



USAID
FROM THE AMERICAN PEOPLE

NATIONAL STRATEGY FOR TOURISM HANDCRAFT

DEVELOPMENT IN JORDAN
2010 - 2015



NOVEMBER 2009



JORDAN TOURISM DEVELOPMENT PROJECT II



NATIONAL STRATEGY FOR TOURISM HANDCRAFT

DEVELOPMENT IN JORDAN

2010 - 2015



NOVEMBER 2009



TABLE OF CONTENTS

1	<i>Introduction.....</i>	<i>1</i>
2	<i>Executive Summary.....</i>	<i>2</i>
3	<i>Importance of the Tourism Handcraft Sector in Jordan.....</i>	<i>3</i>
4	<i>Overview of the Tourism Handcraft Sector in Jordan.....</i>	<i>4</i>
5	<i>Challenges to the Tourism Handcraft Sector in Jordan.....</i>	<i>5</i>
6	<i>Key Strategies for Development of the Handcraft Sector.....</i>	<i>6</i>
7	<i>Financing the strategy.....</i>	<i>7</i>
8	<i>Strategy Implementation: 2010 – 2015.....</i>	<i>8</i>
9	<i>Specific Strategies for Regional Development of Tourism Handcrafts.....</i>	<i>9</i>
	<i>Attachment I: Strategy Implementation 2010 - 2015.....</i>	<i>10</i>



ACRONYMS

ASEZA	Aqaba Special Economic Zone Authority
BDS	Business Development Service
CBO	Community-Based Organization
COM	Council of Ministers
DCA	Development Credit Authority
DOA	Department of Antiquities
GAM	Greater Amman Municipality
HRDC	Human Resource Development Corporation
IBLAW	International Business Legal Advisors
ILO	International Labor Organization
IR	Intermediate Result
IT	Information Technology
JHTEC	Jordan Hospitality and Tourism Education Company
JITOA	Jordan Inbound Tour Operators Association
JOHUD	Jordan Hashemite Fund for Human Development
JRA	Jordan Restaurant Association
JRF	Jordan River Foundation
JTB	Jordan Tourism Board
MFI	Micro-Finance Institution
MOL	Ministry of Labor
MOU	Memorandum of Understanding
MOTA	Ministry of Tourism and Antiquities
MTA	Madaba Tourism Association
NGO	Non-Governmental Organization
NTS	National Tourism Strategy
NTVS	National Tourism Visitors Survey
PDG	Program Development Grant
PSP	Private Sector Participation
RFP	Request for Proposal
RSCN	Royal Society for the Conservation of Nature
SME	Small and Medium Enterprises
SSC	Strategy Steering Committee
TDC	Tourism Development Corporation
TOR	Terms of Reference
UNESCO	United Nations Educational, Scientific, and Cultural Organization
USAID	United States Agency for International Development
VTC	Vocational Training Center

1

INTRODUCTION

Handcrafts comprise a very important component of Jordan's tourism strategy. Crafts reflect our traditions and our diverse cultural heritage. Visitors to Jordan are no longer mere observers of our cultural and archaeological sites. Tourists today want to learn about Jordan through participation, often through crafts. They are also looking for authentic reminders of their visit, something that is evocative and meaningful. They want to share their experience with their friends and family by bringing them a little piece of Jordan.

This National Strategy for Tourism Handcraft Development in Jordan: 2010 – 2015 is the first attempt to develop a unified plan that will energize our craft sector through tourism, bring employment opportunities to artisan communities, help identify our unique culture, and strengthen our efforts to increase the flow of tourists to Jordan.

Handcraft related activities, such as shopping, visiting artisan workshops, and festivals, have the potential to add a day to a typical tourist's stay in Jordan. Such activities mean additional revenue for hotels, restaurants, tour operators, as well as income for handcraft-related businesses.

Jordan has many beautiful and interesting handcraft traditions that represent the country's unique culture and history. Significant investment has been made to continue our traditions and to generate income from such activities. The sector needs to be better organized, product designs need to meet ever changing market demand, quality needs to be consistently strong, and productivity must increase. We must also help our young people understand that a viable future lies in handcraft-related initiatives, be they producers, managers, designers, or traders.

This Strategy is intended to regulate and help strengthen the craft sector and to increase its capacity to meet tourism market demand. The Strategy requires a significant commitment of time and resources on the part of the government and all of the stakeholders in the craft sector. However, the results will much outweigh the input required. With a comprehensive craft development plan, Jordan's tourism sector will be made much stronger, and a typical visit to Jordan will be made complete.



2

EXECUTIVE SUMMARY

This National Strategy for the development of the handcraft industry in Jordan represents a comprehensive effort to bring needed attention to the sector in order to increase sales, income and employment as a result of strengthened access to the tourism market. This document is also based on the assumption that there is a natural link between handcrafts and tourism and that there is mutual advantage in building and promoting one sector to support the other. Handcraft sales increase family incomes and contribute to cash economies throughout communities in Jordan. Related activities, such as visits to market areas, production centers and artisan villages, can add a day to a travel itinerary, spreading benefits throughout the tourism industry. Tourism providers, such as hotels and restaurants, can include crafts in common area and guest room decor, thus contributing to tourists' cultural experience and stimulating sales.

This document addresses current challenges to the handcraft sector in Jordan and provides a strategy to strengthen and energize the sector and to better meet the needs of the tourist market. There are a number of existing shortcomings in the handcraft sector in Jordan that limit market potential, including: lack of coordination on a national level which leaves the sector fragmented and poorly regulated; an inconsistent supply of quality raw materials, most of which are imported; stale designs that do not meet market potential; reliance on inefficient production methods that keeps output low and costs high; poor and inconsistent quality control; weak understanding of the marketing process; poor market access; competition from inexpensive imports; lack of private sector interest or ability to promote products made in Jordan; lack of a Jordanian craft identity; a downward trend in the number of people interested in working in the sector, especially among young people; inability to access credit; and, a need for legislation to regulate and support the sector.

This Strategy addresses these challenges and provides a framework to revitalize the handcraft sector. A national coordinating body will be created to implement the Strategy by providing assistance to the sector through: regulation; training; a national branding campaign; facilitation of access to finance; development of data bases to improve overall information on the sector; and, advocacy. By Law No. 36, that defines and regulates the sector, will be modified, implemented and enforced. Special attention will be given to the participation of women at all levels of the industry, including production and decision-making. Design and product development will be addressed through a series of international consultancies,



IMPORTANCE OF THE TOURISM HANDCRAFT SECTOR IN JORDAN

training of local designers, and the establishment of a national design center, possibly with regional affiliates. The Salt Vocational Training Center, which could become a national design and training center, will be reinvigorated, with strong management and a curriculum that meets a diversity of production, business and marketing needs. Designs will blend Jordanian traditions with contemporary tastes that appeal to the market, underlying the fluidity and dynamism of culture. Raw materials will be provided locally through the private sector and costs will be reduced by buying in bulk and through tax and revenue incentives.

Local production, sales, training, and design capacity will be strengthened in order to reduce dependency on outside support. Retail training will be provided to improve management, business and sales skills, customer service, merchandising and display, with the intention of demand creation for Jordanian handcrafted products. A national Handmade in Jordan branding campaign will be launched to promote authenticity, to differentiate Jordanian products from imports, and to add value through cultural identification. Local brands and images will also be developed, become known for quality and reflect local culture, environment, history and existing craft production. The national branding campaign will be coupled with a national promotional campaign to educate tourists about the benefits of buying Handmade in Jordan. Awareness-building will be linked to national tourism promotion and will attract youth to the sector through youth-oriented concepts.

The impact of the Strategy will be multi-faceted. The immediate benefits include increases in sales and income for artisans, a wide range of marketable products, and improved market access. The long-term benefits include: increased local capacity to produce and sell Jordanian handcrafts; strengthened tourist markets; clear understanding of and appreciation for Jordanian handcrafts among tourists; improved living standards for individuals engaged in the sector; and, an enhanced sense of ownership among Jordanian communities for their cultural and historical attributes.

A three-year plan for selected target locations has been developed as a pilot in order to begin implementation of local components of the Strategy. The plan is included with this Strategy.



The comprehensive “Global Market Assessment for Handicrafts” issued in 2006 by the United States Agency for International Development states that:

Today, in many developing nations, handicraft production is a major form of employment and in some countries constitutes a significant part of the export economy. Observers of the handicrafts sector predict that the escalating number of small businesses turning to handicraft production is unlikely to decline significantly in the future. More specifically, artisans have been identified as the second largest sector of rural employment after agriculture in many regions of the world.

The authors of the report also explain that:

Handcraft production crosses all sectors of the modern global economy—from preindustrial to industrial and post-industrial. Artisan production has thrived because handcrafted products offer distinct advantages: minimal start-up capital, flexible work hours, the ability to work at home, and freedom to manage one’s own business. Unlike many other forms of labor, artisan production can also enable a degree of labor autonomy for those who have limited access to the cash economy. As a means of livelihood, handicrafts provide an ideal avenue for creative, independent entrepreneurs. An addition, they offer opportunities for seasonal employment and small production runs, and the sector is often a default occupation for producers who have limited other options for employment.

Specifically, handcraft production can offer employment for rural and urban women as it can allow women to work at home while tending to their children and household responsibilities. In many cases formal handcraft production is based on traditional skills passed down by women and men from generation to generation. Additionally, in some traditional cultures, home-based employment in the handcraft sector for women is accepted within the family and community.



The market potential for handcrafts is wide reaching. Artisans find markets for their products within their own communities, on a national level, as well as in international markets. According to a recent report issued by UNCTAD and the UNDP Special Unit for South-South Cooperation "the global market for arts and crafts is expanding and clearly is not negligible; world exports increased 31% during the period 2000-2005, from \$17.7 billion in 2000 to \$23.2 billion in 2005. Arts and crafts are the most important creative industry for export earnings in developing countries as well as a major item in the exports of developed countries."

In Morocco, for instance, the artisan sector contributes \$6 billion annually to the national economy and benefits one-third of the population. Hotels in Morocco are renovated on average every seven years, a cycle that provides significant opportunities for decorating public areas, restaurants and rooms. In the coming three years, 57,000 rooms will be refurbished, which translates into a demand for 2.29 million meters of cloth with an approximate sales value of \$32 million.

3.1 HANDCRAFT'S ROLE IN TOURISM

Given the current global economic crisis and other international factors such as global health threats, global tourism declined by 8% in the first part of 2009. Tourism in the Middle East has experienced the highest level of declines compared to other regions (18% compared to 2008), although the pace of the decline appears to be slowing. However, Jordan is listed as one of a limited number of countries that has reported positive results for the first quarter of 2009. The total number of arrivals increased by 1.3% over Q1, 2008 figures, with same day visitors increasing by 3.5% while overnight visits declined less than 1%. Direct employment in the sector increased by 1.5%, while the number of tourist shops increased by 3.1%. Although the growth of the tourism sector in Jordan has slowed, it still represents an important growth sector.

There is a natural link between handcrafts and tourism. The two are intertwined – with mutual advantage in building and promoting one sector to support the other. Through the purchase of locally made items, tourists create and promote employment for sustainable economic development, improve the livelihoods of artisans and promote women and disadvantaged segments of society, for whom other employment may be unavailable. Visitors to a country bring with them buying opportunities that lead to production of local products to replace imports. Tourists want to buy something that is evocative and authentic. Learning and participating have become a paramount element of travel, as proven by the success of study and culture tours and special interest tours with crafts as a central focus. Shopping is no longer simply a form of entertainment, but a link to a foreign culture that greatly enriches the travel experience.

Handcraft related activities such as visiting retail stores, artisan villages, and local festivals, can increase the average length of stay by adding a day or more to a travel itinerary, thus augmenting the profits of tour operators, hoteliers and restaurateurs. In some cases, crafts and craft production are primary tourist attractions. Furthermore, the travel industry has also recognized the importance of linking craft with tourism by investing in handcrafts for room furnishings and for lobby, lounge, spa, and restaurant decor. The enjoyment of traditional atmosphere enhanced by visual interest through craft, supplements the historical information of important sites. In Jordan, tourists are the largest buyers of handcrafts in the country. It is estimated that the average spending on handcrafts is 70 JDs per family. The most popular products are textiles, ceramics, and mosaics, although it is estimated that 80% of the handcrafts displayed in tourist stores are imported, despite the national Tourism Law that states that handcraft retailers must display a minimum of 70% local handcrafts.

4

OVERVIEW OF THE TOURISM HANDCRAFT SECTOR IN JORDAN



Numerous studies have been done on the Jordanian handcraft sector in the recent past. In the interest of limiting redundancies, this report does not replicate the findings of these studies but offers a brief summary. A list of reports can be found in the footnotes of this report and it is recommended that the reader refer to these reports for more in depth information on the Jordanian handcraft sector.

Handcrafts produced in Jordan are varied and include weaving, glass painting, jewelry, ceramics, embroidery, mosaics, basketry, and wood products. There are few formal statistics on the handcraft sector in Jordan, though it is well known that the sector provides significant income generating opportunities in the formal and informal sectors. Although Jordan does not have a strong reputation for handcrafts outside of the country, the importance of locally produced handcrafts within Jordan is notable. Specifically, locally produced handcrafts play an important role in the local and tourist markets.



A recent collaboration between the government of Jordan and external donors has brought attention to the handcraft sector as an important part of Jordan's evolving tourism strategy, as well as a viable mechanism of growth.

The sector is divided into three levels of producers. The first level includes NGO and cooperative projects. There are numerous local and national NGO-funded handcraft projects and cooperatives. The most notable of organizations implementing successful handcraft programs include the Royal Society for the Conservation of Nature; the Noor Al Hussein Foundation; the Jordan River Foundation; and the Jordan Hashemite Fund for Development. This level tends to operate with a charity mentality instead of business mentality and in most cases lacks funding. Although they may be successful in producing product, they have trouble accessing viable markets. Through this type of producer group, women are either contracted to produce pieces at home or they are employed at a centralized production centers.



The second level of producers consists of the micro and small enterprises. This group plays a smaller role in the production of handcrafts in Jordan but is probably the group that has the most potential to grow the sector in the long term. Level two enterprises tend to employ between 2-20 people and are more likely to be legally registered. They sell to retail and wholesale markets.



The third level includes the individual artisans that work mostly independently or within family groups. This group includes primarily women who operate for the most part in the informal sector. The artisans are not formally trained and have little concept of important issues such as costing and pricing. Sales opportunities for this group tend to be either direct sale to tourists or people in their communities or to wholesales/retailers that many times take advantage of the artisans' lack of knowledge.

There are two main handcraft associations in Jordan. The Jordan Handicrafts Producers Association includes business owners and employees of formal handcraft workshops. The Jordanian Handicrafts Traders Association "is the official body for licensing handicrafts producers and traders in cooperation

with the Ministry of Tourism and Antiquities." Unfortunately, these groups do not adequately address the needs of the sector.

In addition to the organizations listed above, there are a limited number of entities providing support services in the handcraft sector. Jordan has numerous designers who have extensive experience working with producers and designing for local, tourist, and external markets. However, it has been reported that there is not sufficient supply of skilled designers and that efforts to collaborate with university design departments have fallen short. In addition to individual designers, there are several community centers that offer design and product development classes and production support.

5

CHALLENGES TO THE TOURISM HANDCRAFT SECTOR IN JORDAN



There is great potential for the Jordanian handcraft sector to increase its market share within the national tourist market and to be a valuable part of the national tourism strategy. However, a focused effort is needed to address several shortcomings of the sector. The following are several key challenges as have been reported by various actors within the sector:

5.1 LACK OF SECTOR COORDINATION

There is a lack of sector coordination on a national level which leaves the sector fragmented and without a comprehensive strategy of how to move forward. Various players, including NGOs, voluntary societies and cooperatives, compete for funding and duplicate efforts. Several government ministries including the Ministry of Industry and Trade, Ministry of Tourism and Antiquities, Ministry of Social Development, and Ministry of Culture have funded handcraft programs without coordination or sharing of best practices. External donors have implemented projects without coordination and concrete linkages to the tourism sector. Additionally, the Jordan Handicrafts Producers Association and the Jordanian Handicrafts Traders Association are not fully addressing the needs of the sector; and in most cases are not linked with other efforts in the sector.

5.2 RAW MATERIAL SUPPLY

Artisans require a consistent flow of quality raw materials in order to fill orders and develop new products. Raw materials in Jordan are mostly imported, expensive, lacking quality and inconsistently available. Imported raw materials are taxed at a standard rate which contributes to the higher cost of raw materials, and therefore higher cost of locally made handicrafts. Although some handcraft products are made using native raw materials, such as clay, and limited quantities of wool (although imported wool is a better quality.) It would be to the advantage of producers to incorporate locally found materials into their designs and products.

Additionally, there are very few raw material suppliers outside of Amman. The high transportation costs to travel to Amman to purchase raw materials drives up the end cost of the product.

5.3 PRODUCT DEVELOPMENT AND DESIGN

The product development capacity in the handcraft sector needs to be improved in order to meet the demand of the market for fresh, tourist-oriented designs. With a few exceptions, designs are stale. For many artisan groups, product development is equated with copying products already in the market or producing Jordan-like products in Asia. In order to move the sector forward it is necessary to provide artisans and designers with the knowledge and skills to continuously offer fresh, demand-driven designs.



Although there are well-established designers working in the handcraft sector in Jordan, there are not enough designers to meet the demand of the sector. Students are not encouraged to focus on the handcraft sector; most likely because they do not see it as a viable area of employment.

Many actors in the handcraft sector in Jordan have expressed a need for a national Design Center that would serve as a central point of design and production resources in the country. In addition to housing current information of trends, designs,

markets, raw materials, and production methods, the Design Center would also serve as an information source of Jordan's handcraft traditions and traditional designs. In order for a Design Center to meet the needs of the sector, it would have to be accessible to artisans, have an online component, as well as a large outreach or mobile component. Such Design Centers normally require ongoing investment and are not financially self-sustaining.

5.4 PRODUCTION

The production capacity in the handcraft sector is not sufficient to meet local market demand. In many workshops production methods are antiquated and/or inefficient, and the majority of the workers have not been adequately trained in production methods. Substandard production methods increase the price of the product and lower quality. Poor finishing is a major constraint in the sector, as is the age of the tools and equipment that is used in many production facilities. Updated equipment and production methods will go a long way in improving the production capacity and quality of products and in reducing costs.

5.5 QUALITY CONTROL

Lack of quality and inconsistent quality are notable problems in the handcraft sector in Jordan. Locally made products found in tourist shops are not on the same quality level as imported goods. Poor quality stems from inferior raw materials and production methods, as well as a lack of quality control systems. The problem can be remedied through training, improved access to better raw materials, and implementation of a standard system of quality control in the producer workshop.

5.6 MARKET READINESS

In general, handcraft businesses and projects have a weak understanding of what is required to successfully participate in the handcraft market. Marketing does not just mean selling. It is important for producers and vendors of handcrafts to understand a variety of important topics such as costing and pricing, market trends, buyer relations, packaging, and timely order fulfillment, not name a few.

5.7 MARKET ACCESS

The domestic handcraft supply chain needs to be strengthened in order for locally made products to better reach the tourism market. As it is currently, tourist access to local handmade products is weak because the products are either not available to tourists or are sold alongside imported products without differentiation. Most producers have informal or haphazard access to the tourist market, and do not have a clear idea of what is required to meet the demands of the market. Furthermore, retailers and wholesalers cannot consistently and cost effectively source products from local producers.

5.8 PRIVATE SECTOR INVOLVEMENT

Much of the handcraft production in Jordan is done through micro-enterprises supported by or run by NGOs and donor-funded projects. Although these projects have a place within the sector, the sector could benefit from a more business focused approach. Support for micro and small handcraft enterprises is minimal and given the competition from cheap imports, the lack of design support and market access, running a profitable handcraft business in Jordan is difficult. However, private sector participation is key to a long-term handcraft sector strategy.

5.9 COMPETITION WITH CHEAPER IMPORTS

The competition from cheap imported handcrafts is a global problem and very real in Jordan. Tourist shops are filled with products made in Asia and other countries that compete with locally made products at a lower price point and in many cases with better quality and more appealing designs. In some cases, traditional Jordanian designs are replicated outside of Jordan at a much cheaper cost. Given the current structure of the handcraft sector in Jordan, it is cheaper and easier for wholesalers and retailers to source products from outside of the country.

5.10 RETAIL

In most tourist areas, there is an absence of tourist shops that carry handmade Jordanian products. Most retail stores targeting the tourist market

are filled with imported products, are poorly merchandised, lack customer service, and in many cases do not fully capture the interest of tourists. If products made in Jordan are exhibited, they are sold alongside imported products. Many times label of origins are removed from imported products and sold as Jordanian made products.

Street vendors tend to sell imported products and generally are not very appealing to tourists. Although they may be located in the general vicinity of tourist locations, they do not fully meet the demand of the tourists and represent lost market potential.

Additionally, the well-established practice of giving high commissions (up to 40%) to tour guides in order for the guides to bring tour groups to the retail stores is problematic in that it substantially adds to the retailer's overhead and affects the competitiveness of locally made products.

5.11 LACK OF JORDANIAN IDENTITY

Although Jordan has strong craft cultural traditions, the country is lacking an established handcraft identity or brand. Some parts of the country are known for specific products, such as mosaics in Madaba and carpets in Jerash, but in general there is a need for a stronger sense of the type of craft that is truly Jordanian. Tourists need to be informed of what types of products are specialties of the country and what they should purchase if they want to take home a true piece of Jordan.

5.12 DECLINING INTEREST IN WORKING IN THE HANDCRAFT SECTOR

Over the past several years there has been a decline in the number of people working in the handcraft sector in Jordan, especially among young people. This is most likely due to the lack of viable income generating opportunities in the sector, as well as the lack of interest in carrying on handcraft traditions. Furthermore, the work environment of the sector discourages participation in the sector, including the lack of social security and health insurance.

It is important for the survival of Jordanian handcraft traditions to reverse this trend by attracting young

KEY STRATEGIES FOR DEVELOPMENT OF THE HANDCRAFT SECTOR

people to the sector, which demonstrate profitability. Although handcrafts are based on traditions, the sector can become very progressive using modern technology in design, production, and sales and marketing. Participation in the sector is not limited to production alone. There are many types of opportunities for designers, engineers, wholesalers/retailers (including online merchants), raw material producers and supplies, and sales and marketing experts, to name a few.

5.13 ACCESS TO CREDIT

The lack of access to credit is a global constraint in the handcraft sector and has been identified as a problem in Jordan. The loan period for a handcraft producer tends to be longer than the loan periods of other sectors. Producers need access to credit in order to finance the purchase of raw materials to complete an order. In many cases it is three to four months from the time the producer purchases the raw materials to the time the buyer pays for the product. Many microfinance products are not appropriate for handcraft producers because of the longer loan period. It is difficult for handcraft businesses to meet market demand and to grow without access to credit.

5.14 REGULATORY

Enforcing the current bylaw addressing the craft sector in Jordan has been identified as a challenge in Jordan. The Bylaw No 36 "Handcraft, Traditional, and Common Manufacturing, and Trading Bylaw for the Year 2002", was created to: 1) protect Jordanian handcraft products and the artisans; 2) ensure protection of the Jordanian traditional and cultural heritage including products, designs and production techniques; 3) and finally to support the craft sector that have direct impact on the tourist experience. The by-law is currently difficult to enforce, and products labeled as "made in Jordan" are frequently imported.

Close examination reveals that improvements in the bylaw need to be made to ensure its enforcement. Certifying a product as handmade with high quality, labeling the product with "Made in Jordan", and processing licenses for handmade production are the key issues that emerge from the bylaw, and require further definition and adequate enforcement.



The handcraft sector in Jordan will benefit greatly from a coherent national strategic plan and an organized structure focused on demand creation and promotion for handmade Jordanian products in the local tourism market. The current informal structure, multiple levels and types of actors involved in the handcraft sector present an opportunity for substantial growth. The following is a comprehensive strategy on how to strengthen the Jordanian craft sector to better meet the needs of the tourist market. It targets all actors in the handcraft sector, in particular the three levels of producer groups. Additionally, an illustrative plan of action for the four target areas of Wadi Rum, Wadi Musa, Ajloun, and Salt is presented.

This Strategy was developed through a comprehensive process that involved Jordanians at all levels of the handcraft sector. A Tourism Handcraft Development Steering Committee was formed to develop this Strategy and there has been a series of meetings to discuss and finalize it. In addition, assessments were also conducted with production and marketing entities in the four target sites of Wadi Mousa, Wadi Rum, Salt and Ajloun. Two symposia were held in Amman with stakeholders that resulted in comments on drafts of the Strategy.

6.1 STRATEGIC VISION

A number of prominent non-profit organizations have given attention to the handcraft sector over the past twenty years, helping producers to understand the income generating potential of the industry and giving rise to increased production and a broader range of products in local markets. Before that time, most production was home-based and for personal use. The number of entrepreneurs has also increased but they are generally not well connected to Jordanian producers and they tend to rely on imported products to make a profit. The sustainability of community-based entities that produce and sell Jordanian products has been a challenge. Support to the sector tends to emanate from Amman, without sufficient local capacity building that would otherwise enable self-sufficiency at the community level.

This Strategy has been developed to address the challenges mentioned above and to bring both profitability and sustainability to the sector. The vision of this Strategy is that within five years the handcraft sector will flourish at both the





national and regional levels, that handcraft products will be widely available to tourists, that communities will feel an increased sense of participation and ownership in the tourism industry as a result of improved livelihoods, and that partnerships will have evolved among production and marketing organizations to work together for the benefit of the sector. In addition, women will have been empowered as entrepreneurs, decision-makers and leaders throughout the handcraft value chain.

The vision for the four target sites of Ajloun, Salt, Wadi Mousa and Wadi Rum includes the establishment of profitable businesses and sustainable organizations that are involved in various segments of the handcraft sector. There will be significant demand for locally made products; each area will have become known for their own product lines based on their cultures, environment and heritage; and, each site will demonstrate a vibrant handcraft economy.

The impact of this Strategy will be multi-faceted. The immediate results will include an increase in the number of artisans trained, products developed, sales completed and markets strengthened. The long-term benefits will include: reduced dependency on external assistance; clear distinctions for tourists for products that are Jordanian-made; local design capability and identity; and, engaged communities.

6.2 NATIONAL COORDINATION

In order to implement a coherent national strategic plan and to bring all the various stakeholders operating in the handcraft sector in line with the Strategy, a coordinating body should be identified among the current actors or established as a stand alone entity, that reaches regional as well as national levels. The primary function of the coordinating

body will be to provide assistance to the sector through regulation, training, design and production support, marketing coordination and assistance, promotion, information gathering and dissemination, and assistance with access to finance for handcraft businesses. The coordinating body would also define the roles of the various stakeholders (producers, retailers, government, etc.) to improve overall coordination. Attention must be given to the issue of guide commissions which are so high that they act as a disincentive for retailers to sell Jordanian products. The practice also limits the exposure of many retailers who do not pay commissions or do not have sufficient parking spaces for tourist buses. Commissions can be regulated in cooperation with the Ministry of Finance and enforced by the Jordan Tour Guide Association.

The coordinating body can function as the leadership arm of a "union" or national association that represents the handcraft sector and advocate on its behalf. The initiative should start at the regional level and build from the ground up by identifying local entities to make sure they are well represented from the start. Existing associations (such as the Jordan Handicraft Producers Association and the Jordan Handicraft Traders Association), NGOs (such as Noor Al Hussein Foundation, Jordan River Foundation and JOHUD), universities, private production workshops, community-based organizations, cooperatives, individual producers, and specialists in design and marketing all need to be recognized by the body in order to establish effective representation and networking at all levels. The body should also include government representation, including the Ministries of Tourism & Antiquities, Finance, and Industry and Trade. Such a partnership will bring the various entities together in one collective voice, sharing common challenges and common solutions. Membership should initially be open and flexible so as to include as many individuals in the union as possible. Provision for home-based, community-based, rural, and women producers must be made so their views are well represented. A committee can be formed to



develop the legal issues related to union formation, with a strict time line to move the process along as expeditiously as possible.

There are numerous examples of national handcraft sector coordinating bodies on which an entity in Jordan could be based. Examples of well established government sponsored entities include Organisation Nationale de l'Artisanat Tunisien (ONAT) in Tunisia, and El Fondo Nacional para el Fomento de las Artesanías (FONART) in Mexico. Both organizations support the artisan sector through production, design, and marketing support. They also serve as the official voice of the artisan sector nationally and internationally. The organizations are adequately funded and have the commitment of the national government as part of a national commitment to the handcraft sector. Artesanías de Colombia, also a government organization, has developed a wide network of several hundred designers that work with artisan groups throughout the country. They also operate retail shops and export to international markets.

In addition to government sponsored entities there are non-governmental sector coordinators such as the Guatemalan Exporters Association (AGEXPORT) and the Exporters Association (ADEX) in Peru. Both organizations strengthen their

national handcraft sectors by providing support with training, technical services, and market linkages. They are self-sustaining non-profit organizations funded by membership fees and fees for services. These two organizations implement projects as well.

The Chambers of Commerce and Industry in Jordan, which collaborate and represent both manufacturers and traders, may be a model worth examining.

A quasi government body to coordinate sector activities should also be considered, comprised of the various entities listed above. As also noted, the coordinating body should provide support at both the national and regional levels in order to reach as many groups and individuals in the sector as possible. The primary activities of an active coordinating body could include a selection of the following. Specific activities would be decided when determining the mission of the entity:

- Branding: Responsibility for developing and promoting a national Handmade in Jordan brand. The national brand will provide an identity for crafts that are handmade in Jordan, that reflect Jordanian culture, and are targeted

at the tourist market. Regional identities will also be created to reflect the culture, environments, and historical imagery of local areas, as well as quality;

- Training: Sponsorship, coordination, and implementation of training activities in the areas of design, product development, production, market readiness, and business development;
- Design and Production Support: Serve as a center of design and production information and support. House a primary design and training center and a design library and reference center at the Salt Vocational Training Center; with regional centers as well to facilitate access to services for individuals throughout the country. Operate a referral system of national and international design and production expertise;
- Marketing and Sales: Implementation of handcraft marketing Strategy within the tourism sector: Sponsorship and implementation of local and national events such as trade fairs and festivals. Overall responsibility for coordinating handcraft sector with national and local tourism events. House a database of handcraft producers including updated product sheets and catalogs;
- Market Linkages: Implement a program that focuses on creating horizontal and vertical linkages in the handcraft sector. Facilitate relationship building between retailers and producers. Sponsor open-air craft markets for tourists;
- Sector Information: Establish data bases to track and record information on the handcraft sector including sales information, buyers and retail outlets, artisan business statistics, employment statistics, etc. Also, disseminate information to the sector on training, events, marketing opportunities, financing options;
- Access to Finance: Facilitate access to finance for the handcraft sector;

- Advocacy: Advocate for the sector with the government. Promote legislation to support and protect the sector as well as tax incentives and exemptions on raw materials and on sales of final products to consumers.

The coordinating body may also propose to improve and update school curricula, both at the primary and high school levels, to raise awareness about handcrafts from both a cultural and economic perspective. Vocational training may also be considered as a component of art classes. Private sector producers and marketers of handcrafted products should be consulted to lend their expertise in the development of such curricula.

The impact of the establishment of a coordinating body will be the coordinated facilitation of support and services to the sector in the areas of design and product development, market and business training, and market access; improved regulation to protect and energize the sector; effective linkage to the tourism sector and improved promotion of handcrafts to tourists and; increased access to financial services; and, a distinctive identities for products made in Jordan. The underlying results of establishing the coordinating body are increased sales, income and employment as a result of strengthened market access.

6.3 REGULATORY FRAMEWORK

A legal framework, under the overall authority of the Ministry of Tourism & Antiquities, should be established that both encourages and protects Jordanian handcraft producers. Any law, which must comply with the constitution and complement existing labor and other laws, should promote the production and sales of Jordanian handcrafted products and encourage competition. The legal framework must be designed to encourage home and village-based producers, disadvantaged communities, and women as well as larger production units and marketing outlets. The framework must also promote handcraft business rather than prevent the emergence of

new businesses through overly zealous restriction. It should also be recognized that cultures are dynamic and fluid and that new products can reflect Jordanian cultural heritage and tradition without replicating products from the past.

By Law No. 36 for the Year 2002 should be modified and implemented. The By Law will provide flexibility in the definition of handcrafts; promote creativity; provide incentives to retailers for carrying a high percentage of Jordanian products; provide means to clearly identify such retailers for tourists; and, provide licenses to producers to use a "Handmade in Jordan" label for their products; and, stipulate a ceiling on the amount of commission a tour guide or tour bus driver may take from handcraft retailers. The time frame for processing and approving license applications by the government should also be clearly stipulated. The By Law could also include regulations concerning guide commissions – a ceiling or outright prohibition.

Enforcement of existing regulations and new legislation will be key in developing a regulatory framework to support the handcraft sector.

The impact of legislation for the handcraft sector includes an increase in the tourist market share of Jordanian products and the ability of tourists to clearly identify purveyors of Jordanian products.

6.4 GENDER EQUALITY

National and regional efforts will empower women and increase their participation at all levels of the handcraft sector, including producers and decision-makers. Handcraft production offers employment for rural and urban women as they can work at home while tending to their children and household responsibilities. The income earned by women is used for household and family expenses, critical to improved health and education and to overall well-being. In addition, there is a high percentage of crafts producers in relation to men, meaning that women will be important beneficiaries of investment in this sector.

Women who are widows, who head single parent households, or maintain families while their husbands are away need the social and economic benefits that home-based and community-based employment can bring. Data shows that increased handcraft orders enhance women's financial security and independence.

Participation in handcraft organizations enables women to become community leaders and decision-makers in a familiar field. Some women who begin as artisans become trainers of other artisans and graduate to managerial positions. Women can also become engaged in advocacy for the craft sector; important voices through their community organizations. The national Strategy will help women become active players in the economic and political structures and processes of their societies.

The third millennium challenge goal is the promotion of gender equality and women's empowerment. The national Strategy provides important opportunities for women, who must be given attention in policy formulation, training, and business development.

The impact of a comprehensive gender equality effort include: increased empowerment and enabling ability of women throughout the handcraft value chain; enabling women as business competitors; increased employment and income for women; and, the creation of leadership roles for women within the sector.

6.5 DESIGN AND QUALITY

Successful handcraft businesses require fresh products adapted to target markets. The creation of new designs for the marketplace, targeted to specific markets, is one of the most important means to being competitive. In order to ensure that Jordanian product lines are market-driven and respond to evolving demands of the tourist market, current local design capacity needs upgrading.



Design and Product Development

In order to improve the design and product develop capacity of the sector a multi-tiered capacity building program incorporating existing designers, student designers, producer groups, and in some cases retailers/wholesalers should be carried out. In the beginning of the program, individualized training workshops should be conducted with artisan groups, current designers, and design students. As the program progresses, designers and artisan groups should be brought together in order to establish working relationships focused on product development as a collaborative effort. Design and product development will be market-oriented and demand driven. Therefore, international design experts from Western Europe and the Gulf (and other countries if relevant based on where tourists come from) should be brought

in to work with local designers and artisan groups to develop demand driven products for the tourist market.

Design Style

Designs will blend traditional motifs that emanate from Jordanian culture with contemporary tastes that appeal to the market and also result in a competitive advantage for Jordanian producers. It is important to understand that the term “traditional” should not be equated with reproductions of historical products but that the term instead refers to motifs, patterns and skills that are uniquely Jordanian. Such attributes can be applied to marketable products or combined with contemporary interpretations to develop products with consumer appeal. Market-driven product development embodies culture as dynamic and constantly evolving.

Design Centers

In order to continuously generate market-driven designs, handcraft businesses must have access to design and market trend information. Regional design centers, possibly attached to the art and design departments of universities, can complement activities carried out through the national coordinating body and supplement work being done in regional training centers, such as the Salt Vocational Training Center. Design centers would consist of design reference materials such as books, magazines, patterns, color combinations, product images, actual samples, vintage samples to reference traditional design motifs, etc. There should be an emphasis on visual tools in addition to written, formal curricula so as to be relevant to all artisans despite their literacy level. The design centers should have an online component, as well as a mobile unit used to reach artisans in their communities. Sustainability of the design centers can be achieved as a result of the combined support of the government, donors and universities, as well as from fees charged for services.

Production

Production methods in Jordan need to be updated. This can be done through targeted training and consultancies focused on improving current production methods and introducing new methods. Furthermore, assistance through grants or loans, to acquire new tools and equipment would allow artisan groups to update production methods, become more efficient and produce higher quality products.

Raw Materials

Although there are relatively few native raw materials used in Jordanian handcraft production, it is important to look at what is available and develop products using local materials. Experienced handcraft designers have the capacity to work with local materials and teach artisans how to adjust products using easily accessible materials. This is particularly relevant to products made out of recycled materials, a global trend that has become quite popular in recent years.

Handcraft producers need to have local access to raw materials so that they do not have to travel to Amman to purchase materials. Producers can work together as a group with retailers to articulate their monthly or season raw materials needs so retailers can stock adequate amounts of materials that are needed. The taxation of raw material imports in Jordan is problematic for the handcraft sector. Higher input costs push up the price of the end product which decreases the ability of locally made handcrafts to compete with imported products.

The national coordinating body referenced above should address the issue of raw materials in handcraft production by helping producers locate reliable vendors and also facilitating the importation of raw materials in bulk through a cooperative arrangement that will help reduce prices. The issue of favorable custom duties for raw materials utilized



in handcraft production should also be investigated.

The impact of the design and quality initiative will include: increased design knowledge and capacity; creation of regional design support institutions; increased productivity and lower production costs; increased sales as a result of market-oriented designs and lower production costs; regional access to quality raw materials; and, lower cost of raw materials as a result of bulk purchasing and tax reductions.

6.6 SKILL/CAPACITY BUILDING

Design and Production

In addition to developing new products and improving existing products through design and production consultancies, it is important that producer groups better understand the product development process so that they can continuously update their designs. A comprehensive training program focused on topics such as basic design elements, colors, analyzing market trends, production methods, etc. is key to building the capacity within the sector.



Designer Mentoring Program

The Designer Mentoring Program immerses student designers as well as established Jordanian designers in the complete product development and design process, from market research and strategy development, to prototype and sample development, costing and pricing, trade show participation and product fulfillment. Program participants take part in a series of design seminars in Jordan and potentially attend a design summit in conjunction with a trade show in Europe or the Gulf so that designers can better understand the market they are designing for. The program will stimulate the development of business relationships between associations, producers, emerging designers and entrepreneurs, which are vital to ensure a sustainable craft value chain.

Business Training

The needs of buyers and markets change constantly. By implementing a targeted program incorporating training in business management and skills, design, production and market information, artisans will be better equipped to monitor the trends in the marketplace; anticipate buyers' demands; create innovative products that conform to market needs, trends and expectations; access markets; and cultivate and maintain relationships with buyers and other key actors in the craft sector. One example of such targeted is ATA's Market Readiness Program. Additionally, private sector businesses will be better equipped to operate on their own without a high level of support from local NGOs.

Marketing

Training in retail and other marketing skills will be provided wherever tourist products are sold. Training will include business skills, retail management, customer service and sales skills, buyer expectations, merchandising and display. Improved management of retail establishments and other marketing outlets will facilitate sales to tourists, result in more satisfied customers, and increase demand for tourism products.

Salt Vocational Training Center

The Salt Vocational Training Center is an important existing resource in the handcraft sector. The revamping of the Center focused on improved Quality of Management and Quality of Training will help position the Center as a regional and national resource for the sector.

Capacity building initiatives could be linked to university art and design centers and to community colleges, which provide vocational training, in order to provide sustainable training programs.

The impact of the capacity building initiative will include: the establishment of a group of skilled designers, able to support handcraft production at national and local levels; understanding among producers of the importance of design and production development in the marketing process; improved skills among handcraft marketers, including retail outlets, street vendors, kiosks, and production centers that sell to tourists; improved business skills among producers, agents, and marketers; on-going relationships between producers and

buyers as a result of improved knowledge of the interdependence of the two functions and enhanced networking and negotiating skills; and, the establishment of the Salt Vocational Training Center as a national design and marketing resource and training facility.

6.7 MARKETING

Market Access

The strengthening of linkages between handcraft vendors in the private sector and producers is important to improving market access for producers as well as for increasing the presence of Jordanian made products in the tourist market. Retailers and wholesalers have stated that although they would like to source products from local producers, the producers are ill-equipped to fill orders in a timely matter and have a weak understanding of what buyers need. There is a need for agents, wholesalers or distributors within the private sector to serve as a bridge between producers and buyers. The agent would work with producers in their villages, collect product, check for quality, and transport the product to the buyer.

In addition to addressing design, quality control, and business skill shortages within the sector through targeted training programs as described above, a focused effort on linking retail buyers with local producers should be implemented. Relationships can be established/strengthened by designing products specific to the retailer's requirements and offering exclusivity for specific products. Linkages between producers and the market will be substantially strengthened at the national and regional levels.

Additionally, there should be a focus on providing easier access for tourists to handmade Jordanian products. This could be done by working with tour guides to encourage them to incorporate handcraft workshops and showrooms into their tours; converting kiosks/stores promoting "Handmade in Jordan" products; implementing special exhibitions in hotels and other tourist destinations; and working

with existing retail stores to promote locally made products. Enforcement of the requirement that retailers display a minimum of 70% local handcrafts according to the Jordanian Tourism Law is also an important element of promoting locally made products in the tourist market.

Serious consideration should be given to the establishment of a central artisan retail outlet, modeled on a department store with sections developed by product function. The coordinating



body can oversee the establishment and management of the outlet, although it must be managed on a private sector model in order to provide quality products and customer service and to attain profitability.

Branding

In order to better promote authentic and quality Jordanian handcrafts in the tourist markets, to differentiate these products from imports, and to add value through an intangible asset, a brand program, as well as a strategy to implement and promote the brand, should be developed and incorporated into the overall handcraft Strategy. Through promotion of a “Handmade in Jordan” brand, tourists will know that products sold under that brand are authentic Jordanian products. The brand is a signal of authenticity to customers.

The branding initiative is not simply a tool to differentiate Jordan-made from foreign-made. The brand relates to Jordan’s cultural identity and the way Jordan defines itself, its culture, its uniqueness and how it is different from its neighbors. The brand connects the purchased product to the country of origin, to its cultural images, and influences public perceptions and expectations.

The branding initiative for handcrafts should fit within any overall tourism branding direction developed by the Ministry of Tourism & Antiquities and the Jordan Tourism Board, as part of an impression management effort. A “Handmade in Jordan” handcraft brand will promote cultural commodities within an overall cultural identity and also provide a comparative advantage for Jordanian handcrafts in the global marketplace.

A good example of a branding campaign is “Proudly South African”:

the “buy local” campaign launched in 2001 by government, organized business, organized labor and community organizations (the constituencies represented in the National Economic Development and Labor Council – Nedlac) to boost job creation and pride in “local” by promoting South African

companies and their ‘homegrown’ products and services.

Implementation of the brand will require a transparent system of certification and regulation that is inclusive of small and large producers so as not to exclude micro-businesses. The branding “body” (possibly the sector coordinating body) will be responsible for establishing criteria and standards for the brand, monitoring the use of the brand, and promoting the brand within the handcraft and tourism sectors.

An incentive program for retailers to carry and promote the brand will need to be established to encourage retailers to carry locally made products and differentiate them from imports. Furthermore, the national brand should leave room for inclusion of local logos and brands under the umbrella national brand.



Within the “Made in Jordan” umbrella, community-based organizations, associations and production centers can create their own identities that become synonymous with a particular style, motif, media and quality.

Promotional Campaign

In order to promote Jordanian made handcrafts and to educate tourists about the benefits of buying “Handmade in Jordan” products, a national promotional campaign, targeting the major tourist destinations should be carried out. The campaign should be incorporated into national and local tourism efforts, and promoted as a stand alone campaign. Jordanian handcraft traditions should also be promoted to help tourists understand the unique attributes of Jordanian culture and heritage. The stories of Jordanian handcraft producers, such as the techniques they use, the motifs on which the designs are based, and the benefits of increased income, will also result in increased understanding by tourists of the products they purchase and the benefits to producers and their communities. Government and private sector publications to promote Jordanian

guides for tourists that include listings of handcraft producers, workshops, specialty market places, and descriptions of products could be developed and made available to tourists.

All promotional materials produced for tourists in Jordan should include information on handcrafts, including references to products made near important destinations.

In order to attract youth, a program should be developed to market the handcraft sector that is specifically tailored to young people, in a method that will resonate effectively with them. Fashion shows, videos, social networking, and other media should be utilized for such a purpose. Products targeted at the youth market should also be developed. The purpose of such a coordinated, youth-oriented campaign will be to portray handcrafts as a viable economic opportunity but also a field with a future. Multiple employment opportunities throughout the sector can be promoted, including production managers, designers, and retailers.

An additional promotional tool should be developed with all Jordanian government institutions to foster the inclusion of handcrafted products as national gifts and mementoes. The national coordinating body can both facilitate and enforce this practice.

The impact of marketing initiatives will include: increased sales as a result of improved market access, retail management, and sales skills; strengthened linkages between producers and multiple markets; an increased proportion of Jordanian products in tourist outlets; a recognizable brand that clearly signifies authenticity and distinguishes products that are handmade in Jordan from imported products; regional brands and images that become associated with locations throughout Jordan and signify quality and distinctive characteristics; regional and national Jordanian identities linked under a Handmade in Jordan umbrella; increased awareness of Jordanian traditions and heritage among tourists; increased interest among young people in working in various segments of the handcraft sector; and, coordination among all tourist-oriented promotion to include handcraft products, imagery, and information.

products will be encouraged. This effort should help consumers distinguish between Jordanian and imported products so they can make informed decisions on goods they wish to purchase.

For example, The Jordan Tourism Board (JTB) could assist by including craft in travel fair exhibitions. Royal Jordanian Airlines could include products on flights and in flight magazines. Tourism providers such as hotels and restaurants can include crafts in common area and guest room décor. Also,

7

FINANCING THE STRATEGY

A combination of government, donor, university, community college and private sector funding and support will be needed to implement the various components of the Strategy. Marketing functions will fall to the private sector which will connect products more effectively with the market and improve access to raw materials, as well as provide a sustainable supply. The private sector may also want to consider a raw materials bank in order to maintain a continuous supply of needed inputs. In promoting their own products and businesses, the private sector will also contribute to increased awareness of Jordanian handcrafts.

The government will support the national handcraft coordinating body and the networking and other functions described above for which the body is responsible. The government will also build awareness of Jordanian handcrafts through tourism promotion that is conducted by the Ministry of Tourism & Antiquities and the Jordan Tourism Board. The government, together with the coordinating body, can sponsor fairs and exhibitions through the Ministry of Industry and Trade, which is also responsible for export market development, which can lead to greater market access for some producers.

The art and design departments of universities could provide facilities and personnel for design training and for regional design and resource centers, which would also make these functions sustainable. Training in handcraft business and marketing could be added to the curricula of community colleges, which already provide vocational training.

Loans can be provided to the handcraft sector through various microfinance institutions functioning in Jordan, including the Women's Fund, the Bank Guarantee Fund, and the Social Development Fund.

It will be the responsibility of the national coordinating body and the Ministry of Tourism & Antiquities to bring together these entities for common support to the handcraft sector.



8

STRATEGY IMPLEMENTATION: 2010 – 2015

The design and implementation of a national strategic plan for the tourism handcraft sector will require a concentrated, focused effort with the financial backing to make long-lasting changes in the sector. The key strategies outlined above should be implemented as part of a single strategy incorporating short, medium and long term plans and goals. A table that outlines suggested actions to be taken over the next five years (2010-2015) has been included at the end of this document. The chart is meant to act as a general guide with details developed by stakeholders.



SPECIFIC STRATEGIES FOR REGIONAL DEVELOPMENT OF TOURISM HANDCRAFTS

The following section details a plan to develop selected locations as part of a pilot program for the national development of the tourism handcraft sector. The initial locations are Wadi Rum, Wadi Musa, Ajloun and Salt, the target areas included in the Jordan Tourism Development Project II. All four areas have significant handcraft production and several functioning producer groups (private sector and NGO-run). Although the areas are distinct in their traditions and product offerings, they all have similar needs, specifically the need for product development, production improvements, market access and access to capital.

The four areas have similar deficiencies and needs so the strategies for each area are similar, with the primary objective of improving market access for producer groups while providing quality, handmade Jordanian products to the local and national tourist markets. Each area will receive support through a specifically targeted plan, based on current production and marketing activities and institutional capacity. An identity will also be developed for each location, based on a distinctive image and the type of handcraft production that is conducted there. The areas will be linked through the national Handmade in Jordan branding and promotion campaign and the efforts of the national coordinating body. The development efforts in each area will be complimentary in order to begin building a broader identity for Jordanian handcrafts.

All four areas have established producer groups including cooperatives, NGOs, and independent artisan businesses. All project activities will be implemented through the existing



groups in order to leverage current capacity. The producer groups will be evaluated to determine their willingness to participate in a handcraft tourism development project. A set of requirements and standards will be designed and presented to the producer groups at an initial meeting. A small number of groups will be selected for on-going training, following the initial assessment. Participation in the strategy will require a give and take relationship in which producer groups are expected to contribute their time and resources in exchange for support and training through the program. This approach is based on the principal that if the producer groups have to contribute their own resources, they have a stake in the outcome and are more likely to take the program seriously.

As mentioned above, the strategy is centered around improved market access to the tourist markets. There will be a focus on supplying the local tourist market, as well as supplying other tourist markets within the country if the capacity of the producer group is sufficient to expand outside the local area.

9.1 MARKET ACCESS

It is much easier to bring the product to the tourists than to bring the tourists to the product. Attention needs to be drawn to Jordanian handmade products at the point where tourists make their purchases such as the location of prime tourist attractions (especially the exits), in hotels, at shops within the town, and through street vendors, street fairs, and local festivals.

It should be recognized that producers, designers and marketers have distinct roles to play in the supply chain, although the expectation has been that producers need to perform all these tasks. Producers are expert at production and not marketing. They need to be effectively linked to retailers and wholesalers and to designers in order to reach markets successfully. Each function should be performed by those with relevant experience and expertise.

Retailers

At primary tourist destinations in the four regions, kiosks and stores should be improved to promote products handmade in Jordan and to create a tourist-friendly environment. As mentioned above, a series of retail trainings will emphasize customer service, merchandising, and market demand. The emphasis should be on promoting locally produced products, but the kiosks/stores should also carry products from other parts of the country (under the national brand).

If there is market demand for additional retail shops or kiosks, interested local organizations will be given the training and support needed to open or upgrade a shop. Connection to sources of capital, either through a government grant or credit from a local bank, will enable organizations or private sector businesses to open or upgrade new shops. Examples of locations for the kiosks/stores include the area in front of Ajloun castle in Ajloun; near Petra in Wadi Musa; at the Visitor's Center near Rum Village and the Rest Area of the Wadi Rum Environmental Tourism Project in Wadi Rum.

Restrictions against imported products and labeling requirements should be enforced by local authorities so that tourists can differentiate between Jordanian-made and imported products.

Craft Areas



Where there are existing “craft areas” within a town, vendors of locally handmade products should be given priority and support through training, product development, etc. There should be limited space for vendors of products outside of the local area and strict regulations/restrictions for imported products. The town or the managing body of the craft area should be responsible for enforcing this policy. It is important to keep in mind, however, that the sale of handcrafts needs to be done where the tourists frequent. It is unrealistic to expect the majority of tourists to travel out of their way to visit a handcraft market.

Hotels and Restaurants

A collaborative effort between local producers and hotels should be implemented through the program, and include individualized product design for required price points, exclusivity agreements, and attention to timely delivery and customer service. Hotels should be given support in merchandising and promoting locally made products.

Linkages can also be made for producer groups to supply hotels and restaurants with products used in the operation of their businesses. For example, soap producers can supply soap to local hotels for use in the guest rooms. Textile and embroidery groups can supply bed covers, curtains, table clothes, etc. to local restaurants and hotels.

Sales to other areas

Connections to other national markets should be made for producer groups who are ready to expand beyond their local market. Readiness includes sufficient production capacity, transportation, capacity to manage orders and communicate with buyers outside of the area.

The following timeline for Market Access will be utilized:

Year One

- Provide training to current retailers to improve



overall retail management, customer service and sales skills, buyer expectations, merchandising and display

- Link local traders to local producers
- Identify private sector entrepreneurs for local raw material supply
- Provide Handmade in Jordan labels and enforce guidelines
- Conduct fairs/exhibitions to promote locally made products
- Identify hotels interested in carrying local products
- Conduct an exhibition for all producers in all four target areas at the end of Year One

Years Two and Three

- Continue retail training and support
- Link producers to traders elsewhere in Jordan
- Develop local identities/images for local branding
- Link producers to national fairs and exhibitions
- Work with hotels and other tourism providers to incorporate local handcrafts into common areas and guest rooms
- Develop craft marketing areas to expand tourism sales

9.2 PROMOTIONAL CAMPAIGN

The four target areas are appropriate for the launch of the national branding campaign. Promotions

can be used to educate the consumer about the locally handmade products that are available in the area they are visiting, why the tourist should purchase those products, and how to recognize “the real thing.” The best way to convince retail stores to carry Jordanian made products is for their customers to ask for them. Signage should be used to promote the brand throughout key locations, information should be placed in hotel rooms, and local publications and advertisements should promote the brand.

Year One

- Link the four target areas to the national branding campaign
- Implement additional steps under the national Strategy, including the identification of retailers who carry Jordanian products and links to overall tourism promotion efforts

Years Two and Three

- Work with local and national retailers on the development of promotional materials focused on Jordanian handmade products
- Develop and promote local/images brands
- Develop local promotional efforts with hotels and other tourism providers
- Work with tour guides to include production workshops and craft market areas on tourist itineraries

9.3 SKILL/CAPACITY DEVELOPMENT

In order to better meet the needs of the local tourist markets in the four target areas, it is necessary to improve the overall skills and functionality of the current producer groups. Although training has limited effect as a stand alone activity, it can produce significant results when implemented in direct response to market access opportunities, and in conjunction with product development and production activities. A well-developed series of market readiness training

workshops, using a standard curriculum (potentially one that has already been developed through a previous project/organization) should be carried out in each pilot area through local organizations. An emphasis on training of trainers should be applied in order to scale up the number of people trained. Focus should be put on how the training is going to affect the productivity and sales potential of each organization. Furthermore, whenever possible, training should be done using hands-on opportunities and in conjunction with activities geared toward improving market access, such as design and production consultancies.

Year One

In addition to training local designers to assume a greater role in product design and development, market readiness training will be extended to production managers and others who will provide links to the market. Topics covered will include :

- Basic marketing
- Understanding the tourist market
- Determining market demand
- Trends
- Production methods
- Product design
- Costing and Pricing
- General business practices (accounting, human resources)
- Credit and financing
- Entrepreneurship*

Years Two and Three

Follow-up training will be provided to strengthen local capacity in design, business and marketing skills. The overall goal of capacity building is to develop self-sufficiency during the three-year period and to reduce dependency on resources outside each target area.



Salt Vocational Training Center

The Vocational Training Center in Salt has potential to be the national center for training and design in the handcraft sector in Jordan. However, significant changes need to be made in the organization in order for it to reach its full potential.

9.4 DESIGN AND PRODUCT DEVELOPMENT

A team of Jordanian designers, design students, and international designers specialized in creating products for tourists will be contracted to work with identified groups in each pilot area. A single national merchandiser should have oversight of activities in all four areas in order to develop a cohesive product development strategy for the country. Products developed should focus on marketability, individuality and local traditions, and should build upon current products, skills and local raw materials.

Product development is a key element in

improving market access for producer groups. The development and correct production of new products takes time. Sufficient resources should be dedicated to this activity. Specifically, at least 3-4 product development team consultancies should be implemented per year, especially in the beginning in order to give local designers and design students the opportunity to better understand the tourist market. Follow up in between consultancies by national designers and design students also play an important role.

The product development process for each group will be conducted as follows:

Year One

- Conduct initial assessment of groups at each target location – production capacity, skills, interest in strengthening market access
- Conduct on-site product development consultancies with international designer, plus

introductory training on marketing skills

- Evaluate initial samples, apply new designs to products developed
- Interview local product designers, as well as graphic designers for local site identity/brand development
- Conduct quality control training
- Conduct trends training for local designers
- Initiate collaborative design/designer mentoring between international and local designers
- Continue developing new samples; begin market testing

Years Two and Three

- Continue designer mentoring program to train local designers
- Continue developing new samples, based on trends and market feedback
- Continue market testing
- Identify additional local designers to expand designer training

9.5 PRODUCTION CONSULTANCIES

Production consultancies are hands-on activities that play an integral role in improving market access, and take a concentrated effort to produce results. Production and product development consultancies should be well coordinated in order to produce marketable products. Specific areas in need of improved production techniques should be identified for each area. Examples of production needs include: the use of molds to speed production of jewelry in Wadi Musa, and introduction of a machine to clean and process leather in Wadi Rum. National and/or international experts, experienced in working with low tech producer groups should be contracted to work with the producer groups. The specific number of consultancies will depend on each producer group as some production issues are easily solved and some can be quite complicated.

Year One

- Identify needs of producer groups in the four target areas for improved tools and equipment to enhance product quality and increase productivity;
- Begin upgrading production as needed.

Years Two and Three

- Continue upgrading production at the four target areas

9.6 ACCESS TO CREDIT

Many producer groups in the pilot areas have identified lack of access to capital as a constraint in their organizations/businesses. Connections with existing credit providers such as microfinance institutions and small and medium enterprise banks, accompanied by training for producer groups and credit providers would be beneficial in addressing the needs of artisan groups.

Year One

- Identify credit providers and facilitate access to credit for producers

Years Two and Three

- Continue assisting with access to credit

9.7 TIMELINE

The time lines for each activity of the plan have been consolidated into one table below. There should be flexibility in adjusting activities, based on the realities of project implementation and lessons learned during the course of the project. As each of the four target areas is unique, activities will be further developed for each area in the work plan. The timeline would most likely need to be adjusted depending on the start and end dates of the program.

	Year One	Years Two and Three
Market Access	<ul style="list-style-type: none"> • Conduct retail training and support • Link traders to producers • Identify raw materials suppliers • Implement national branding at local level • Conduct exhibitions • Enlist hotels in carrying local products • Conduct retail fair 	<ul style="list-style-type: none"> • Continue retail training • Expand marketing outside local areas • Develop local identities/images for branding • Link producers to national exhibitions • Incorporate local handcrafts into hotel decor and guest rooms • Develop "craft areas"
Promotional Campaign	<ul style="list-style-type: none"> • Link four target areas to national branding campaign • Include handcrafts in national tourism promotion 	<ul style="list-style-type: none"> • Develop promotional materials • Develop and promote local images/brands • Promote handcrafts through hotels and local tourism providers and tour guides
Skill/Capacity Development	<ul style="list-style-type: none"> • Conduct market readiness training • Train local designers 	<ul style="list-style-type: none"> • Conduct training on design, business and marketing skills
Design and Product Development	<ul style="list-style-type: none"> • Assess groups at four target location • Provide product development and marketing training • Evaluate initial samples – apply new designs • Begin local designer training • Conduct quality control training • Conduct trends training • Begin Designer Mentoring program • Continue developing and testing samples 	<ul style="list-style-type: none"> • Continue designer mentoring program • Develop new samples • Continue market testing • Identify and train additional local designers
Production Consultancies	<ul style="list-style-type: none"> • Identify tools and equipment needs • Begin upgrading production 	<ul style="list-style-type: none"> • Continue upgrading production
Access to Credit	<ul style="list-style-type: none"> • Identify sources of credit 	<ul style="list-style-type: none"> • Continue assisting with access to credit.

Attachment I

Strategy Implementation: 2010 – 2015			
Strategy	Short-term (1 year) 2010 - 2011	Medium-term (2-3 years) 2012 - 2014	Long-term (4+ years) 2015 -
Sector Coordination	<ul style="list-style-type: none"> Conduct due diligence on potential models in other countries. -Identify/establish coordinating body. Identify stakeholders and establish their roles Outline business/ organizational structure -Contract staff and set up office Determine programmatic activities for Year 2 Set up information systems Determine guide commission solutions 	<ul style="list-style-type: none"> Establish/formalize relationships with regional and local organizations -Provide services to artisan sector -Implement national branding and promotional campaign Establish Design Center Focus on changing national policies that affect handcraft sector 	<ul style="list-style-type: none"> Continue to update and provide services to artisan sector Establish greater presence in international markets for Jordanian craft
Design, Product Development & Production	<ul style="list-style-type: none"> Implement design, product development and production trainings Identify established producer groups that have the capacity to implement new designs Contract local and international designers to design new product lines for tourist markets Identify local designer candidates for Designer Mentoring Program Evaluate costs of production and inefficiencies, including existing production equipment and tools 	<ul style="list-style-type: none"> Establish Designer Mentoring Program in conjunction with a design school or university and business internships Continue design trainings and product development consultancies with producer groups Provide training on quality control to production workshops Establish database of design and production expertise Establish Design Center with business plan 	<ul style="list-style-type: none"> Establish local/ regional Design Resource Centers Continue with Designer Mentoring Program to encourage constant influx of design into sector
Raw Materials	<ul style="list-style-type: none"> Analyze and develop plan to address tariff issues for imported raw materials Identify local suppliers of raw materials 	<ul style="list-style-type: none"> Implement design consultancies focused on using local raw materials Continue developing local or mobile raw material suppliers 	
Business Training	<ul style="list-style-type: none"> Implement market readiness training for producers, designers, and retailers/wholesalers 	<ul style="list-style-type: none"> Establish business training programs within communities Grow agents 	

Strategy Implementation: 2010 – 2015			
Strategy	Short-term (1 year) 2010 - 2011	Medium-term (2-3 years) 2012 - 2014	Long-term (4+ years) 2015 -
Market Access	<ul style="list-style-type: none"> Create short-term sales opportunities in the tourist market such as temporary exhibitions at top tourist destinations Evaluate current linkages between buyers and producers 	<ul style="list-style-type: none"> Develop/strengthen linkages between retailers/wholesalers and producers based on new products and improved production Establish or upgrade points of sale at prime tourist destinations and within hotels and retail stores Potentially establish new stores in prime locations 	
Branding	<ul style="list-style-type: none"> Study national branding campaigns in other countries Develop a national brand (contract branding expert) Establish criteria use of national brand Begin developing local identities to bring under the national branding campaign 	<ul style="list-style-type: none"> Incorporate pilot group of producers and retailers into brand Support establishment of local identities/images Launch brand with promotional campaign Evaluate success of branding campaign and make changes as needed Legislation / enforcement 	<ul style="list-style-type: none"> Grow brand by incorporating more producers and retailers
Promotional Campaign	<ul style="list-style-type: none"> Study handcraft sector promotional campaigns Design handcraft sector promotional marketing campaign 	<ul style="list-style-type: none"> Launch promotional campaign 	<ul style="list-style-type: none"> Continue promotional campaign
Regulatory	<ul style="list-style-type: none"> Establish legal framework Modify and approve By Law No. 36 	<ul style="list-style-type: none"> Implement and enforce By Law Monitor/enforce By Law adherence Propose new branding guideline that clearly define "Handmade in Jordan" 	<ul style="list-style-type: none"> Monitor/ enforce By Law adherence



NATIONAL STRATEGY FOR TOURISM HANDCRAFT

DEVELOPMENT IN JORDAN

2010 - 2015

JORDAN TOURISM DEVELOPMENT PROJECT II

www.siyaha.org