tour guides and tour operators).

Moreover, MoTA is developing a specific support program to assist the various tourism entities (hotels, restaurants, handicrafts...) in the Golden Triangle (Petra, Wadi Rum and Aqaba) where the impact of the war on Gaza is most visible due to the huge reduction of international tourists visiting this region.

## **6.8. Site Management**

Historical sites such as Jerash, Citadel, Mukawer, Umm Qais, Um ar-Rasas, Ajloun Castle, Aqaba Castle, Shobak Castle etc. are major tourism assets, therefore their Rehabilitation, Restoration, and Maintenance is a key priority for MoTA – to this end, MoTA will mobilize over 70 projects in pursuit of this important activity. Such projects will include new innovations such as the Research Center for Archaeological Studies and Storing of Artifacts at the Nuweijis Site, Tabarbour.

Additionally, Umm El Jimal was inscribed as a UNESCO World Heritage Site – this will entail a cluster of activities revolving around site improvements & maintenance (visitor center, gates, roads...), promotions such as narratives/videos/signs/local guides etc. as well as product development & investments such as shops, restaurants and local community handicrafts.

## **6.9. Regulatory Reforms**

MoTA will complete the activities associated with the new Tourism Law and its associated bylaws/instructions. Additionally, MoTA will focus its activities on classification of tourism entities, thereby leaving the licensing function to local authorities, hence improving the investor journey.

The new Tourism law was issued in 1<sup>st</sup> May 2024. Current activities focus on the development of the associated bylaws and instructions.

## **6.10. Digital Maturity Assessment**

MoTA will collaborate with the Prime Ministry Delivery Unit to conduct a Digital Maturity Assessment with a view of digitizing a full set of services and applications such as Data Management Platform.



## 7. SUMMARY

2023 was a record year for tourism in Jordan. The war on Gaza has impacted the tail end of 2023 and continued through H1 2024 mainly due to the decline in international tourist arrivals. Despite the fact that the tourism sector is of sensitive disposition, it has proved itself to be resilient and capable of swift recovery. MoTA and its key stakeholders including the Central Bank of Jordan, Social Security Corporation and the Development and Employment Fund as well as the various Tourism Associations are monitoring the situation on a daily basis and taking all possible actions to mitigate/reduce this impact and pave the path to a smooth recovery. Mitigation steps in support of tourism establishments thus far included:

- **Social Security Corporation:** adjournment of Social Security contributions according to the following terms and conditions:
  - Establishments wishing to benefit from financial facilitates provided by the Social Security Corporation must submit an installment request during the period from 01/05/2024 until 31/08/2024.
    - 01/05/2024 - 31/08/2024 - installment interest rate will be 0%
    - 01/09/2024 – 31/12/2024 - installment interest rate will be 2%
    - 01/01/2025 - 30/04/2025 - installment interest rate will be 4%.
    - 01/05-2025 onwards - installment interest rate will be 9%.
- **Central Bank of Jordan:** provided soft loans to the tourism sector equivalent to 12.7 million JD with interest rate of 1% in Amman and 0.5% in other governorates.
- **Development and Employment Fund:** provided soft loans to the tourism sector equivalent to 1.5 million JD with interest rate of 2%.

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