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Policy Paper 2026

Facilitating Licensing Procedures for Tourism Projects in Ajloun Governorate

Toward a Supportive Legal and Institutional Environment for Investment in the Tourism Sector

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Facilitating Licensing Procedures for Tourism Projects in Ajloun Governorate

Toward a Supportive Legal and Institutional Environment for Investment in the Tourism Sector

Project Background

This paper comes within the project of “Empowering and Strengthening Civil Society Organizations in Jordan by Enhancing Institutional and Technical Capacities to Foster Coordination for Achieving Sustainable Development Goals.” The project is implemented under the umbrella of (ACTED), in partnership with the Information and Research Center – King Hussein Foundation, funded by the European Union Delegation to the Hashemite Kingdom of Jordan.

The project aims to contribute to strengthening civil society organizations in Jordan, characterized by inclusivity, participation, empowerment, and independence, alongside supporting an open and constructive dialogue among various civil organizations. It focuses on supporting organizations operating in the fields of human rights, democracy, good governance, environmental protection, and climate change, as well as economic cooperation, with special attention given to issues of inclusivity, circular economy, and migration. Within this framework, ACTED works on providing specialized training programs for capacity building and enhancing coordination mechanisms among these organizations to support the sustainability of their work.

Through empowering 21 civil society organizations and 42 local associations in Jordan, developing their institutional structures, and enhancing their technical capacities, the project strengthens their role as active actors in protecting human rights and supporting sustainable development. It also seeks to reinforce coordination and cooperation among civil society organizations and enhance dialogue with key stakeholders, thereby contributing to supporting relevant policy reform.

In line with these objectives, the current policy paper, titled **“Facilitating Licensing Procedures for Tourism Projects in Ajloun Governorate: Towards a Supportive Legislative and Institutional Environment for Investment in the Tourism Sector.”** was prepared in cooperation with the project’s advisory committee, which comprises experts and representatives from civil society organizations, the private sector, and official institutions in Ajloun Governorate. The paper aims to analyze the legislative and institutional gaps that hinder the licensing of tourism projects in the governorate, and to propose an integrated package of practical and actionable recommendations. This contributes to simplifying procedures, stimulating local investment, transitioning unlicensed tourism projects into the formal economy, and achieving the objectives of the Economic Modernization Vision (2023–2033) by promoting the tourism sector as one of the promising sectors for sustainable development and job creation in Ajloun Governorate.

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The Information and Research Center extends its deepest gratitude and appreciation to the members of the Advisory Committee, who actively contributed to the formulation, preparation, and review of this policy paper through their diverse expertise, insightful visions, and legal and technical feedback. Their contributions have resulted in a comprehensive paper that reflects the aspirations of workers in the tourism sector. These collective efforts, manifested in practical recommendations, reflect a genuine partnership among national institutions, civil society organizations, and experts, representing an exemplary model of collaborative work for impactful and sustainable policy reform.

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1. Introduction

Ajloun Governorate is one of the most important tourist destinations in the Hashemite Kingdom of Jordan, distinguished by its rich natural, historical, and cultural heritage. Besides its dense green cover, mild climate, and rugged mountains that are suitable for adventure tourism, the governorate includes more than 280 tourist, archaeological, and religious sites,[1] making it a natural and historical museum par excellence. In recent years, the governorate has witnessed significant development in tourism infrastructure, most notably marked by the launch of the Ajloun Cable Car Project in June 2023, which has attracted more than one million visitors since its operation. This has further strengthened Ajloun's position as a main tourism destination in the Kingdom.

Official statistics issued by the Ministry of Tourism and Antiquities indicate that, in 2025, Ajloun Castle alone received approximately 336,559 visitors, of whom 72.6% were Jordanians, while foreign tourists constituted 19%, and Arab tourists 8.4%. In the same year, the Mar Elias site received 22,064 visitors.[2]

This growing tourism momentum underscores the importance of improving the investment environment in the tourism sector and enabling local communities in the governorate to benefit from this opportunity through the development of small and medium-sized tourism projects capable of meeting visitor demand, creating employment opportunities, and generating sustainable economic returns.

The tourism projects facing licensing challenges in Ajloun Governorate vary significantly, particularly encompassing the following: hotels and resorts, chalets and guesthouses, wooden cabins, tourist restaurants and cafés, adventure tourism projects (such as climbing and camping trips), agritourism projects, and travel and tourism agencies. Accordingly, this policy paper focuses on facilitating licensing procedures for all these types of projects, with the aim of creating a supportive legislative and institutional environment for investment in the tourism sector in Ajloun.[3]

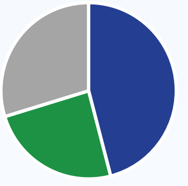
However, the current situation indicates a significant gap between Ajloun's substantial tourism potential and the level of actual tourism investment. This gap is primarily attributed to the complexity of licensing procedures for tourism projects, which has constituted a major barrier for investors and resulted in more than 90% of tourism projects in the governorate operating without licenses, according to estimates provided by the advisory committee comprising experts and representatives from official and private institutions in Ajloun Governorate.[4]

1. Zones Development Company, "Ajloun Governorate-Development Zones", data indicates the presence of approximately 280 tourist and archaeological sites in the governorate. Date of Access April 1, 2026.
2. Al-Mamlaka TV, "More than 336 thousand visitors to Ajloun Castle last year; the majority are Jordanians" date of access: April 1, 2026.
3. Hotel and Tourism Establishments Regulation No. (50) of 2025, Official Gazette, Issue 6002, p. 3692, date 31/7/2025, Jordan, which specifies the categories of tourism establishments, including hotels, resorts, eco-lodges, and tourist villages.

4. Al-Ghad Newspaper, "Ajloun: Dozens of tourism projects collide with the inability to license , date of access: April 1, 2026.

The results of the survey, which included 37 licensed and unlicensed tourism projects in the governorate,[5] showed that 70.3% of these projects are operating without a full license, with 45.9% of them being limited to initial approval only, 24.3% without any license, and 29.7% are fully licensed, as shown in Figure (1).

Figure (1) The status of licensing for tourism projects in Ajloun Governorate



This paper comes within the framework of supporting the Economic Modernization Vision launched by His Majesty King Abdullah II Ibn Al-Hussein, which accords the tourism sector a pivotal importance as one of the promising sectors capable of achieving sustainable economic growth and creating employment opportunities.[6] The paper is based on a package of legislative reforms that the government has begun implementing, most notably the endorsement of the Hotel and Tourism Establishments Regulation of 2025[7] and the Tourism Restaurants Regulation of 2025,[8] which aim to improve the business environment in the tourism sector by abolishing the requirement for prior licensing and transitioning towards a classification system.

Furthermore, this paper is also the product of an extensive participatory work, which included an advisory committee of experts and representatives from civil society organizations and the private sector in Ajloun Governorate, a focused discussion session with tourism project owners, and another with the Ajloun Tourism Directorate and the Licenses and Professions Department in the Greater Ajloun Municipality. It also involved a quantitative survey targeting a sample of licensed and unlicensed tourism project owners, where 37 complete questionnaires were collected and analyzed with the aim of presenting an integrated understanding of the challenges and to identifying practical, implementable solutions that contribute to creating a supportive legislative and institutional environment for tourism investment in Ajloun.

5. A survey directed to owners of licensed and unlicensed tourism projects in Ajloun Governorate, which included 37 tourism projects, completed during March and April 2026.
6. Jordanian Prime Ministry, "Economic Modernization Vision," date of access: April 1, 2026.
7. Hotel and Tourism Establishments Regulation No. (50) of 2025.
8. Tourism Restaurants Regulation No. (49) of 2025, Official Gazette, Issue 6002, p. 3683, date 31/7/2025.

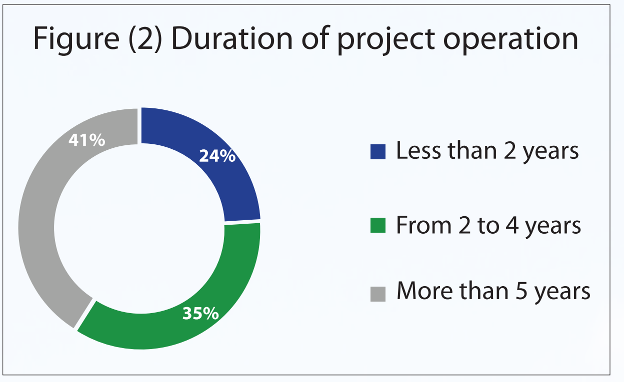
2. Problem Statement

The policy paper reveals a difficult reality that reflects the weakness of the regulatory environment for tourism investment in Ajloun, as estimates indicate that many tourism projects in the governorate operate without a license,[9] including (resorts, restaurants, wooden cabins, adventure tourism, ...and others). The discussion session held with tourism project owners reflects vivid images of the daily suffering experienced by tourism project owners from the local community of Ajloun Governorate.

The problem lies in the conflict between the legislative framework and Ajloun's geographical and topographical nature. Most tourism projects in the governorate are established in areas outside urban zoning boundaries, where the forested and rugged terrain for which Ajloun is famous is located. These areas, by virtue of their nature, do not meet the technical conditions set by unified national regulations, most notably the requirement for a street width of 12-14 meters; this is unavailable in rural areas where agricultural roads do not exceed 6 meters in width. Consequently, the regulations were designed to suit cities and urban areas, whereas Ajloun's competitive advantage lies precisely in its rural and forested nature.[10]

Meanwhile, the requirement to change the land-use designation from "agricultural" to "special regulations" or "mixed-use" incurs exorbitant costs reaching up to one and a half dinars per square meter. Given that a significant number of tourism projects in Ajloun are established on large areas ranging between 8 and 14 dunams on average, these fees alone reach tens of thousands of dinars; this is an amount that, in many cases, equals the value of the original investment for a small project. This means that before local investors even begin constructing their facility, they find themselves forced to pay immense sums just to change the land designation, which constitutes a high barrier to entry that discourages those wishing to invest.[11]

9. Results of a focused discussion session with owners of unlicensed tourism projects in Ajloun Governorate, date: February 11, 2026.
10. It is noted from the provisions of the Buildings and Zoning Regulation for Cities and Villages No. (1) of 2022 that a regulatory disparity exists between the licensing requirements for investment projects and the organizational reality of lands outside zoning boundaries. On one hand, Article (10/F) of the regulation requires that the width of the road leading to the investment project must not be less than (12) meters, a condition aimed at ensuring safety and accessibility requirements. Conversely, Article (13/E/2) of the same regulation permits that the width of roads in areas outside zoning boundaries must not be less than (6) meters, reflecting the rural nature of those areas.
Furthermore, the regulation indicates in Article (3) that its scope of application differs between inside and outside zoning boundaries, and Article (44) confirms the existence of special provisions for construction outside zoning boundaries that differ from urban standards. This disparity demonstrates a regulatory gap between the technical requirements imposed on investment projects and the geographical and planning reality of rural areas, which is directly reflected in the difficulty of licensing tourism projects in Ajloun Governorate.
11. The Land Use Regulation No. (1) of 2026 shows that establishing tourism projects on agricultural lands is subject to prior regulatory approvals. Article (5/A/9) stipulates that tourism projects may be established at a specific percentage of the area and with the approval of the High Regulation Council, while Article (3/C) permits amending land classification by a decision of the Council. This reflects that utilizing agricultural lands for investment purposes, including tourism, requires regulatory procedures to change the use or obtain special approvals, constituting an initial restriction on investment in these areas.



Meanwhile, the entities involved in the licensing process are numerous, including the Ministry of Tourism and Antiquities, the Ministry of Local Administration, municipalities, municipal engineering directorates, the Civil Defense, the Ministry of Health, the Ministry of Environment, the Ministry of Industry, Trade and Supply, chambers of commerce and industry, the Jordan Engineers Association, among others. This multiplicity of regulatory authorities leads to complicated procedures and lengthy periods to obtain a license, as the investor is required to navigate multiple departments within a single geographical location, yet the procedures of each entity remain independent of one another. At times, the requirements of these entities may conflict; what the Ministry of Tourism approves as an initial approval may not satisfy the regulations of the municipality or the Civil Defense. This places the investor in a true dilemma after they have already begun executing their project. Survey results indicated that approximately 50% of the projects obtained initial approval from the Ministry of Tourism, which does not mean the project has actually been licensed. Figure (2) shows that 41% of tourism projects have been actively operating on the ground for more than five years.

Furthermore, there is a lack of clarity regarding the regulatory pathway from the very beginning. The investor obtains an initial approval from the Ministry of Tourism, which gives the impression that the road toward the final license has become accessible. However, they later discover—after having already spent a large portion of their capital on construction and equipment—that there are additional requirements that were not clear from the outset, such as the condition to change the land-use designation or street width requirements that cannot be met after construction is completed. Ultimately, these requirements turn into real roadblocks that threaten the continuity of the projects and leave investors feeling as though they have fallen into a trap of bureaucratic procedures.

In this context, it is worth noting that the Ajloun Tourism Directorate grants temporary annual exemptions to unlicensed tourism project owners to allow them to rectify their status, and this grace period is renewed each year based on "sympathy" with their reality. Although this step reflects the Directorate's understanding of the nature of the challenges faced by investors, renewing exemptions on an annual basis without radical solutions keeps the projects in a state of legal instability, discourages them from entering the formal economy, increases investor frustration, and delays finding permanent and practical solutions to the licensing problem.[12] As one project owner stated during the discussion session: **"Every year there is sympathy with tourism project owners and the grace period is extended, but the fundamental problem remains unsolved, and year after year we remain at the mercy of temporary decisions."**

12. The fifth meeting of the Advisory Committee members in Ajloun Governorate, Tuesday, March 31, 2026.

Investors' experiences reflect that the licensing process can take many long years. During a focused discussion session with tourism project owners only, one project owner reported that licensing his hotel establishment took three full years. This is a long time that does not align with the nature of small and medium tourism investments, which require speed in execution to keep pace with tourism seasons. Throughout this long period, the project remains vulnerable to fines and the threat of closure, cannot benefit from any national support or financing programs, and cannot market through national and international platforms to promote its tourism facility. According to one of the licensed tourism project owners: **"The licensing process took three years for a one-star hotel establishment. My buildings span 2,000 meters, I have 16 hotel suites, a swimming pool, a restaurant, an events hall, and outdoor seating. This, sir, took three years before I was able to license it."**

These challenges are exacerbated by the weakness of the infrastructure in tourism areas, where the tourism project owner alone bears the costs of connecting electricity, water, and telecommunications to their project—additional costs that would not be incurred in urban areas. Furthermore, the seasonality of tourism activity in Ajloun, which does not exceed 100-140 days per year, renders the return on investment limited compared to the fixed costs borne throughout the entire year.

3. The Government Development Vision in Ajloun Governorate

The government development vision for Ajloun Governorate revolves on transforming it into a sustainable tourism and ecological destination through qualitative projects, foremost of which are the Ajloun Teleferique (Cable Car) and the Ajloun National Park, alongside enhancing agricultural investment and food manufacturing, and supporting youth projects and digital services to reduce unemployment and poverty.[13] Within the framework of the developmental tourism sector, the Ajloun National Park project is being implemented to connect the historic castle with the cable car project, while striving to expand the cable car's activities to transform it into an integrated tourism resort, with 60% to 70% of its components expected to be completed by 2027.[14] On the infrastructure and services front, the governorate's residents have demanded the establishment of a comprehensive government service center to facilitate and integrate transactions, similar to other governorates,[15] in addition to projects to improve roads leading to tourism sites.[16] Regarding the allocated budgets, the Ajloun Governorate Council's budget for the year 2025 amounted to approximately 10 million and 125 thousand dinars distributed across 119 projects in various sectors, while the governorate's allocations in the draft General Budget Law for the fiscal year 2026 were set at approximately 7.455 million dinars.[17]

13. Al-Mamlaka TV, "Projects place Ajloun Governorate on the sustainable tourism map" May 18, 2025, date of access: April 2, 2026.
14. Ibid.
15. Jordan News Agency (Petra), "Demands to establish a comprehensive government services center in Ajloun" January 18, 2025, date of access: April 1, 2026.
16. Jordan News Agency (Petra),» High mountain tourism in Ajloun supports investment and achieves sustainable development in the governorate‹«" January 4, 2026, date of access: April 1, 2026.
17. Al-Mamlaka TV, "103 million Dinars allocated for governorates budgets in the 2026 draft budget law," December 14, 2025, date of access: April 2, 2026.

In this context, it is worth noting that on April 2025 ,22, the Prime Ministry held its session in Ajloun Governorate, where it launched a group of legislative and institutional reforms in the tourism sector. The Cabinet also discussed proceeding with procedures to regulate the work of eco-lodges in Ajloun Governorate, aiming to facilitate their licensing procedures, resolve outstanding issues, and ease the conditions and criteria for their establishment and operational sustainability, thereby enhancing their role in developing the governorate's tourism sector and increasing the employment opportunities they provide for the local young men and women.[18] The government indicated at the time that these procedures would be finalized within two months. However, despite the importance of this step, which reflects government awareness of the scale of challenges facing the tourism sector in Jordan and Ajloun in particular, these procedures and reforms have not been approved as of the date of preparing this paper. This leaves tourism projects in the governorate held hostage to waiting, and underscores the urgent need to expedite the implementation of what was pledged, translating political will into concrete, practical steps on the ground.

The government also approved an amending regulation for the Tourism Restaurants Association Regulation of 2025. The amendments included abolishing the licensing requirement by the Ministry of Tourism and Antiquities as a regulatory tool for practicing tourism activities and professions. Instead, this requirement was replaced with a classification system to complete the reform project of the licensing system in the tourism sector. Furthermore, the procedures and requirements for classification were simplified to improve the business environment and enhance the capacity to provide employment opportunities in accordance with new regulatory models, aligning with the objectives of the Economic Modernization Vision.[19]

An amending regulation for the Jordan Hotels Association Regulation of 2025 was also approved. Under this amendment, provisions related to licensing were abolished and replaced with approval. It also incorporated the new classifications for restaurants and reflected them onto the association's board of directors, while reviewing the amounts of initiation and annual subscription fees imposed to enable the association to fulfill its duties.[20]

The Cabinet, in its session held in July 2025, also approved the Hotel and Tourism Establishments Regulation of 2025[21] and the Tourism Restaurants Regulation of 2025.[22] This comes as part of the government's efforts to improve the business environment in the tourism sector and implement the Economic Modernization Vision. The most prominent amendments introduced in these regulations include:

18. Jordan News Agency (Petra), "Cabinet Decisions" April 22, 2025, date of access: April 2, 2026.
19. Amending Regulation for the Jordan Tourism Restaurants Association Regulation - No. (59) of 2025, and shall be read together with Regulation No. (33) of 2018, hereinafter referred to as the original regulation, as a single regulation, and shall come into effect from the date of its publication in the Official Gazette.
20. Amending Regulation for the Jordan Hotels Association Regulation - No. (60) of 2025, and shall be read together with Regulation No. (32) of 1997, hereinafter referred to as the original regulation and its amendments, as a single regulation, and shall come into effect from the date of its publication in the Official Gazette.
21. Hotel and Tourism Establishments Regulation - No. (50) of 2025.
22. Tourism Restaurants Regulation - No. (49) of 2025.

- Abolishing the prior licensing requirement and replacing it with a classification approval system or a registration system. Under the new system, hotels, tourism establishments, and tourism restaurants do not require a license from the Ministry; instead, they only need to obtain approval for their classification or registration.
- Completely eliminating fees resulting from licensing, which reduces financial burdens on tourism project owners, particularly small and medium enterprises (SMEs), as tourism establishments previously incurred annual licensing fees that varied depending on the establishment's classification.
- Adding new categories of tourism establishments that did not previously exist, including (high-quality boutique hotels, tourist villages, and eco-lodges).
- Obligating tourism establishments to comply with inclusive tourism standards, which ensure the accessibility of facilities for persons with disabilities, the elderly, and children.

4. Causes of the Problem:

The primary causes of licensing complexities can be classified into legislative, regulatory, institutional, procedural, economic, infrastructural, cognitive, and cultural dimensions.

Despite the importance of the legislative reforms witnessed by the tourism sector at the national level—most notably the abolition of the prior licensing requirement and its associated fees—these reforms have not yet translated into a tangible reality in Ajloun Governorate. Tourism projects in the governorate still suffer from procedural complexities at the local level, particularly regarding municipal requirements, which have not yet kept pace with national amendments. Furthermore, the instructions for regulating guesthouses and the operation of eco-lodges in Ajloun, which were announced by the Cabinet in April 2025, have not been issued as of the date of preparing this paper.

Lack of Flexibility in the Electronic Vocational Licensing System and its Exclusion of Modern Tourism Classifications

The electronic vocational licensing system, which was developed in partnership between the Ministry of Digital Economy and Entrepreneurship and the Ministry of Local Administration, and officially rolled out in 2023, represents a major obstacle to licensing tourism projects in Ajloun Governorate. After the system used to be paper-based, flexible, and allowed room for facilitations, it has transformed into a rigid, inflexible digital system that controls all procedures. Municipal employees have become forced to fill out licensing applications within fields and types pre-defined in the system, without any ability to bypass or modify them.

The most prominent of these mandatory fields are "Zoning Type" and "Profession Type". The electronic system still lacks many classifications specific to small and medium tourism projects scattered across Ajloun, such as "wooden cabin", "rural guesthouse", and "eco-lodge". This absence makes it impossible for investors to complete licensing procedures, leading to a complete halt of the transaction.

The Issue of "Zoning Type" and its Repercussions on Tourism Projects (Within/Outside Zoning Boundaries)

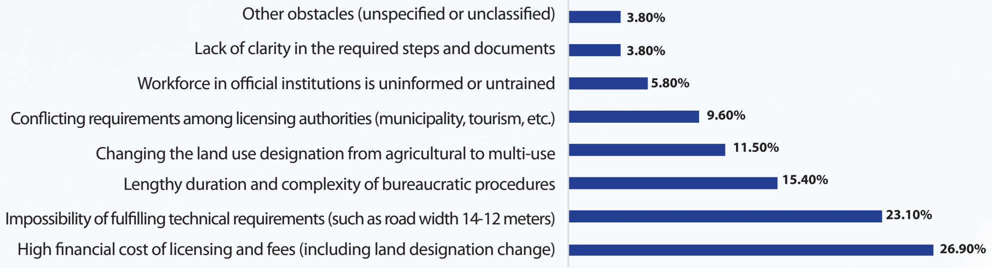
In a related context, the "Zoning Type" field within the electronic vocational licensing system constitutes another major dilemma. Zoning type refers to the classification of the land plot on which the project is established, as either "within zoning boundaries" or "outside zoning boundaries".

The results of a discussion session, which included the Head of the Vocations Department at the Greater Ajloun Municipality, the Director of the Ajloun Tourism Directorate, and members of the project's advisory committee, indicated that the entity responsible for licensing establishments located within zoning boundaries is the competent municipality. However, if the project is located outside zoning boundaries—which was found to include the vast majority of tourism projects in Ajloun—the licensing responsibility shifts to the Municipal Engineering Directorate. As soon as it becomes apparent that the project is outside zoning boundaries, a series of complex challenges begins: First, the system requires changing the land use designation from "agricultural" to "multi-use," a process that imposes exorbitant fees reaching one and a half Dinars per square meter. This constitutes a major financial obstacle. **"90% of our projects are located on lands outside zoning boundaries. They asked us to change the land designation, at one and a half Dinars per square meter. This means I have ten dunams, so I have to pay 15,000 Dinars just to change the land designation from outside zoning boundaries to special regulations. This is the first problem, the first challenge,"** according to one of the owners of an unlicensed tourism project.

Secondly, after changing the designation, the project owner collides with the requirement that the width of the road leading to the project must not be less than 12 meters, whereas the existing agricultural roads do not exceed 6 meters. This makes fulfilling this condition practically impossible and keeps the project in a state of legal instability. **"What is required of tourism projects is that they be on a road with a width of 12 meters, and this is impossible, because outside zoning boundaries, all agricultural roads do not exceed 6 meters. Our projects are outside cities, and a 6-meter road serves us and is paved, and it does not cause any problem for us. Why are you forcing me to get a license on a 12-meter road?".** According to one of the owners of unlicensed tourism projects.

According to the analysis of the main obstacles identified by owners of unlicensed projects or those holding only initial approval, as shown by the survey results and illustrated in Figure (3), the high financial cost of licensing and fees (including land designation change fees) came at the forefront of the obstacles at 26.9%. This was followed by the impossibility of fulfilling the road width requirement (12-14 meters) at 23.1%, then the lengthy duration and complexity of bureaucratic procedures at 15.4%, changing the land use designation at 11.5%, and conflicting requirements among licensing authorities at 9.6%, while other obstacles (shortage of workforce, lack of clarity of steps, among others) constituted the remaining 13.6%. This distribution confirms that solutions must target costs and unsuitable technical requirements as a priority.

Figure (3): Obstacles Preventing the Licensing of Tourism Projects



Furthermore, the multiplicity of entities (Ministry of Tourism, Local Administration, municipalities, Civil Defense, Health, Environment, Industry and Trade, Chambers of Commerce) and the lack of a unified authority lead to confusing investors. This is in addition to the absence of a flexible classification system for projects, which subjects a small wooden cabin to the same requirements as a 5-star hotel in terms of fees and procedures. Moreover, the lack of clarity in the process from the beginning means that initial approval does not guarantee obtaining the final license.

Electrical infrastructure constitutes one of the most prominent challenges faced by tourism project owners in Ajloun, as the investor alone bears the costs of connecting electricity to their project. This includes upgrading electrical capacity at costs reaching thousands of Dinars, in addition to installing special transformers at an additional cost. Furthermore, the electricity company forces some projects to install a 3-phase system instead of a single-phase (1-phase) system, which necessitates purchasing additional transformers at the expense of the tourism project owner a requirement that is disproportionate to the scale of small and medium enterprises. The problem escalates further if the tourism project is located outside zoning boundaries and is not reached by electricity poles, forcing the facility owner to install the poles at their own expense and according to the specifications of the electricity company, as the installation cost of a single pole amounts to approximately 308 Dinars. Project owners also complain of recurring financial depletion resulting from high bills that appear suddenly without clarity in the calculation mechanism, driving some of them to resort to installing solar energy systems to alleviate operational burdens. This situation adds significant financial burdens on local investors and increases the difficulty of the investment environment within the governorate's tourism sector.

"The electricity cost me 4,500 Dinars, and I installed 8 single-phase meters at my own expense just to cover the project, because they refused to install a 3-phase system for the project and required me to buy an electrical transformer at my own expense, which is very expensive." According to one of the tourism project owners in Ajloun Governorate.

As for the cognitive and cultural causes, they include weak awareness of procedures, as many small project owners lack knowledge of legal and technical requirements, alongside the absence of technical support, represented by the lack of an entity providing free or facilitated technical and legal consultations for investors.

4.1 Legislative and Regulatory Causes

No.	Cause	Details
1	**Technical requirements unsuitable for Ajloun's nature**	Road width (12-14 meters) is not available in rural and forested areas where tourism projects are concentrated.
2	**Requirement to change land use designation**	Converting land from "agricultural" to "multi-use" costs one and a half Dinars per square meter, which means exorbitant amounts (for example, 15,000 Dinars for 10 dunams).
3	**Multiplicity of entities and lack of a unified authority**	Ministry of Tourism, Local Administration, municipalities, Municipal Engineering Directorate, Civil Defense, Health, Environment, Industry and Trade, Chambers of Commerce.
4	**Absence of a flexible classification system for projects**	A small wooden cabin is subject to the same requirements as a 5-star hotel in terms of fees and procedures.
5	**Lack of clarity in the process from the beginning**	Initial approval does not guarantee obtaining the final license, and surprises (such as multi-use designation) appear at the end of the process.
6	**Financial guarantees**	Some types of projects require financial guarantees, bank deposits, and specific capital requirements, which constitutes an obstacle for certain projects, such as tourism companies ("tourism office") and tourism transport companies.

4.2 Institutional and Procedural Causes

No.	Cause	Details
1	**Rigidity and lack of flexibility in the electronic vocational licensing system**	The current electronic system does not include classifications for modern tourism projects (cabin, eco-lodge), and requires a commercial "zoning type" for agricultural lands, which halts transactions immediately.
2	**Multiplicity of entities and weak coordination**	Absence of an effective coordination mechanism among concerned departments, leading to duplication and variation of requirements.
3	**Lengthy procedures**	The licensing process takes years (a documented case took 3 years).
4	**Unactivated decentralization**	Despite the presence of the governorate council and municipalities, the powers of local bodies have not been utilized to provide facilitations for local investors.
5	**Absence of a unified guiding manual**	Lack of a clear reference that explains the licensing steps, their stages, and the entities responsible for them.
6	**High fees and costs**	Land designation change fees, annual licensing fees, and costs of studies (environmental, health).
7	**Weak infrastructure**	Difficulty accessing electricity (costs for upgrading capacity and installing transformers are borne by the investor), and weak water and sanitation networks.
8	**Seasonality of tourism activity**	A tourism season that does not exceed 100-140 days a year, while costs remain fixed throughout the year.

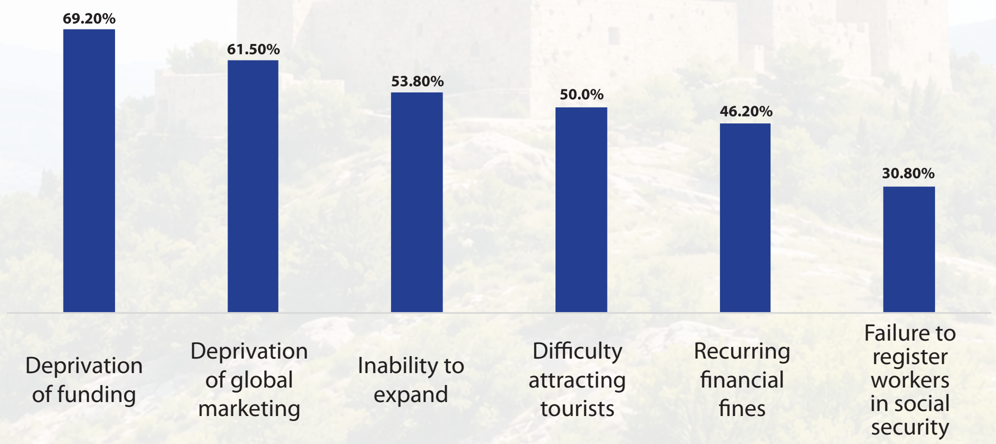
5. Implications of Maintaining the Status Quo

These challenges result in multiple economic, social, and legal implications. From an economic perspective, the governorate is deprived of fee and tax revenues due to the municipalities and the state as a result of projects not being licensed. Furthermore, unlicensed projects lose the ability to register labor in social security, which weakens worker stability and deprives them of basic rights. The complex procedures also discourage local and foreign investment from entering the tourism market in Ajloun, despite the arrival of more than one and a half million tourists annually.

Moreover, the non-licensing of tourism projects negatively affects the tourist's length of stay in Ajloun, as it limits accommodation options and diverse services, driving the tourist to spend a short time or leave for other destinations. This weakens the attractiveness of local investment and limits the development of integrated tourism products capable of extending the length of stay, thereby reducing tourism revenues in Ajloun Governorate.

Figure (4) illustrates the direct negative impacts of non-licensing on tourism projects in Ajloun, based on the responses of 26 projects that are either unlicensed or hold initial approval only. The results indicate that 69.2% of these projects are deprived of funding and grants, and 61.5% cannot market through global booking platforms, depriving them of the opportunity to access markets and increase revenues. Furthermore, 53.8% are unable to expand or develop, and 50.0% face difficulty in attracting tourists and companies. In addition, 46.2% are subject to recurring financial fines, and 30.8% cannot register their workers in social security. These numbers confirm that projects remaining unlicensed does not only harm their owners, but also deprives the local economy of tax revenues and organized employment opportunities.

Figure (4): Impacts of Non-Licensing on Projects



Official data issued by the Ministry of Tourism and Antiquities reveals another reality that reflects the scale of the challenge faced by Ajloun Governorate. While the total number of workers in tourism activities across Jordan reached approximately 60,068 workers[23] up to the year 2025 according to official data, Ajloun Governorate's share of this number does not exceed 192 workers only. This figure does not reflect the immense tourism potential that the governorate abounds with, which attracts a large number of tourists exceeding one million visitors to the governorate according to 2025 statistics, and is disproportionate to the volume of existing tourism projects in it, both licensed and unlicensed.

This weakness in the tourism sector's contribution to employment is due to the fact that many tourism projects in Ajloun operate without a license, which prevents them from registering their workers with the Social Security Corporation and deprives these workers of the basic rights arising from formal employment. Consequently, employment in these projects turns into fragile and informal labor that lacks the minimum requirements of social protection, leaving workers vulnerable to market fluctuations without any safety net.

This reality confirms that despite the governorate possessing 2,400 hotel rooms—whether classified hotels or unlicensed farms, cabins, guesthouses, and rest houses that provide lodging, food, and beverage services to visitors—these rooms operate outside the framework of the formal economy. Consequently, they do not contribute to tax revenues or licensing fees, and deprive their workers of social protection.[24]

The survey results revealed a significant readiness among tourism project owners to integrate into the formal economy if licensing procedures are facilitated. Specifically, 73% of project owners expressed their willingness to register their workers in social security within the first year, and 92% expressed their readiness to pay the legal licensing fees. Participants estimated the number of workers they would register at approximately 147 workers, with an average of 5.4 workers per project, which would contribute to expanding the social protection umbrella and converting employment from an informal economy to organized labor.

Legal and security implications include project owners being subject to recurring financial violations, threats of closure, and the inability to market through global platforms. They also include the lack of protection for tourists due to the absence of valid insurance for the facilities, and weak health, environmental, and security oversight over the establishments in the absence of licensing.

Addressing the issue of tourism project licensing in Ajloun is not only important for enabling

23. Official website of the Ministry of Tourism and Antiquities, at the link: Tourism Establishments and Workers for the Year 2025 - Ministry of Tourism and Antiquities.
24. Press Report: Al-Dustour Newspaper, dated June 30, 2025. At the link: Around 350 tourism establishments, 80% of which are unlicensed in the governorate.

investors to conduct their business legally, but it also extends to integrating workers in the tourism sector into the social protection umbrella. It transforms their labor from fragile and informal work into formal, stable employment, which contributes to strengthening the foundations of the national economy and supports the government's efforts to achieve the goals of the Economic Modernization Vision aimed at increasing economic participation rates and improving citizens' standard of living.

6. Proposed Policy Alternatives

Based on what was previously stated in the policy paper, the focused discussion session with tourism project owners, the results of the quantitative study with owners of licensed and unlicensed tourism projects, and the proposals of the advisory committee members, the paper proposes the following policy alternatives, divided into short-term and long-term solutions, while identifying the entities concerned with each recommendation, and drafting the proposed legal provisions for amendment:

6.1 Short-Term Solutions (6-12 months)

First: Issuing a unified guiding manual for tourism project licensing in Ajloun Governorate – The manual explains the licensing steps from inception to operation, while specifying the required documents, concerned entities, approximate costs, and timelines.

Concerned Entities: Ministry of Tourism, Local Administration, Greater Ajloun Municipality.

Second: Establishing a unified window in Ajloun – It brings together representatives from: the Ministry of Tourism, Local Administration, Civil Defense, Health, Environment, and Industry and Trade, to provide all services in one place. This is a recommendation presented by the Prime Ministry during its visit to Ajloun Governorate on April 22, 2025: *"Establishing a comprehensive government services center to facilitate transactions."*

Concerned Entities: The Prime Ministry, Ministry of Tourism, Local Administration.

Third: Relaxing the road width requirement in rural areas, in accordance with the Buildings and Zoning Regulation for Cities and Villages. Typically, the High Regulation Council in Jordan requires that the width of the zoned road leading to a tourism project must not be less than 12 meters for licensing purposes. While this condition aims to ensure safety and accessibility, it has hindered the licensing of several projects, particularly in mountainous areas such as Ajloun.

Proposed Amendment: Roads with a width of no less than 6 to 8 meters should be accepted in rural and forested areas, provided that alternative public safety measures approved by the concerned authorities are implemented, and in a manner that does not affect the arboreal and forested nature of the governorate.

Concerned Entities: The Prime Ministry, High Regulation Council, Ministry of Local Administration.

Fourth: Reducing land designation change fees for tourism projects in accordance with the Land Use Regulation of 2026, as the fee for changing the land use designation from outside zoning boundaries to special regulations stands at one and a half Dinars per square meter.

Proposed Amendment: Tourism projects in Ajloun Governorate shall be exempted from land use designation change fees to support local tourism investment, provided that the land use designation reverts to its original status in the event of the project's termination.

Concerned Entities: The Prime Ministry, Ministry of Finance, Department of Lands and Survey, Municipal Engineering Directorate.

Fifth: Updating the electronic vocational licensing system to include modern tourism project classifications in Ajloun Governorate. This involves adding new fields into the electronic system under the name "Profession Type" to encompass all modern tourism classifications, and granting specific powers to municipal and municipal engineering employees to modify and correct data entered into the system in alignment with the reality of each project.

Concerned Entities: Ministry of Digital Economy and Entrepreneurship, Ministry of Local Administration, Greater Ajloun Municipality, Municipal Engineering Directorate.

Sixth: Allocating a portion of the Governorate Council's "decentralization" budget to build public restrooms, to be distributed across public tourism and forested facilities in Ajloun Governorate.

Concerned Entities: Ministry of Local Administration, Governorate Council.

Seventh: Utilizing Article (16/A) of the Tourism Law No. (20) of 1988 to serve tourism projects in Ajloun Governorate, and benefiting from the Tourism Sector Development and Upgrade Fund.

6.2 Long-Term Solutions (1-3 years)

First: Developing the infrastructure in tourist areas – Implementing projects to improve roads, expand electricity and water networks, and provide communication services in tourist sites.

Concerned Entities: Ministry of Public Works and Housing - Ajloun Public Works Directorate, Ministry of Energy, Water Authority, Greater Ajloun Municipality.

Second: Recommending a review of the procedures for installing 3-phase electricity meters and reducing the financial burdens of their installation, to suit the needs of small and medium tourism projects.

Concerned Entities: Ministry of Energy and Mineral Resources, Irbid Electricity Company.

Third: Establishing a fund to support small tourism projects – Providing facilitated financing for emerging tourism projects, with partial grants to cover the costs of studies and fees.

Concerned Entities: Development and Employment Fund, Jordan Enterprise Development Corporation (JEDCO), banks, and other relevant concerned entities.

Fourth: Training programs for project owners – Implementing training programs on legal procedures, tourism project management, and digital marketing.

Concerned Entities: Ministry of Tourism, Ajloun Chamber of Commerce, civil society organizations.

6.3 Urgent and Direct Recommendations (Actionable within 3 months)

First: Based on what was mentioned in the discussion session with tourism project owners and the results of the quantitative study, the following recommendations can be implemented immediately given their relevance to the preparations for the summer tourism season:

- Granting authority to employees at the Ajloun Municipality to bypass obstacles within the electronic system to overcome current complexities, since the electronic vocational licensing system represents a major, direct obstacle.
- Granting a 6-month grace period for existing projects to rectify their status, submit their documents, while exempting them from previous fines.
- Issuing decisions by the concerned government entities that permit the application of simplified procedures in Ajloun as a pilot model.
- Forming a joint task force (Ministry of Tourism – Local Administration – Ajloun Municipality) to follow up on pending project files and resolve issues on an individual basis.

Second: Accelerating the approval of instructions regulating guesthouses and eco-lodges, which were announced during the Cabinet session held in the governorate on April 22, 2025, where it was emphasized that they would be finalized within two months; however, they have not been issued as of the date of preparing this paper. The approval of these procedures is an essential step in facilitating the classification and licensing of small tourism projects and resolving outstanding issues, particularly those associated with wooden cabins, eco-lodges, and rural guesthouses that suit Ajloun's geographical and environmental nature.

Third: It is worth noting that certain tourist areas in the Kingdom obtained special exemptions, such as exempting commercial tourism establishments in the Petra region from vocational licensing fees for the year 2025. This precedent can be relied upon to demand similar exemptions for tourism projects in Ajloun Governorate, akin to those areas, in order to support local tourism investment and enhance the business environment in the governorate.