Timor-Leste National Tourism Development Strategy

Strategy and Implementation Framework

Draft Prepared by Department of Tourism of the Ministry of Tourism, Commerce and Industry

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This living document is the result of:

- Four regional consultations with over 350 individuals participating (Dili – 27 September, Baucau – 17 October, Liquica – 08 November, Maubisse – 25 November)
- Extensive internal consultations with the Director General of Tourism and his Deputies and Directors
- Exchange with Development Partners including: UN Women, UN World Tourism Organization, Market Development Facility, Asian Development Bank, World Bank Group and The Asia Foundation
- Soundings with a Panel of Regional and International Tourism Experts
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TIMOR-LESTE TOURISM DEVELOPMENT STRATEGY

Vision

The Timor-Leste Tourism Policy entitled Growing Tourism to 2030 – Enhancing a National Tourism Destination Identity aspires to develop a vibrant and attractive tourism sector that makes a significant contribution to employment across the country; is economically, socially, and environmentally sustainable; helps promote a positive image of Timor-Leste overseas; and is an industry that people wish to work in. In this context, the vision for the Strategy is:

“To incrementally realize the Timor-Leste Tourism Policy’s aspiration of an integrated, prosperous, sustainable and equitable tourism sector”

To measure progress toward achievement of this vision the Ministry of Tourism, Commerce and Industry in collaboration with other government agencies will monitor1 the following:

I. Revenue from overseas tourism and international visitors with particular emphasis on earnings per visitor and length of stay;
II. Tourism jobs and beneficiaries across the value chain (with at least 40% women);
III. Quality, value and range of tourism products and services created through private investment;
IV. Efficacy, frequency and consistency of destination marketing and promotion activities;
V. Community satisfaction and appreciation of tourism; and
VI. Negative impacts of tourism on the environment, society and culture.

Expected Outcome

The expected outcome of the Timor-Leste Tourism Development Strategy is that sustainable growth of tourism through a diversified visitor portfolio and higher average visitor expenditures increasingly contributes to the economy, inclusivity and international competitiveness of Timor-Leste as a tourism destination.

Achievement of the outcome will be assessed by establishing and continually assessing macro and micro indicators that track the implementation of each of the five P’s of the National Tourism Policy (i) priority (ii) prosperity (iii) protection (iv) partnership and v) people.

1 It is recommended that as Timor-Leste improves its data collection and analytical capabilities and uses international standard indicators, e.g. the World Economic Forum Travel and Tourism Competitiveness Index indicators upon which the Timor-Leste Tourism Policy is benchmarked. Tourism Satellite Accounts can also be considered.
Guiding Pathways

The five themes identified in the National Tourism Policy will are the guiding principles of the Strategy and provide a framework for activity implementation. They include:

(i) **Prioritize** the tourism sector by committing public funding and resources required to place tourism at the forefront of national economic development.

Timor-Leste’s tourism industry has a great deal of potential but is still in the early stages of its development, even though it has been identified as one of the most important sectors in the transition to a post-oil economy. Whilst the tourism industry started to operate again in the country immediately after the Restoration of Independence, it is struggling to grow, due to a number of issues that can only be resolved by government, which now need to be addressed.

Tourism is a business, and to thrive it requires an enabling environment. To achieve its tourism development goals, the Government needs to clear regulatory and institutional obstacles, whilst committing to public funding and infrastructure development where it is needed. The activities listed in the Implementation Plan that are relevant to the Priority Pathway are generally those requiring co-ordinated input from various ministries across the Government. The establishment of the Inter-ministerial Commission will help to drive this process more effectively in the future.

(ii) **Improve the prosperity** of Timorese people by delivering employment opportunities and encouraging tourism entrepreneurship.

The strategic pathways set out in the Timor-Leste National Tourism Development Strategy and Implementation Plan all converge on Prosperity, the ultimate objective. The goals of increasing numbers of tourists, employment and revenues should extend benefits to all 13 Municipalities, at all levels of the business community.

Timor-Leste wishes to avoid mass tourism in favor of “unique experiences” for high-income tourists, favoring the community-based eco-tourism model, to create a sustainable tourism industry that will benefit Timorese people throughout the country.

To achieve this, there is a not only a need increase numbers of visitors, but also to persuade them to stay longer and spend more. Natural and cultural assets are primary attractions, but support is needed to encourage the growth of diverse small businesses, stimulate creativity in product development, improve business skills – especially marketing - and extend access to finance. The tourism sector spreads prosperity through the creation of profitable ventures and linkages with local industries, thereby multiplying employment opportunities. In fact, the power of the tourism dollar extends beyond the sector itself to stimulate businesses providing goods and services that support tourism activities: agriculture, construction, retail, telecommunications, transport, etc.
The driving force in achieving Prosperity is tourism entrepreneurship. To grow the sector, new products need to be developed that are in tune with market trends. Carrying capacity – the number of visitors who can be accommodated at any one time – needs to increase. Promotional activity has to be targeted at appropriate markets, reaching potential visitors whose expectations are in line with the type and standard of tourism experience that communities are capable of offering. Business and financial management skills need to improve to ensure sustainability.

Spending opportunities for visitors need to be developed at community level. There is latent potential across the country for the creation of niche tourism products based not only on primary attractions like marine tourism and hiking, but also on cultural practices, storytelling, the process of creating handicrafts or local cuisine, etc. Tourists are eager to immerse themselves in experiences that offer insights into the Timorese way of life. With creativity and support, local communities can unleash the potential of their own assets and move further towards the goal of Prosperity.

(iii) Protect Timor-Leste’s natural and cultural environment through sustainable stewardship.

The ocean and its reefs, the mountains and forests, Timorese culture and history are the primary attractions that motivate tourists to visit Timor-Leste. These assets need to be protected for future generations. Protection leads to sustainable tourism, and tourism can be a force for Protection; but the wrong kind of tourism can destroy the very assets on which the industry depends. The National Tourism Policy specifies that community-based, eco-tourism is the appropriate model for Timor-Leste. Each Pathway of the Timor-Leste National Tourism Development Strategy and Implementation Plan needs to take into account the imperative for Protection.

National park management, zoning for industry with environmental impact assessments, and effective waste management are some of the key issues in ensuring the protection of natural assets. They are also important for the overall development of the country and the well-being of its people, as is the promotion and preservation of historical and cultural assets.

The potential for employment in the tourism industry is a strong motivation for young people to engage in cultural activities and environmental protection initiatives. Tourists are increasingly discerning in their choice of destination, which is often informed by environmental concerns, and these need to be reflected in the products taken to market. Culture and nature are not only an intrinsic part of the tourism offering; cultural and environmental protection activities are becoming an important activity for tourists to engage in themselves, as volunteers.
Public information campaigns to raise awareness of environmental issues need to be intensified and extended throughout the municipalities, so that individuals can play a part in conservation efforts. Local environmentalist groups, community partnerships and associations make a valuable contribution to protecting nature and heritage, and their activities need to be integrated into the overall strategy and implementation plan.

As threats to the environment grow on a global scale, the tourism industry is faced with the need to evolve to face future challenges, especially the prospect of climate change. There is one advantage for Timor-Leste in the early stages of its tourism development: the natural environment and culture are relatively intact in comparison to other, more developed countries. These countries have learned to their cost that bad development decisions affecting the environment have irrevocable consequences: there are no second chances.

(iv) Nurture partnerships that stimulate, develop and grow a diverse portfolio of tourism products and experiences through a shared commitment by all actors.

There can be no tourism without partnership. Partnerships in tourism can take many different forms: public-private partnerships for the management of key national tourism assets; business-to-business partnerships; community partnerships aimed at developing tourism on a local level; special-interest groups like the Marine Tourism Association and the Hotel Owners of Timor-Leste, etc.

As the country sets out along the Pathways defined in the Timor-Leste National Tourism Development Strategy and Implementation Plan, whilst Prosperity is the ultimate destination, Partnerships will be the driving force. Partnerships provide the fundamental mechanisms and frameworks to deliver finance, expertise, community participation and support, whilst informing and sustaining the development process. Partnerships can stimulate, develop and grow a diverse portfolio of tourism products and express a shared commitment by all stakeholders.

Partnerships constitute a solid foundation on which to build a sustainable industry. Tourism operates in a range of diverse geographical, economic and social landscapes within the national whole. Representation and consultation are key factors in the development process, both characterized by the need for a “bottom-up” approach. In the past few years, several associations have been set up, representing specific regional, commercial or technical interest groups and these have been able to start working in concert with the Government, communities and development partners, as actors in different configurations, to address a wide range of issues relevant to the tourism industry. Throughout this document, their role has been integrated into the overall strategy again and again, as participants in the different Activity Groups. Special-interest and community partnerships can also be integrated into broad-based business associations like the Chamber of Commerce and other institutions that operate at national level, such as a Timor-Leste Tourism Board.
The Timor-Leste National Tourism Development Strategy and Implementation Plan is focused on strengthening and consolidating existing partnerships whilst facilitating the formation of new ones. It also includes a range of activities aimed at channeling the energy and expertise of different interest groups to create momentum in the development process, and to sustain and extend the participation of different stakeholders. Public-private and business-to-business partnerships also have much to offer in terms of attracting investment and promoting Timor-Leste as a destination.

(v) Engage people to improve capacity, awareness and commitment for tourism development in Timor-Leste

The tourism sector needs to be serviced by people who are trained and educated to internationally recognized standards in order to ensure a quality visitor experience. In today’s tourism market, no holiday is complete without meaningful interaction with local people. This concept goes beyond formal, traditional ideas of “hospitality” and “guest relations”, as visitors seek an understanding of different cultures through direct experience and meeting people within communities. As Timorese people serve as tourism hosts, there is a need to broaden the understanding of the industry and how it can positively and negatively impact people’s lives; they need to be empowered to deliver exceptional visitor experiences and mitigate potential negative environmental and cultural impacts brought about by tourism. In this way, every individual can play a role in sustaining Timor-Leste’s tourism industry by extending a welcome and ensuring that each visitor has a rewarding and safe stay in the country.

In the context of the private sector, it is essential to prepare young Timorese people to step up as tourism professionals and entrepreneurs in their own industry, through vocational training, work experience and career development initiatives. Competent, friendly service is a precursor to success in the competitive international tourism industry. ASEAN destinations that succeed in growing their tourism economies do so through the development of a service culture. For a country to establish an uplifting and inspiring service culture that is embedded within the host population, tourism professionals and the public need to develop empathy, to identify the needs and wants of foreign visitors to meet and where possible exceed their expectations.

Tourism and Hospitality Education and Training Programs need to be standardised across the country, in line with regional (ASEAN) and international standards, which establish benchmarks for a successful tourism industry. Thailand – the land of smiles – has mastered delivering competent and friendly service, as has Bali.
The Timor-Leste National Tourism Development Strategy and Implementation Framework

About this document

Methodology

Based on the foundation of the National Tourism Policy, the Timor-Leste Tourism Development Strategy and Implementation Plan presents a series of pathways to enable government, industry, civil society, academia, and development partners to move forwards together with a series of actions for tourism development at local and national level. It is the result of a several public consultations which produced a consensus from a representative sample of stakeholders, who were invited to consider the development issues and obstacles and to propose specific actions required to drive the Tourism Strategy.

In July 2019, the Minister of State of the Presidency of the Council of Ministers and Interim Minister of Tourism, Commerce and Industry approved a request from USAID’s Tourism for All Project (USAID-TFA) to support the Ministry of Tourism, Commerce and Industry (MTCI) in establishing a Timor-Leste National Tourism Development Strategy and Implementation Plan. Meetings were then conducted between development partners, including USAID’s Tourism For All project (USAID-TFA), The Asia Foundation (TAF) and the Market Development Facility (MDF) to agree on a broad process to develop the Timor-Leste National Tourism Development Strategy and Implementation Plan. Following a meeting with the Interim Minister of MTCI, Fidelis Magalhaes, it was agreed that the consultation phase of the project would begin with a workshop to celebrate World Tourism Day on September 27th, 2019. This event – co-sponsored with The Asia Foundation and Market Development Facility – officially launched the Timor-Leste Tourism Development Strategy and Implementation Plan process and garnered public, private and civil society stakeholder commitment to the initiative. More than 100 people attended, including senior Timor-Leste Government officials, diplomatic corps, private sector representatives, civil society organizations, academics and tourism stakeholders.

The initial workshop proved to be an effective model and was subsequently repeated in Baucau and Liquica, in October and November 2019, respectively. More than 40 people participated in the Baucau event, including regional senior government officials (Baucau, Lautem, Viqueque and Manatuto), private sector representatives, civil society organizations, media, academics and tourism stakeholders. The Liquica event was attended by more than 70 people, including regional senior government officials (Presidents of the Authorities of Aileu, Bobonaro, Covalima, Ainaro and Liquica), private sector, civil society organizations, media, tourism stakeholders and students. Both events included presentations on the National Tourism Policy and the draft Timor-Leste National Tourism Development Strategy and Implementation Plan. All participants had the opportunity to contribute to an interactive session. During these interactive sessions, participants were encouraged to put forward their suggestions for individual actions that would help to drive the implementation process at local and national level. This enabled a consistent and representative consultation process, from which a clear picture emerged of the obstacles to tourism development in Timor-Leste. There was a general
consensus that the implementation of the National Tourism Policy would require concerted efforts across a wide range of actors, which must be co-ordinated and synchronized.

The results of these stakeholder consultations – more than 200 contributions - were entered into a matrix that formed the basis for this document, which comprises two sections: the Timor-Leste National Tourism Development Strategy; and the Implementation Plan. The Development Strategy provides background information about the issues that need to be resolved in order to develop the industry in Timor-Leste, and the types of activities that will lead to fulfilling the objectives of the National Tourism Policy. Essentially, it will explain what needs to be done, and why.

The Implementation Plan is a living, working document that is ultimately intended to form the basis for drawing up the Integrated Master Plan for Tourism Development (see section 2.1.2). In diagrammatic form, the Implementation Plan consists of a Gantt matrix setting out proposed activities in detail; it charts the strategic pathways (see below) that need to be followed and designates activity groups that will be tasked with analyzing, developing and applying the recommended actions.

The National Tourism Development Strategy and Implementation Plan is intended to serve as a tool, to enable the public sector to prioritize tourism development initiatives, incorporate them into its annual planning process and to integrate different forms of external support, leading up to the development of the Integrated Master Plan for Tourism Development.

The required conditions for tourism to develop and flourish are subject to change: the industry is sensitive to global, regional and national situations, such as economic fluctuations, climate change and health issues, as well as the political and security environment. For Timor-Leste’s tourism industry to be resilient in the face of all of these factors, it needs to be flexible and adapt to change. It is also important to maintain durable, steady and dynamic connections between the various different actors in the sector – public, private and community - so that appropriate action can be taken and the implementation plan revised accordingly. Regular reviews at national and local level will be essential to ensure the Implementation Plan retains its relevance, guiding a flexible response to tourism development over the long term through constant consultation and adaptation as circumstances change.

In following the pathways set out in the Implementation plan, it is important to move steadily across all 13 activity groups, as often they are inter-dependent. Whilst some activities produce short-term results, it is advisable to set into motion other activities that serve to facilitate long-term progress.

Strategic Pathways (Objectives)

The Timor-Leste National Tourism Development Strategy and Implementation Plan is based on the five Pillars of the National Tourism Policy, which are broad, cross-cutting concepts. In formulating the Implementation Plan, strategic pathways have been defined that ensure that the proposed activities are focused on the objectives listed below, whilst incorporating the themes of the Tourism Policy throughout the document in the context of specific actions. This
approach aims to give a strong sense of direction and purpose to government, stakeholders and development partners alike.

The strategic pathways (objectives) of the Tourism Strategy are:

I. Plan for integrated sustainable tourism development through institutional coordination
II. Accelerate destination connectivity and attractiveness through improved infrastructure
III. Increase local participation in the tourism economy through skill and SME development
IV. Draw investor interest through access and information sharing
V. Improve destination marketing through targeted campaigns and interventions

Key Activity Groups and Priority Actions

Implementing partners for the Timor-Leste National Tourism Development Strategy include Government (led by the Ministry of Tourism, Commerce and Industry), Development Partners, Industry, Civil Society Organizations, and Non-Governmental Organizations. It is divided into five strategic pathways and ten activity groups with recommended priority actions, which are presented graphically in the Implementation Plan. It is recommended that as an important first step to putting the implementation plan into effect, the Government of Timor-Leste also conduct a review of the current and planned activities of all of the development partners directly active in tourism sector, as well as those engaged in activities that might have an impact on tourism development (such as infrastructure, environmental protection, etc). This information needs to be incorporated into the implementation plan. It will serve to highlight the gaps and areas where the government needs to allocate state funding or support private sector activities that facilitate the long-term goals.

The specific priority actions listed in the Gantt matrix are separated into activities that have already been completed or are in progress; and recommended activities for further programming and implementation. One of the fundamental purposes of the Timor-Leste National Tourism Development Strategy and Implementation Plan is to integrate tourism projects that are being planned by various donors, INGOs/NGOs, associations and the Government itself into the matrix to avoid duplication and to harmonise these efforts across the development process. As and when the Government takes recommended activities under consideration for future implementation, it should evaluate its institutional and budgetary capacity and the required timeframe for the activity, to assess what kind of support may be needed from civil society, the private sector and development partners.

Drafts of the National Tourism Development Strategy and Implementation Plan have been submitted to key actors from the Government/Public Sector and the Development partners for further consultation and refinement, after which a specific timeline can be drawn up by the Government to implement the strategy and schedule and coordinate the activities across each financial year towards the final evaluation in 2030.
The strategic framework is presented graphically on the following page.

Pathway 1

Plan for integrated sustainable tourism development through institutional coordination

To achieve the goals of the National Tourism Policy by 2030, the tourism industry will need to enter a phase of sustained and relatively rapid growth. This entails consolidating and expanding existing businesses, as well as attracting new national and international investment. In this way, the carrying capacity of Timor-Leste’s tourism industry – the number of tourists that can be delivered and accommodated at any one time – can be increased to meet the targets. However, it is equally important to consider the quality and value of the tourism experience from the point of view of both the visitor and the community. To ensure the sustainability of the industry, growth must be subject to regulation, whilst regulation also needs to facilitate growth. Stakeholder consultations have identified a range of legal and regulatory issues affecting their businesses and communities, which have been incorporated into the Timor-Leste Tourism Development Strategy and Implementation Plan. For the plan to be put into action, existing institutional arrangements and regulations will have to be harmonized and simplified, and new ones will need to be created. The establishment of the Inter-Ministerial Commission for Tourism Development in 2019 was a major step forward on the path to coordinating the activities of the diverse Ministries and State Institutions involved in the sector. It can help to institute the Strategic Implementation Framework across the government, as a priority.

Activity Group 1.1 - Strategic Implementation Framework

1.1.1 Timor-Leste National Tourism Policy - Growing Tourism to 2030 - Creating a Sense of National Identity

The National Tourism Policy created a solid foundation on which to build tourism in Timor-Leste, around five “Pillars”: Priority, Prosperity, Protection, Partnership and People. A combination of initiatives by MTCI, development partners and the private sector have made great progress in raising public awareness and acceptance of the policy, and these efforts should continue. The process of public consultation leading to the Timor-Leste Tourism Development Strategy and Implementation Plan has already taken place: once the plan is approved a new round of awareness-raising activities will be required to maintain public engagement. From the starting point of the “Pillars” of tourism development, a new, dynamic phase is beginning as the country sets out on the journey along the strategic “Pathways” set out in this document.

Key activities to be carried out through the Implementation Plan would include the continued socialization of the Tourism Policy; the approval and adoption of the National Tourism Development
Strategy and Implementation Plan; and the institution of mechanisms for regular review and revision of the plan as circumstances dictate.

1.1.2 National Tourism Development Institutional Framework

The creation of the Inter-ministerial Commission for Tourism is a major step forward in developing the institutional framework for the implementation of the National Tourism Policy. More than any other industry, tourism faces challenges that can only be overcome by concerted action across the whole of government. Tourism-related issues that require high-level inter-ministerial debate and action include: visa reform, aviation, security, environmental protection, private sector regulation, etc.

The work of this commission will serve to strengthen inter-sectorial and inter-ministerial coordination and collaboration mechanisms. Chaired by the Coordinating Minister for Economic Affairs, it is composed of Ministers responsible for tourism, land use, transport and communications, interior, culture, environment, cooperatives and vocational training and employment. The commission will be responsible for promoting the preparation of the Tourism Master Plan, analyzing the necessary legislative initiatives and promoting interdepartmental coordination in the implementation and execution of the Tourism Master Plan.

Other institutions that should be involved in the process of executing the Timor-Leste Tourism Development Strategy and Implementation Plan include municipal authorities, private sector associations (including a newly-created Timor-Leste Tourism Board) as well as a wide range of different local, national and international partners and organisations. Several community and industry-based institutions have already been established, for example HOTL, ATKOMA, ATM-TL and ASTRABEKA and these have already made a valuable contribution to the tourism development process.

The implementation of the tourism policy presents an opportunity to re-evaluate, improve and strengthen the national institutional framework to maximize the benefits that the different actors will bring to the development process. One way of achieving this is through the Participatory Institutional Capacity Assessment and Learning (PICAL) Index. PICAL is a tool used to evaluate and monitor four themes of institutional capacity development, namely: demand for Institutional Performance; Organizational Learning Capacity; Administrative Capacity and Institutional Strengthening Capacity. USAID-TFA has conducted PICAL assessments of selected institutions and it is recommended that this activity be extended to others as relevant, to establish baseline data and measure institutional capacity building.

Key activities to be carried out through the Implementation Plan would include establishing a decision-making framework for the sector and continuing consultations to identify key barriers to tourism growth.

1.1.3 Timor-Leste Tourism Board and Marketing Fund
The primary role of a Tourism Board would be to support destination marketing for Timor-Leste, whilst enabling a constructive process of consultation between the private sector and the Government on issues facing the industry. The creation of a Timor-Leste Tourism Board will also contribute to stimulating investment, as part of its wider role in promoting and marketing the country as a tourism destination. Various models are under consideration, one of which is based on the Public-Private Partnership (PPP) model, which is seen as an effective mechanism for assuring the long-term financial sustainability of the organization. There is a growing international trend among successful tourism-led economies to establish mixed composition (public and private) tourism authorities charged with spearheading branding, development, and promotional campaigns. Identified concerns over financial sustainability necessitate the design and establishment of a Tourism Development Fund that would raise and “ring-fence” revenue from various sources to finance some or all of the Tourism Board’s critical tourism development activities.

It is envisioned that the establishment of a national Tourism Board would provide the following benefits for the country:

- increasing visitor volume growth;
- stimulating economic development at national and community level;
- generating job opportunities;
- creating more tax income for several levels of government;
- enhancing the marketing and branding of the destination;
- improving visitor services and satisfaction;
- providing tourism information online and offline;
- encouraging the creation of new experiences for visitors;
- facilitating a collaborative dialogue to create a strategy that reflects the tourism priorities of the destination’s varied tourism players
- boosting community pride.

Destination marketing plays an integral and indispensable role in the competitiveness of the local and national visitor economy, and acts as a catalyst for economic development. In an increasingly competitive international market where countries are vying for tourists among their competitors, each destination must dedicate resources to promote their tourism product offerings to prospective visitors through targeted marketing, branding, and advertising campaigns. Harnessing the industry’s collective expertise, the TLTB will serve a valuable function by promoting the destination of Timor-Leste collectively with the scale necessary to gain share of voice in an increasingly competitive global marketplace.

Creating a PPP along with this endeavor would reflect the growing global practice that features innovative approaches to including the private sector in tourism planning and governance. It would also reflect the imperative need for a modernized approach to planning and marketing tourism in support of Timor-Leste’s economic diversification and prosperity. In its role, the Timor-Leste Tourism Board (TLTB) would act as the bridge to partner with the private sector and identify strategies and solutions for complex challenges. It would assume responsibility for acting as the coordinator between government ministries, local authorities, civil society, and the private sector.
The process of exploring the options for the establishment of the TLTB was initiated in late 2019, with the participation of a group of industry representatives at a “Dada Lia”, with a presentation and discussion about global case studies and the models, roles and impacts of public-private tourism boards to support destination marketing. This event led to the production of a draft action plan by USAID-TFA.

Key activities to be carried out through the Implementation Plan would include further consultations and research on this topic, leading to the creation of a representative and sustainable TLTB and a multi-year plan incorporating the organisation’s strategy and budgetary mechanisms.

1.1.4 Local-Level Authorities/Destination Management Organizations

A consistent theme emerging from public consultations leading to the creation of the Timor-Leste National Tourism Development Strategy and Implementation Plan was a strong desire on the part of Municipalities to contribute to the tourism development process in their own part of the country. Not only do local communities stand to benefit directly from visitors to their municipalities, they also have much to offer in terms of local knowledge of attractions and facilities. They are also concerned about negative social and environmental impacts. The ability of communities to engage in the tourism industry varies from municipality to municipality, so a phased approach is suggested, with a pilot project to be set up in Dili Municipality, which is subsequently rolled out to other municipalities with appropriate levels of support. To achieve this, it is necessary to establish municipal tourism units or offices dedicated to the process: they would be able to engage with local partners and communities in relevant activities across all five pathways of the Tourism Development Strategy and Implementation Plan.

An example of how Municipal-level involvement and coordination can extend the benefits of tourism across a local area is the proposed “Green-T” Transportation and Tourism Hub for Dili. Based on a case study produced by USAID-TFA, the Green-T project would link together key tourism attractions by means of a “green” transportation system, improving overall accessibility within Dili and channeling citizens and visitors between key locations. Stopping at seven landmark sites between Timor Plaza and Cristo Rei, the “Green-T” would stimulate tourism and commercial linkages and offer visitors an efficient and enjoyable journey around the capital. It is envisioned that within the network the key terminal would be the Dili Tourism Information Center. Under-utilized space at the Center and the adjacent green space on Avenida Portugal would be re-developed to act as the central node of a transportation network and the site of a new commercial and retail space to promote and enhance the Tourism Center operations. Under the auspices of the Municipality, the overall “green” ethos underpinning this proposal could also be extended to cover waste disposal operations in Dili.

The diagram below presents a visual depiction of the potential route such a transport system would take:

Potential “Green T” Transportation Route
Consultative discussions are ongoing with Dili Municipal Government, MTCI and USAID-TFA, and a Director of the Dili Municipal Tourism Office has been appointed.

The creation of Municipal Tourism Offices would also open the way to devising location-specific marketing campaigns and to participate in exchanges with other municipal-level tourism offices across the ASEAN region, benefiting from the successful experience gained in other countries.

**Key activities to be carried out through the Implementation Plan would include:**  
- the establishment of a municipal-level working group;  
- the creation of a “Visit Dili” tourism campaign, to be replicated in other municipalities;  
- strengthening the activities of the visitor information center in Dili; and  
- supporting the development of tourism in other municipalities through training and technical support.

### 1.1.5 International and Regional Cooperation

At MTCI level, there are already a number of agreements in place with various international tourism development and promotional organizations, such as UNWTO, SPTO and PATA. UNWTO was present at the launch of the TL National Tourism Development Strategy and Implementation Plan on the occasion of World Tourism Day 2019, and has also supported several studies in Timor-Leste.

Multilateral talks with ASEAN and the nations engaged in the Tri-Lateral Initiative (Indonesia/Australia/Timor-Leste) have also touched on tourism issues in the general trade context. In the past, lacking a formal national tourism development strategy, Timor-Leste has not been able to avail itself fully of the advantages of international and regional co-operation in the sector. As the government moves towards implementation of its tourism policy, it is time to integrate its approach to international and regional co-operation initiatives as part of the strategy, both in terms of tourism development, destination marketing and the adoption of established regional tourism quality standards.

**Key activities to be carried out through the Implementation Plan would include:**  
- extending and strengthening regional collaboration, particularly within ASEAN; and  
- exploring the possibilities of cooperative tourism marketing, development and investment opportunities with Indonesia and Australia, e.g. “One Island Two Nations” and the Tri-lateral initiative.
1.1.6 Legal and Regulatory Framework

A cursory review conducted by USAID-TFA has shown that there are at least five tourism-specific laws and at least eight others that make reference to the tourism sector in Timor-Leste. These include: laws on protected areas, civil aviation, immigration, land use, forest resources, investment, culture and heritage, and environment. A consolidated review of the laws affecting the tourism sector is needed: in addition, the establishment of a specific, national tourism legal framework founded on the vision of the National Tourism Policy should be initiated. The activity group working on legal issues will require the expertise of a professional specializing in tourism law, with international experience.

Key activities to be carried out through the Implementation Plan would include: the engagement of a qualified international expert to conduct a thorough and formal review of Timor-Leste’s tourism legal framework and laws; and the drafting and facilitation of new tourism laws, decrees or regulations in support of tourism development.

Activity Group 1.2 - Tourism Data and Analytics

As the Tourism Development Strategy and Implementation Plan is approved, mechanisms should already be in place for an extensive array of Data Collection and Analytics activities. The Implementation Plan is designed to enable a flexible approach that can be adjusted in response to the performance of the industry as a whole, so it is essential to institute proper monitoring and evaluation procedures to measure progress made towards meeting the tourism policy goals. As a priority, existing tourism data need to be gathered and collated to establish a baseline against which to monitor performance: it is not possible to manage the industry properly without measurement. It is important to analyze these data thoroughly: for example, it has been understood that the number of tourism visas issued is not an accurate reflection of the actual numbers of visitors taking holidays in Timor-Leste. The Implementation Plan will require indicators against which performance can be measured, and data collection mechanisms need to respond to this. It is also important to have accurate data to offer to the industry and potential investors to enable them to devise their own appropriate corporate strategies.

Data to be gathered should not be restricted to tourism arrivals, revenues and employment statistics, but should also include other information about attractions, ancillary services, environmental impacts, economic indicators, accessibility, etc., which provide a wider context for tourism development planning and monitoring.

Data-related activities included in the National Tourism Development Strategy and Implementation Plan are divided into five inter-related categories:

- Tourism Observatory (data repository)
- Demand Assessment
- Collection Methodology
- Tourism Performance Measurement
- Dissemination of Statistics
Clearly, information needs to be drawn and collated from a range of sources across the
government, municipalities and the private sector to build a complete picture of the progress
that is being made and the capacity for future expansion. It should be noted that the activities
proposed under this section of the Implementation Plan are of a highly technical nature;
participants in this group should hold appropriate qualifications and be selected according to
their specific expertise and experience in this area.

1.2.1 Tourism Observatory

The National Tourism Policy calls for the establishment of a Tourism Observatory to ensure
accurate collection and analysis of statistics to support evidence-based decision-making. This
has already been identified as priority by the MTCI and an MOU with Indonesia has been
signed, through the ADB’s Regional Cooperation and Integration project.

It is important to ensure that all data collected conforms with good international practice so
that not only can the government assess how the industry is performing at national level, but
it can also make accurate comparisons with tourism development in other countries. The
Tourism Satellite Account (TSA) is a standard statistical framework and the main tool for the
economic measurement of tourism: it would enable the Government to measure the direct
economic contributions of tourism consumption to the national economy, and thus the
progress made towards achieving the objectives of the National Tourism Policy.

TSA was developed by the World Tourism Organization (UNWTO), the Organisation for
Economic Co-operation and Development (OECD), the Statistical Office of the European
Communities (Eurostat) and the United Nations Statistics Division. TSA compares data from
the demand-side (the acquisition of goods and services by visitors while on a tourism trip)
with data from the supply-side of the economy (the value of goods and services produced by
industries in response to visitor expenditure).

Key activities to be carried out through the Implementation Plan would include: the establishment of a
Tourism Observatory, by identifying key stakeholders, defining terms of reference and budgetary
arrangements; and seeking support from UNWTO for TSA.

1.2.2 Demand Assessment

In relation to tourism, demand can most easily be defined as the total number of people who
travel or wish to travel to a destination away from their normal place of residence and work.
Demand can be measured in monetary returns such as price, revenue, expenditure;
psychologically in terms of motivation and behaviour; or geographically in terms of long-haul
versus short-haul.

The linkage between air service capacity, accommodation stock and the wider tourism product
is fundamental not only in the approach to markets, but also needs to be factored into any
strategic thinking. For example, China might seem to be an obvious market for Timor-Leste.
However, there are some product requirements that are very specific to this market which
would need to be developed to meet the needs of inbound tourism to Timor-Leste from that
country. Should there be rapid growth in numbers of visitors from China, Timor-Leste must
ensure its capacity and infrastructure are sufficiently robust to absorb these arrivals with
minimal negative impacts, to maintain sustainability and avoid “over-tourism”. In this light, more appropriate target markets need to be identified and market studies need to be conducted, to attract high-value visitors whose expectations will be met, with minimal social and environmental impacts.

Extensive market studies should be considered a priority and the need to revise them on a regular basis needs to be factored into the process, in order to keep across changes in market trends and demand, and to inform subsequent responses by the industry from the supply side. USAID-TFA has already conducted a Singapore market study and some research into the faith-based tourism market in Indonesia. A Strategic Tourism Marketing Plan, also based on Indonesia as a key source market, was produced by TAF, whilst terms of reference have been circulated for an Australian Market Study by MDF and WB is considering a macro-level demand assessment study with terms of reference prepared.

**Key activities to be carried out through the Implementation Plan would include the preparation of a detailed assessment of the historical and present demand conditions for Timor-Leste; identification of global trends and possible compatible markets for Timor-Leste; Timor-Leste’s readiness to meet identification of the nature, scale and cost of public investments needed to meet forecast future demand; development of a strategy for market development; etc.**

### 1.2.3 Improve Collection Methodology

Constant and consistent data collection is vital in guiding tourism development in relation to service delivery and infrastructure needs: the Interim Minister of MTCI and the Director General of Tourism have publicly acknowledged the importance of data collection.

At present, data collection methods used by Timor-Leste are inconsistent and fragmented. To produce reliable inputs, data collection methods need to be upgraded to good international standards, a process that should be managed by specialists in the area. It will be important to harmonize the collection process across all of the various ministries and institutions that are currently engaged in this activity to ensure that results are consistent and compatible with established parameters that have been adopted to measure and evaluate tourism development.

TAF conducts regular international surveys of visitors to Timor-Leste at the airport and land border areas. TFA has worked with ATKOMA to carry out regular visitor satisfaction surveys on Ataúro Island using a digital platform, whilst HOTL, in collaboration with USAID-TFA, have established a relationship with Horwath to aggregate hotel performance statistics on a monthly basis.

**Key activities to be carried out through the Implementation Plan would include: the establishment of a data collection task force and the development of new survey tools; and the utilization of immigration and customs arrival cards to collect data.**

### 1.2.4 Monitor and Measure Tourism Performance
The success of the implementation of the National Tourism Policy will be evaluated against the three goals based on numbers of visitors, revenue produced by the sector and the number of people directly employed in the industry. Once systematic and consistent data collection is in place, the monitoring and measuring of tourism performance will reveal progress made in reaching these policy benchmarks. But there are many other applications for exhaustive and accurate data collection and analysis. For example, it will offer insights into the execution of the overall Timor-Leste Tourism Development Strategy and Implementation Plan itself, allowing for adjustments and interventions to be made where needed, and it will also help the private sector to make more informed decisions about investment and marketing. Another key advantage in monitoring tourism performance is that it can produce vital information about visitor satisfaction, enabling industry stakeholders and the government to address any shortcomings in product development, vocational training and infrastructure development. The more exhaustive the data, the more detailed the picture that will emerge through the analysis process.

*Key activities to be carried out through the Implementation Plan would include: establish a working group to define data to be analyzed (hotel statistics, length of stay, spending, purpose of travel, guest satisfaction, etc.);*

**1.2.5 Publishing and Dissemination of Tourism Analytics**

The final phase in the work of the Tourism Data and Analytics activity group is defining mechanisms for the publication and dissemination of results and analyses. For example, in 2018, TAF launched the Tourism Barometer as a tool to report and disseminate basic annual data on tourism in Timor-Leste and this activity continues.

Information of this kind needs to be shared as widely as possible, not only across Government and to direct stakeholders, but also – where relevant - to the public and to the media, to ensure that the whole population remains engaged in the tourism development process.

Electronic publication is likely to be the most effective means of sharing this information.

*Key activities to be carried out through the Implementation Plan would include: GOTL to consider producing and publishing a detailed annual tourism statistical report; share via the e-library created on [www.timorleste.tl](http://www.timorleste.tl); etc.*

**Activity Group 1.3 - Cultural and Natural Preservation**

**1.3.1 Intangible Culture and Heritage**

Tais is an example of an intangible cultural asset for Timor-Leste and as such it is undergoing the process of gaining official recognition by UNESCO. This hand-woven textile is an intrinsic part of national identity: it is present at all important historical and cultural occasions and celebrations.
A broad-based coalition of weavers’ groups, community associations, cultural organizations including Timor Aid and the Alola Foundation, relevant Government departments and development partners was created to form a national committee to prepare the UNESCO nomination application, including a short film, which will be submitted in early 2020. If successful, tais will be inscribed to UNESCO’s “List of Intangible Cultural Heritage in Need of Urgent Safeguarding” leading to Timor-Leste’s first government-led UNESCO designation. In future, there will be other opportunities to identify and preserve other aspects of culture and heritage in this way, generating a sense of national pride and enriching the tourism experience.

Most visitors to Timor-Leste buy handicrafts featuring tais. This provides a financial incentive to young people and women to continue the craft, particularly in rural areas. There is also an opportunity to extend the economic benefits of tais by creating niche tourism experiences for visitors interested in the craft and historical and social significance of the product. Tourists are interested in stories about role of tais in traditional ceremonies, the dyeing and weaving process, as well as the spiritual beliefs, cultural legends, social hierarchies and family histories that are often encoded into the motifs.

Tourism operators are already offering history-based tourism itineraries, including visits to the Museum of the Resistance, Chega! and the Santa Cruz Cemetery, with some degree of success. However, the diverse cultural elements that make up a holistic “Timor-Leste Experience” are less accessible to tourists. There are many artefacts – some ancient, some modern – that are worthy of display in a national museum, which would create a focal point for international and domestic visitors alike. The establishment of an official national museum would also open the way for the repatriation of artefacts that have been scattered across collections in other countries. Museums and “living arts” centers also offer a venue for the artists and performers of today to continue the process of cultural development, whilst providing a rewarding experience for tourists, who expect to be entertained at some point in their visit. There is no shortage of talent among young Timorese people; what is lacking is the opportunity to convert that talent into a regular source of income in the context of the tourism industry. Timor-Leste is already making progress in developing the performing arts to a professional level. Bands and dance groups are often engaged to perform at national events and trade shows overseas, whilst aspiring performers participate in local and international competitions on a regular basis. However, there is a lack of suitable venues and a programme of events that can be marketed to visitors on a consistent and regular basis. The formation of a performing arts working group would enable a concerted approach to growing and promoting the entertainment component of the tourism industry, whilst nurturing new talent.

Key activities to be carried out through the Implementation Plan would include: the identification of other cultural elements to be considered for UNESCO or other forms of recognition; determining methods of preserving and renewing arts and culture; establishing a National Tais Day; supporting the
creation of a tourism performing arts working group; creating events and spaces to present the performing arts to visitors; and conducting research and consultation on the potential of establishing a “living art” center/museum tourist attraction in Dili to showcase Tais and other national cultural elements.

1.3.2 Marine Protected Areas

Currently, the marine environment is the source of Timor-Leste’s primary tourism attractions, notably scuba diving and whale-watching. The coral reef is a highly-sensitive eco-system which requires vigorous protection mechanisms to be in place, if it is to be exploited sustainably. The waters around Timor-Leste are vulnerable to a range of threats, including pollution, littering, over-fishing, inappropriate infrastructure developments and unsustainable tourism practices. There is also a need to curtail the activities of unregistered, unaccountable offshore operators, in both the marine tourism and fishing sectors.

Marine protected areas have been designated in some parts of the country, but they will need to be properly and sustainably managed, with the full support of all stakeholders. The needs of local communities - many of whom are dependent on marine resources for their livelihoods – must always be taken into account.

The marine tourism sector can play a vital role in environmental protection by offering alternative livelihoods and sources of income to local communities, whilst sharing valuable expertise about underwater and coastal habitats. Whilst the marine environment is degrading on a global scale, it is still possible for this country to take action to preserve its own reefs, which are some of the healthiest in the world. To achieve this will require strong partnership between public and private sectors, development partners and international conservation organizations, with the consent and participation of local communities.

A Sustainable Management Plan for Atauro Island has already been produced, which may be suitable for replication in other coastal areas of Timor-Leste.

The establishment of the Marine Tourism Association (ATM-TL) in 2019 was a significant achievement, enhancing cooperation between communities, relevant Government authorities and other institutions engaged in marine protection such as CI, Blue Ventures, World Fish and the Coral Triangle Centre. ATM-TL has also taken the initiative of applying for Hope Spot recognition for Timor-Leste. Hope Spots are ecologically unique areas of the ocean designated for protection under a global conservation campaign, overseen by Mission Blue, a non-profit organization founded by the renowned conservationist Sylvia Earle.

Key activities to be carried out through the Implementation Plan would include: enhancing the capacity of coastal communities to participate in conservation activities and to benefit from the tourism industry; research methods to balance the need to rejuvenate reefs and alternative
livelihoods; investigate the possibility of establish a PPP to support conservation on Atauro Island, e.g. Reef Rangers, in line with Tara Bandu laws; develop marine-based tourism experiences and infrastructure; establish and manage marine national parks; and join Pacific Islands Forum efforts towards common stewardship of the Pacific Ocean.

1.3.3 National Parks and Terrestrial Protected Areas

The same considerations noted above for the marine environment also apply to a great extent to terrestrial national parks and protected areas, although community needs and pressures on the environment may be even stronger in this case. Alternative livelihoods are more difficult to establish in some of these areas, where tourism is less developed than it is in marine zones. Marine tourism assets have been more comprehensively mapped and local communities – especially in Atauro - are gaining awareness of the economic benefits that can be derived from tourism. Tourism asset mapping on land requires expertise not only in the natural environment, but also considerable knowledge about the historical and cultural aspects of designated national parks and protected areas as well as the communities that live within and around them.

Terrestrial vulnerabilities are broadly similar to those in marine environments, as is the need for formal management, community consultation and engagement, and technical assistance from international partners.

Key activities to be carried out through the Implementation Plan would include: data gathering and detailed mapping; establishing a national protected area fee collection system; improving enforcement of regulations; securing technical assistance from development partners, e.g. The US National Park Service; enhancing community participation in identifying and protecting tourism assets such as cultural sites, rock art, animal species, etc.; and seeking opportunities for UNESCO or other international recognition for natural and cultural heritage.

1.3.4 Climate Change

The prospect of climate change constitutes a serious threat to tourism. It may cause the degradation of coral reefs, coastal erosion, forest fires, floods, or drought, which can reduce water supply for tourism facilities as well as having more serious consequences for communities.

A recent report by the International Union for the Conservation of Nature (IUCN) said that the loss of oxygen from the ocean due to climate change risks "dire effects" on sea life, fisheries and coastal communities. UNESCO estimates that, globally, only 1.5% of the world’s coral is currently ‘pristine’ and not under stress due to the effects of climate change and human activity.

Activities to mitigate the extent and impact of climate change should inform every aspect of sustainable tourism and economic development policies. Whilst climate change
is a threat to the natural environment on which tourism depends, at the same time higher rates of tourism often mean a greater reliance on imported goods, increased carbon emissions and more waste production. Therefore, in the context of climate change, sustainable tourism practices are not only recommended on a national level – as described in the National Tourism Policy - but they are also appropriate on a global scale. The promotion of the ecotourism model through lodges like Barry’s Place on Atauro – utilizing eco-methods of waste minimization and management, including local water harvesting, local food preparation and greywater recycling – protects the local environment whilst conveying an understanding of value of these methods to the community and both international and domestic tourists.

It is also appropriate to consider the relevance of plastics in the context of climate change. Today, about 4-8% of annual global oil consumption is associated with plastics, according to the World Economic Forum. If this reliance on plastics persists, plastics will account for 20% of oil consumption by 2050. A transition toward “zero waste” – the conservation of resources through responsible production, consumption, reuse, and recovery of materials without incineration or landfilling – is one of the paths to reducing emissions.

Key activities to be carried out through the Implementation Plan would include: strong promotion of local products as part of the tourism experience; awareness-raising programs for citizens; establishing a national policy to ban or greatly reduce single-use plastic products and to improve rubbish management and recycling; promote ecotourism by encouraging accommodation providers to institute eco-friendly practices such as local water harvesting, solar energy, etc.; establish a Green Schools initiative to educate young people about environmental stewardship; seek support from development partners for environmental education, the promotion and establishment of environmental good practice in tourism, whilst strengthening resilience of communities and the industry in the context of climate change.

Pathway 2

Accelerate destination connectivity and attractiveness through improved infrastructure

Tourism infrastructure is one of the most complex – and costly – issues facing the government in the development of the industry. It is also one of the main obstacles restricting the growth of tourism across the country. The key is careful planning, to reflect the needs of the sector in the short, medium and long terms, by achieving a balance that responds to the supply of tourism products in line with present and future demand. In order to create the fundamental conditions required to develop tourism, basic infrastructure such as water supply and sanitation, electricity and transport by road or other means needs to be in place. As the overall National Development Plan is rolled out and projects are nearing completion in zones of interest to the tourism sector, there is scope for the parallel development of sector-specific infrastructure, to extend the benefits of tourism to the community. Therefore, it is crucial to integrate tourism
planning in step with major infrastructure development, rather than building major tourism projects without the support systems the industry requires. The benefits of tourism need to extend deep into the local community, so in the context of infrastructure it is beneficial to plan for the development of small and medium local enterprises around major projects, creating clusters or hubs of activity that are attractive to visitors and encourage a longer stay and a greater and more varied “spend”. The work of the Tourism Infrastructure and Connectivity Activity Groups will require strong participation from the private sector.

**Activity Group 2.1**

**Tourism Infrastructure**

2.1.1. National Tourism Asset Mapping

Attraction and activities are the primary motives for people to travel to a destination and a key ingredient for a robust tourism industry. These generally come in three forms including: man-made, natural and local cultural assets. Man-made attractions are sites that have been modified or developed such as religious sites, historical sites, archaeological sites, monuments, museums, and parks. Natural attractions are natural assets and resources of a destination such as flora, fauna, mountains, forests, caves, waterfalls, marine diversity, and rivers. Local cultural attractions come in the form of hospitable people, religious rites and other elements of day-to-day life of the local population. The existing tourism industry is currently based on just a fraction of the potential tourism assets that can be developed and taken to market.

Tourism Asset Mapping (TAM) is an approach to identifying a tourism destination’s key features and recognizing how visitors see and experience them. It is a means through which an inventory of places of interest can be developed; allows for a ranking of the most valued elements; and explores reasons why people place high value on tourism assets.

The approach helps to consolidate existing information on tourism assets and highlights where information is missing. TAM will serve to inform planning decisions and extend the range of products that can be incorporated into the tourism offering. In addition, it will support the process of environmental protection and lay the foundation for the promotion of joint investment opportunities.

Numerous institutions have conducted mapping of key maritime, terrestrial and cultural assets, particularly ADB’s ‘One Island-Two Nation tourism initiative in partnership with MTCI, Ministry of Tourism Indonesia and the NTT Provincial Tourism Office, which is conducting a tourism asset mapping exercise across the island of Timor. Also, USAID-TFA has retained a digital mapping expert so that information about these these tourism assets can be organized through a Geographic Information System (GIS). A GIS will make it possible to capture, store, manipulate, analyze, manage, and present spatial or geographic data and allow users to create interactive queries, analyze spatial information, edit data in maps, and present the results of all these operations. Not only does national tourism asset management enable the production of user-friendly maps for visitors, it also enables tourism operators to devise comprehensive itineraries to promote on the market.
TAM will be conducted with private sector tourism operators and tested amongst relevant stakeholders. It is worth noting that TAM is a dynamic process: it will need to be updated as new attractions emerge, facilities are developed and access to existing assets improves.

Key activities to be carried out through the Implementation Plan would include: the creation of a national database of socio-cultural and natural sites across the country incorporating data from all relevant institutions; documenting required improvements to identified tourism assets; and producing and maintaining maps and thematic routes and itineraries.

2.1.2 Integrated Tourism Master Plans

The Timor-Leste National Tourism Development Strategy and Implementation Plan will provide a framework for building the Government’s programs to grow the industry. The recommendations set out in this document and the work of the activity groups will facilitate the creation of detailed Integrated Tourism Master Plans to identify the priority programs, infrastructure and services required in the long-term tourism development process at institutional level, in line with the National Development Strategy. ITMPs will define the shape of tourism in the decades to come: where the focal points will be, what infrastructure will be needed to unleash the potential for tourism across the country, the timeline for the development process and the source and extent of funding required.

The activity group responsible for this section of the Implementation Plan should be composed of individuals and institutions bringing the highest levels of expertise, and it will require inter-ministerial cooperation and funding.

The Integrated Tourism Master Plans should cover both hard and soft infrastructure, both small and large infrastructure, both public and private investment, for each of the selected destinations for priority development. They can help guide a much wider set of interventions than currently suggested, and should be the framework for collaboration and budget allocations across ministries, levels of government and public-private actors.

The ITMPs can best be prepared at the destination-level. It is at that level that they can be used as a framework for alignment of existing (or new) central government (and municipality) programs for roads, basic services, skills development, environmental protection and the business environment for better results in selected tourism destinations.

Each ITMP consists of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years) and detailed development plans (with a planning horizon of 5 years) for existing and future key tourism areas within the tourism destination. These areas could best be defined at the municipality and sub-municipality level. They will provide the basis for development of tourism facilities and supporting infrastructure that: (a) is consistent with the environmental, social and cultural opportunities and constraints of the
selected destinations; and (b) avoids degradation of the natural and cultural assets that attract visitors to that destination.

MTCI has already initiated preliminary discussions on Integrated Tourism Master Plans with development partners, including UNWTO and WBG. Continual consultation from multiple stakeholders, possibly through a National Tourism Forum, will be essential.

Key activities to be carried out through the Implementation Plan would include: the establishment of a Tourism Forum; the development of a scope of work and tendering process; a thorough analysis of priority destinations, product offerings, scale and type of required developments and infrastructure, budgetary estimates and market viability; identification of short-term policy reforms and institutional requirements to enable resources to be mobilized by GOTL; and development of a Master Plan covering the whole national territory.

2.1.3 Public Sector Funding for Tourism Infrastructure

Clearly, the issue of public sector funding allocations for tourism infrastructure will need to be re-examined by the Inter-ministerial Commission with respect to the Timor-Leste National Tourism Development Strategy and Implementation Plan (with particular emphasis on the previous item – 2.1.2: Integrated Master Plan for Tourism Development). Budget allocations for tourism development should reflect the Government’s stated goal of prioritizing the sector in the transition to a post-oil economy.

Government investment in the sector will need to be co-ordinated in line with stages of project development, with steady provision of finance to minimize delays. A long-term financial strategy is required. To this end, it is proposed to establish a Public Sector Funding Action group, providing the necessary technical and institutional expertise. Its role would be to assess project feasibility, drive the Government approval process, conduct evaluation of projects under way and ensure that public funding proposals are presented in accordance with correct procedures.

The Public Sector Funding Activity Group would also advocate for development partner support which can be integrated into the overall financial strategy for the sector.

Key activities to be carried out through the Implementation Plan would include: the establishment of a tourism advisory group with the Ministry of Finance; a cost and feasibility analysis of tourism infrastructure projects; and the submission of public funding proposals.

Activity Group 2.2: Air, Sea and Land Connectivity

The World Bank Group’s Annual Timor-Leste Report (April, 2020) highlights that the provision of air and sea transport services has been severely disrupted by the COVID-19 pandemic. Stringent international air travel restrictions and quarantine requirements have considerably affected the number of people able or willing to travel worldwide. Consequently, airlines have reduced the number of (or even stopped) flights and routes, with some countries losing air connectivity to international destinations. Timor-Leste is in danger of losing air connectivity and action should be taken to maintain a reasonable level of ‘scheduled’ international air transport services to facilitate the movement of essential goods and people, which is critical to the country’s economy.
2.2.1 Aviation

Current airfares to Timor-Leste are crippling leisure demand and a major inhibitor to developing tourism to the country. This should be treated as a national emergency.

With 91% of visitors arriving by air, Timor-Leste is heavily reliant upon the aviation sector to support and nurture tourism growth. Currently, the country has a very low level of connectivity with only four Air Service Agreements established and operable with Australia, Indonesia, Singapore and the United Arab Emirates (Dubai). Whilst the government has made some progress in its efforts to improve air connectivity – notably through the recent MoU with Indonesia – there remains a lack of clarity on prospects for other Air Service Agreements.

The country must embrace a pro-growth strategy and forward-looking approach to opening up new routes and increasing frequency and capacity. As a priority, Timor-Leste needs to extend its connectivity to include regional hubs in South East Asia, for example Malaysia, Macao and Thailand. It is also worth noting that many businesses depend on airlines not only for the passenger services but also for cargo, to bring in essential supplies, perishable goods and merchandise required at short notice.

Under the current situation, Indonesian airlines hold a virtual cartel on Timor-Leste’s aviation sector which is choking growth prospects. Extreme fluctuations in fares – with some doubling overnight in late 2018 – not only discourage potential visitors, but also make it difficult for travel agents and tour operators to construct packages that can be sold to tourists for the duration of the season at regionally competitive prices. This has a negative impact on the viability of the tourism industry as a whole, including hotels and other hospitality based businesses, and threatens to undermine all progress made in developing the sector in recent years.

Additional Air Service Agreements must be signed and activated and new airlines must be courted to circumvent this situation and increase competition. Relevant authorities should be encouraged to adopt a constructive approach to assisting new companies with regulatory compliance, perhaps through the establishment of a Connectivity Task Force led by the Ministry of Transport.

There are two immediate actions that the Government of Timor-Leste should consider to mitigate this national emergency: i) **fast track air service agreements or declare an open skies policy**; and ii) **initiate targeted discussions and negotiations with airlines**.

Growing air services and regional connectivity to Dili and Timor-Leste ‘fast tracking’ the establishment of air service agreements or simply adopting an open skies policy. It is a well-known fact that air service agreements create massive bureaucratic log-jams and are complex and time consuming to negotiate. In the case of Timor-Leste there is little reason to protect the country’s small aviation market. Permitting any carrier to fly to Dili or any airport in Timor-Leste without the need of an air services agreement would jumpstart connectivity and help grow the economy and tourism. Considering Timor-Leste’s aspiration to join ASEAN, the country may consider fast tracking the adoption of the ASEAN Single Aviation Market (ASEAN-SAM), which is intended to increase regional and domestic connectivity, integrate production networks and enhance regional trade by allowing airlines from ASEAN member states to fly freely throughout the region via the liberalization of air services under a single, unified air transport market.

In concert with aviation policy reform, collaborative communication and cooperative dialogue with airlines that support a long term and growing business relationship and develop a business case to entice airline interest.
To truly succeed in growing air services, there must be a desire and need by tourists and business travelers to visit a destination. Building awareness of a place through destination marketing and promotion that draws attention to unique product offerings is a crucial element in growing visitation to a country like Timor-Leste. As a first step, the GOTL should consider establishing a high-level aviation task force to address this critical crisis.

2.2.2. Sea

Maritime transport is an option that is well worth considering: there is an existing PELNI ferry service from Kupang to Liran, for example. It might be possible to negotiate a stop in Dili enroute. This would have great appeal to the backpacker segment of the market and offer a viable alternative to expensive air travel and the onerous overland journey via Kupang. The next bilateral meetings with Indonesian authorities could present an opportunity to explore this option. Similarly, the moment could be ripe to reconsider the possibility of a fast ferry service from Darwin.

Prior to the COVID-19 Pandemic, demand for global cruising increased by 64% from 2006 to 2016, compared to 45% for general global tourism. Cruise tourism generated an estimated USD 126 billion in total output worldwide in 2016 and 129.4 million onshore cruise visits by passengers and crew helped generate USD $57.9 billion in direct cruise sector expenditures at destinations and source markets. Cruise ship calls to the Port of Dili we becoming more frequent. However, this trend is expected to slow for the foreseeable future providing Timor-Leste with the opportunity to assess strategies for growing the niche in the future.

Another critical action required is to improve the quality and frequency of ferry services between Dili and Atauro (possibly adding a service similar to that offered between Bali and Lombok’s Gili Islands/Nusa Penida and Nusa Lembongan as a international good practice example.

2.2.3 Roads

Alternatives to air transport, whilst attractively priced, are not convenient and made complicated by the need for pre-issued visas for travelers of some nationalities to cross the land border between Indonesia’s Nusa Tenggara Timor and Timor-Leste. For the purposes of tourism, there is a need to improve overland access between Dili and Kupang. There is a general need to improve connectivity by road for the purposes of tourism, however this should be done in a phased manner depending on demand trends. Cooperating with Indonesia to establish a One Island – Two Nations campaign to bolster two country visits across the island of Timor could raise the tourism fortunes of both countries. Cross border tourism is successful in many parts of the world and is facilitated through improvements in the efficiency of moving people and vehicles across borders.

Pathway 3

Increase local participation in the tourism economy through skill and SME development
Activity Group 3.1
Tourism Product and Experience Development

3.1.1. Niche Tourism Products

Tourism in Timor-Leste country need not be dependent on resort-based or “big infrastructure” facilities and indeed this type of tourism is probably not well-suited to the potential visitor to Timor-Leste, in today's market. Many travelers prefer community-based eco-tourism, which is in harmony with the National Tourism Policy. Niche tourism caters to visitors with specific interests or motivations for visiting a particular country, where the product or activity is tailored to meet the needs of a particular market segment. The Timor-Leste destination brand “Explore The Undiscovered” was designed with this in mind: it is a concept that goes beyond geographical exploration to include a personal journey of discovery on a cultural, historical and social level. This has already been demonstrated by the early emergence of hiking tours based on World War II and Resistance history, which provide a narrative to enrich the experience of hiking through beautiful landscapes.

Nature-based tourism is still in the early stages of development, with bird-watching showing some potential. Other types of niche tourism include MICE tourism (Meetings, Incentives, Conferences and Exhibitions) and cruise ship tourism, which, whilst passengers spend only a short time ashore, does serve to boost visitor numbers and revenue from visa fees and money spent on handicrafts, food and beverage and excursions.

There is plenty of scope for Timor-Leste to extend the range of niche products available on the market. Visitors are usually interested in buying local handicrafts but also wish to learn about the processes involved in manufacturing them and even to learn tais weaving skills for themselves. Niche products of this kind are often referred to “immersive” experiences and they enable visitors to enjoy meaningful interaction with local people, to try their food and coffee, to learn about their farms, ceremonies, and the rural way of life in Timor-Leste, which may be very different from their own realities. Having understood this, the potential for extending the range of niche tourism products becomes clear. Rural communities may not be aware that they already have niche tourism assets of their own, but with support, they can become beneficiaries of the Prosperity that the industry brings.

Faith-based tourism is also showing great potential, especially in the case of the adjacent market in Indonesia. Religious leaders from the five main faiths practiced in Timor-Leste are now working together to develop packages around pilgrimages, visits to shrines and other places of religious significance.

Currently, the most successful “niche” product in Timor-Leste is coastal and marine tourism (scuba diving, snorkeling, fishing and whale-watching). In recent years, this country has developed a strong reputation for its marine biodiversity, exceptionally healthy coral reefs and the thrilling annual migration of whales. Now, marine-based tourism operators are facing increases in demand which will require further investment to increase their carrying capacity, whilst the resulting environmental pressure on reefs and wildlife will need to be monitored.
and protection measures applied where necessary to ensure sustainability of this tourism sector.

One of the main challenges in developing niche tourism is creating commercially viable itineraries to offer on the market. This requires cooperation between businesses to combine their products at attractive prices and to work together to promote them.

Key activities to be carried out through the Implementation Plan would include: conduct market analysis and action plans for identified target niches; develop an inventory of tourism products, services and experiences from which itineraries can be developed; organize a tourism product development working group; organize a 3rd International Conference for Emerging Tourism Destinations on the topic of Adventure Tourism leading to recommendations for further development and expansion; improve management of annual whale watching activities to improve sustainability and profitability of locally owned and operated companies; and collaborate with Nusa Tenggara Timor on 'One Island-Two Nations (OITN) programs.

3.1.2 Customer Journey Mapping

The importance of Tourism Asset Mapping (TAM) was discussed under Pathway 2 (activity group 2.1.1). The process of identifying and inventorying tourism products and services is supplemented by Customer Journey Mapping (CJM). CJM is an easy-to-use tool to demonstrate the experience of a tourist in a destination. It helps to create a visual record of what a tourist might experience in Timor-Leste from the time they arrive to the time they depart, and also identify where gaps exist. A visual picture could help tourism providers improve visitor experiences wherever guests interact with a product or service, for example: map the arrival process in Dili from the moment someone disembarks from the aircraft until they enter their transportation. CJM can be very detailed or very broad in focus. However, all data gathered should include indicators specified in the Timor-Leste National Tourism Development Strategy and Implementation Plan and the Timor-Leste Tourism Barometer to benchmark for development of tourism products and services and as a tool for competitive analysis.

Key activities to be carried out through the Implementation Plan would include: identify itineraries; establish a group of evaluators; perform and share evaluation; identify and address gaps in service and opportunities for adding commercial value.

3.1.3 Quality, Safety and Hygiene Standards

Health, safety, security and duty of care are central to the principles of responsible tourism. There is no better ambassador for Timor-Leste’s tourism than a satisfied visitor. Tourists usually review their experiences on social media, so it is important that quality, safety and hygiene standards are in line with their expectations. Visitors are often wary of trying local food, fearing that they will become ill. Setting and enforcing international good practice and standards increases visitor confidence in local products and it is an important goal in the Timor-Leste National Tourism Development Strategy and Implementation Plan. Delivering
quality service is one of the major challenges for the tourism sector and an essential condition for success in the emerging, keenly competitive ASEAN markets. The Dili Clean and Green project focuses primarily on food safety, by providing food hygiene training to students drawn from the tourism industry, whilst working through AlFAESA to define and implement standards. A series of successful pilot Dili Clean and Green courses have already been conducted, and 'train the trainer' courses have been provided to AlFAESA, so that that institution will be able to take ownership of the project. Once a standard has been adopted, food outlets will be responsible for attaining accreditation through AlFAESA, who will conduct the inspection and certification process.

Key activities to be carried out through the Implementation Plan would include: extending quality control and improvement to other aspects of the tourism and hospitality industry, including: tour guiding and hotel rating systems.

**Activity Group 3.2: Sustainable Tourism Enterprise Development**

**3.2.1 Tourism Value Chain Analysis**

As discussed under Customer Journey Mapping (3.1.2), the tourist experience consists of a series of individual experience points provided by multiple different entities from air carriers and hotels to restaurants and tours. Failure to provide a good experience at any point may not only undermine the entire experience for the visitor, but also destroy the competitiveness of the destination as a whole. The analysis of this aspect of the visitor experience is generally referred to as the Tourism Value Chain. A country's competitiveness in the provision of tourism services is complex and requires the harmonization of a diverse set of inter-dependent industries and the public sector, requiring cross-ministerial communications and management as well as the involvement of the private sector. Understanding the nature of constraints confronting the tourism industry itself requires a rigorous assessment of the role of each value chain component in the overall tourism experience, the linkages to other agents, and the performance of the service providers, industries and institutions. This process should be carried out with reference to Global Sustainable Tourism Criteria and how they can be applied to Timor-Leste.

Key activities to be carried out through the Implementation Plan would include: identifying economies of scale through improved efficiencies; and supply chain management.

**3.2.2 Tourism Enterprise Incubation**

Many of the activities proposed in the Timor-Leste Tourism Development Strategy and Implementation Plan aim to encourage and develop entrepreneurship in Timorese communities through the creation of small and medium enterprises (SMEs). Indeed, without SMEs facilitating tourism services, only large firms may reap the benefit of any tourism growth in the economy. The typical constitution of healthy tourism economy is 70% SMEs and 30% larger operators and conglomerates: in Timor-Leste, these percentages are skewed towards big investors.

Public consultations have shown that there is a high level of enthusiasm and willingness in local communities to open new tourism-related businesses, whilst owners of existing SMEs are keen
to improve their profitability. However, many aspiring entrepreneurs lack the skills, experience and finance to achieve these aims. The creation of a Tourism Enterprise Incubator (TEI) would bring together relevant experts and service providers to support SMEs to develop a range of skills, adapting to consumer and market demands, creating business clusters along the value chain, exhibiting strong managerial and technical skills, and utilizing effective business planning techniques. The TEI would also address the issue of access to finance for SMEs and enable start-up support services, mentoring, investors matchmaking, and advice to Timorese entrepreneurs that apply for and are accepted into the program. TEIs operate in several countries across the region under a range of different models. In the case of Timor-Leste it may be appropriate to create a TEI as a Public-Private Partnership or as a State-run project; analysis is needed to define the right model for this country. At present, several development partners are active in SME development, for example the provision of grants through USAID-TFA’s Sustainable Tourism Enterprise Program; youth entrepreneurship activities under UNDP’s Knuaj venturede Program; and the establishment of a Weavers’ Network by UN Women.

Key activities to be carried out through the Implementation Plan would include: establishing a tourism “start-up” incubator; financial literacy training for SMEs; and develop initiatives aimed at helping aspiring entrepreneurs (particularly youth and women) to nurture business ideas, seek funding and sustainably operate through mentoring and training.

3.2.3 Access to Finance

Access to finance is vital to promote entrepreneurship and SME development and build a competitive and sustainable tourism sector. Financing is necessary at the early stages of an idea/product development to encourage entrepreneurs to set up new businesses, and bring in innovation in the sector. Whilst there are already several institutions active in this area, many potential tourism entrepreneurs may not yet be aware of this.

There is an opportunity to assist SMEs and the microfinance institutions themselves, by bringing them together to explore the opportunities and to transmit knowledge about how the financial sector operates in support of the business community. For example, USAID-TFA has partnered with microfinance institutions and commercial banks to organize access to finance workshops for the benefit of small enterprises.

Key activities to be carried out through the Implementation Plan would include: improving communication and marketing for micro-finance institutions and commercial banks; improving awareness of business opportunities, particularly among women; and continuing implementation of the Maubisse Declaration in which BNCTL is mandated to provide access to low-interest credit for women, micro-, small and medium enterprises in rural areas.

Activity Group 3.3: Destination Human Capital

3.3.1 Tourism and Hospitality Education Programs
In tourism, the economics of human capital are associated with the value that people bring to a destination’s quality of services. Arguably, competent, friendly and helpful people have a far greater impact on guest satisfaction at a destination than does extravagant infrastructure. Therefore, tourism companies and destinations need to approach the development of their people with the same fervor they do the construction of hotels and attractions.

Over the years, various institutions in Timor-Leste have developed tourism hospitality and education courses, with varying curricula and levels of quality and accreditation. Up to a point, these programs have served to answer the short-term needs an industry that has been struggling to find qualified staff ready for employment. However, as tourism develops in Timor-Leste, a more systematic approach to human capital development will be required, to reach international standards of excellence and to match the demand for qualified staff as the industry grows. To achieve these aims in both tourism education and vocational training programs, the first step is to examine the existing range of courses and identify gaps and inconsistencies. Once this is done, consistent accreditation standards can be applied in line with regional practice. This will benefit not only the industry, but also offer a more valuable qualification to the student.

Key activities to be carried out through the Implementation Plan would include: identify gaps between existing programs and current/future industry needs; research into good practice in ASEAN/Australian institutions; create education programs that are accredited to international standards; teacher/trainer professional development initiatives; establish a Center of Excellence for Tourism and Hospitality Education; and improve opportunities for upskilling members of the industry and access to vocational training for candidates with limited existing education, women and people from rural communities.

### 3.3.2 Tourism and Hospitality Training Programs

Most experts agree that the government and other public institutions, such as national tourism organizations (NTOs), have a key role to play in the provision of training and in the improvement of human capital in the visitor economy. This is especially important for countries where a developed and education-conscious private sector is absent. The same energy and diligence with which national tourism organizations have addressed the marketing and promotion of their countries, must now be focused on policies and strategies that will improve the quality of their destination’s human capital.

Once a student has completed formal tourism education, further training is required to make the transition to employment. The tourism and hospitality industry is an active partner in the process: sometimes students undergo further formal education with block release for work experience, or they move directly into full-time on-the-job training. As is the case in tourism education, the range of tourism training courses currently available in Timor-Leste is varied and they operate under a variety of different accreditation regimes, which may or may not meet the needs of the industry. It is also difficult for potential employers to assess the suitability of candidates who present a variety of disparate certificates and diplomas. For this
reason, a system needs to be devised to support the recognition of prior learning and on-the-job training.

Key activities to be carried out through the Implementation Plan would include: inventory of existing training materials and identification of gaps with reference to industry needs; research good practice in ASEAN; identify competency-based workforce training programs that are suitable for replication; build digital platforms for improved delivery; and conduct “master trainer” and professional management programs.

3.3.3 Public Sector and Community Capacity Building

Public sector and community capacity building is widely acknowledged as an important tourism development strategy. Building capacity of communities to effectively address problematic issues and planning of national and community development is often required to analyze current status of community development with respect to tourism development. Public sector and community capacity building is a necessary ingredient for success of community development. Tourism development and building the capacity for local communities need to progress hand in hand. Community capacity building programs help underdeveloped communities to improve their ability to participate in the tourism decision-making processes. They encourage community involvement, and provide the tools that enable them to do so.

There is no doubt that improved training for public sector tourism officials will benefit the industry as a whole. Again, the same process discussed above in the context of private sector education and training can be applied to the public sector. Co-operation agreements with neighboring countries and ASEAN member states will enable the Timor-Leste public officials to undergo training and knowledge exchanges to share the experiences of their counterparts in countries that have developed some of the world’s most successful tourism industries.

Key activities to be carried out through the Implementation Plan would include: identification of training needs for public sector tourism officials and existing training programs; and conduct South-South exchanges and cooperation with ASEAN member states.

3.3.4 Entrepreneurship Training

One of the aims of the National Tourism Policy is to create employment for 15,000 people in the tourism industry by 2030. With that in mind, human capital development initiatives need to engage Timorese people in the industry not only as potential employees, but also as potential employers. This can be achieved by developing tourism entrepreneurship throughout the country: in this respect, the People and Prosperity pillars defined in the policy are co-dependent. The “tourism incubator” described in above in section 3.2.2. is designed to support Timorese SMEs in adapting to consumer and market demands and creating business clusters along the value chain. To achieve this, the “tourism incubator” has a strong focus on entrepreneurship training, to develop strong managerial and technical skills, and effective business planning techniques. Development partners’ activities in this area include ILO’s “Start and Improve Your Business” training module; New Zealand’s BOSS Project; and financial literacy courses offered by ANZ Bank and MFI organizations.
Key activities to be carried out through the Implementation Plan would include: inventory of past and present entrepreneurship development initiatives, including collection of training materials; and delivery of business planning modules.

**Activity Group 3.4: Tourism Awareness and Community Engagement**

3.4.1 Turizmu Ba Ema Hotu

The Tourism Policy articulates the need for people across Timorese society to be aware of and engaged in tourism where conducive to improved livelihoods. In order for Timorese to serve as tourism hosts, there is a need to broaden their understanding of the industry and how it can positively and negatively impact people's lives. Timorese people should be better empowered to deliver exceptional visitor experiences and mitigate potential negative environmental and cultural impacts brought about by tourism. To achieve this, an internal public relations campaign called Turizmu Ba Ema Hotu (TBEH) has been established to promote tourism awareness and understanding with target audiences and identified champions who can continue spreading the message. It is important to recognize that this campaign is different from the Explore the Undiscovered destination marketing campaign which is targeted at international markets to attract them to visit Timor-Leste.

Turizmu Ba Ema Hotu aims to stimulate a sense of pride, happiness, optimism and enthusiasm about tourism: it is based on the idea that every citizen can do something to help develop and promote the industry. Community participation in tourism begins at a personal level, by offering a warm welcome to visitors, by providing information and by helping to prevent negative social and environment impacts that put the industry at risk. The campaign has a strong focus on entrepreneurship, encouraging creativity and collaboration to develop tourism products at local level. It also aims to stimulate the aspirations of young people to consider a career in tourism by seeking out educational opportunities and developing relevant skills.

The Turizmu Ba Ema Hotu campaign also focuses on socializing the content of the National Tourism Policy to the widest-possible audience: as the Timor-Leste National Tourism Development Strategy and Implementation Plan is approved and activities are rolled out along, it will play a vital role in keeping the public informed of the progress being made and engaged in activities that are relevant to them.
Key activities to be carried out through the Implementation Plan would include: extending the reach of the campaign to a variety of social media platforms; implementing a national “road show” to connect with communities throughout the country; development of new content relating to tourism development for a wide range of audiences, especially youth; create and deliver customer service modules to relevant organizations and companies; establish the Annual Turizmu Ba Ema Hotu Awards for Excellence to highlight success stories; and extend the campaign through MTCL to engage other organizations such as FONGTIL and faith-based institutions.

3.4.2 Community-Based Tourism

Community-based Tourism (CBET) is at the core of the National Tourism Policy, as it enables local people throughout the country to derive direct benefit from tourism, whilst protecting the natural and cultural assets on which it depends. Local communities generally express enthusiasm about starting up tourism businesses, but their understanding of what this activity entails is limited due to lack of experience. There is a network of small, basic guesthouses and homestays across the country, but at this stage in their development many of them are not profitable and the owners are becoming despondent. Although the type of visitor that seeks out the experience of staying in a community guest house does not have unrealistically high expectations, sometimes there is a lack of basic services like water and electricity supply. Obstacles related to infrastructure deficiencies are covered under the Pathway 2 of the Timor-Leste National Tourism Development Strategy and Implementation Plan.

Another factor hindering the development of community-based tourism is the accessibility by potential visitors to information about accommodation, booking facilities and tourism experiences that are available. This is more easily addressed, through improving internet presence. The value of community-based tourism can be increased by devising new tourism experiences and adventures, and developing narratives to engage the visitor. With appropriate training for individual business owners, this can be achieved without major financial investment and will increase revenues by encouraging visitors to stay longer and spend more. In the meantime, the official national tourism website www.timorleste.tl includes links to CBET operators and there is a separate national CBET website under development. A community-based tourism marketing strategy has been produced, and this initiative is strengthened by the recent establishment of community-specific tourism associations such as ATKOMA (Atauro) and ASTRABEKA (Mt. Ramelau area).

Key activities to be carried out through the Implementation Plan would include: initiatives focusing on the creation and marketing of CBET experiences; tourism training for communities; establishing partnership frameworks between associations; and certification of CBET products and experiences.

Pathway 4

Draw investor interest through access and information sharing
Activity Group 4.1: Business Enabling Environment

4.1.1. Key Barriers to the Business Enabling Environment

The Timor-Leste National Tourism Development Strategy and Implementation Plan presents an opportunity for an overhaul of the regulatory framework for tourism, as detailed under the Pathway 1 in this document. As the country works towards the goals of the National Tourism Policy, the tourism industry will see a decade of rapid growth, which clearly needs to be set in the context of a robust regulatory framework. However, the need for regulation needs to be balanced with the need to create a tourism-enabling environment. CCI-TL, HOTL and other stakeholders have already engaged in this issue by analyzing the obstacles, offering their expertise and constructive advice about how regulation can be improved, and they stand ready to continue the consultative process. In a position paper, they have identified key barriers, including: complex business licensing process; lack of access to loans/funds; and ownership issues; expensive aviation access to Timor-Leste; complex land lease agreements between landlords and business operators; loss of skilled labor to seasonal work; and lack of infrastructure. They have also made some recommendations for streamlining and facilitating the work of the tax authority and SERVE.

The “ease of doing business” is important not only for the sustainability of existing businesses, but also to encourage further internal and external investment in the sector. Government policies, regulations and laws are in many cases inhibiting the growth of tourism in Timor-Leste and deterring private sector investment. It is essential that a mechanism is put in place to allow for a ‘whole of government’ approach to reducing identified barriers.

Key activities to be carried out through the Implementation Plan would include: continual re-evaluation and dissemination of the position paper on barriers to tourism; regular advocacy by private sector organizations to government agencies; make necessary changes to laws and regulations to bolster the enabling environment; develop a guide on how to open and operate a tourism business in Timor-Leste; strengthen the relationship between SERVE and the private sector; and work to extend facilities for businesses in the municipalities to pay taxes and renew business documentation.

4.1.2 Public Sector Agency Development

SERVE, TradelInvest, AIFAESA, and SEFOPE are all public sector agencies that have a direct impact on the creation and operation of tourism businesses in Timor-Leste and they are critical to tourism success. Their efforts to support the industry can be strengthened by working in close and regular partnership with private sector counterpart organizations. For example, the Tourism Investment Working Group (see item below under 4.2.1) has been working with SERVE to improve business registration and licensing processes, to stimulate tourism investment. With the support of USAID-TFA, they have produced a series of infographics to help visualize business registration processes.

Key activities to be carried out through the Implementation Plan would include: map all public sector agencies involved in the tourism supply chain; identify institutional strengths and weaknesses; analyze
training needs; organize cross-agency consultations to improve understanding of roles and responsibilities in tourism development; and strengthen MTCI capacity in project analysis.

4.1.3 Tourism Associations

The role that tourism associations play as building blocks in sector development is an essential one, as Timor-Leste progresses towards achieving the goals of the National Tourism Policy. They help support tourism development and the business enabling environment by advocating for reforms, raising standards, and destination marketing and promotion.

They bring specialist expertise and community representation to the process, whilst opening channels for the Government and development partners to offer support and co-operation. Associations can work multilaterally with each other in creating an agenda for advocacy; create benchmarks for industry standards; and collect valuable data against which progress along the five Pathways of the Timor-Leste National Tourism Development Strategy and Implementation Plan can be measured. In co-operation with each other, tourism associations can work together to devise attractive itineraries for visitors and take them to market online and at trade shows.

Several industry- and community-specific associations have been established recently and more need to be developed, so that all of the municipalities and tourism-related businesses are represented and can participate in growing the industry. Existing associations must be nurtured so that they operate under sustainable models.

One way of achieving this is through the Participatory Institutional Capacity Assessment and Learning (PICAL) Index. PICAL is a tool used to evaluate and monitor four themes of institutional capacity development, namely: demand for Institutional Performance; Organizational Learning Capacity; Administrative Capacity and Institutional Strengthening Capacity.

Key activities to be carried out through the Implementation Plan would include: engagement with associations that have shared interests in tourism sector development (including CCI-TL, AEMTL); apply the PICAL tool or similar for baseline and institutional capacity monitoring; and assist tourism associations to become financially sustainable.

4.1.4 Financial Services for Tourism Development

Sustainability of businesses (especially SMEs), tourism sales and marketing, and sector investment are all dependent to some extent on financial services. Availability of loans and financial literacy are key issues here, whilst the capacity to handle online transactions needs improvement if Timor-Leste is to capture its share on the international tourism market. From the visitor’s point of view, lack of money-changing facilities and limited acceptability of cash and credit card payments are a great disadvantage: for example MasterCard – one of the most established credit cards in the world – is not accepted anywhere in Timor-Leste, which can cause great inconvenience to the tourist without alternative means of payment. The
easier it is for a visitor to access cash and make electronic payments for goods and services, the more they are likely to spend during their stay.

*Key activities to be carried out through the Implementation Plan would include: consultation with Central and commercial banks to improve online payment facilities, ATM services and access to finance for SMEs; and organize financial literacy training for SMEs.*

### Activity Group 4.2: Tourism Investment

#### 4.2.1 Tourism Investment Working Group

Established in early 2019, the Tourism Investment Working Group (TIWG) demonstrates the power of Partnership by providing a forum for government and the private sector to work together to enable and increase tourism investment. Its participants are drawn from a range of private and public sector representatives and include: CCI-TL, AEMTL, HOTL, Asosisaun Cafe Timor (ACT), ATKOMA and ASTRABEKA, and other relevant tourism businesses, MTCI, Tax Authority, SERVE, Customs Authority, Land and Property and SFOPE. TIWG benefits from the support of a development partner, USAID's Tourism For All project.

TIWG’s objectives are: to identify and address issues/constraints for tourism investment; to identify how to better promote investment in tourism; to provide opportunities to discuss options and solutions for tourism investment and to improve the enabling environment for tourism investment.

*Key activities to be carried out through the Implementation Plan would include: continue to identify issues and concerns affecting tourism investment; promotion of tourism investment in Timor-Leste; and improving the enabling environment for tourism investment.*

#### 4.2.2. Public Private Partnerships

As a tool of economic governance, PPPs represent an essential mechanism available to governments in advancing national development agendas through partnerships with private enterprise. With an infrastructure financing gap that is growing wider each year, the need for countries to develop forward-looking policies to crowd-in all available sources of financing is self-evident. Indeed, complex challenges to economic development and prosperity not only require pioneering solutions that leverage private capital, but also technical expertise and a capacity for innovation that is often the domain of the private sector.

USAID’s Tourism For All Project has worked with various stakeholders in the country to establish a master list of 36 prospective PPP projects. Five of these PPPs have been further developed into action plans, including a Cristo Rei pre-feasibility study. The process of identifying, analyzing and taking to market PPPs should continue to improve the diversity and quality of tourism attractions and services in Timor-Leste.

In the context of the Pathway to Partnership, a further PPP opportunity has been identified: the creation of the Timor-Leste Tourism Board (TLTB). The Ministry of Tourism, Commerce and Industry engages in a variety of tourism marketing activities, including the creation of the “Explore the Undiscovered” destination brand, production of promotional materials and participation in trade shows, the latter in regular collaboration with private sector associations. However, the tourism industry in Timor-Leste has now developed to a stage where a more systematic approach is needed to
destination marketing and management, with a shift to a stronger role for the private sector. Marketing for a destination requires consideration as to why people visit as well as encouraging strategic partnerships with airlines in order to encourage increased passenger volumes to support additional airline services.

One of the most significant barriers to tourism growth in Timor-Leste is weak and fragmented destination marketing. In an increasingly competitive international market—particularly in the Post-COVID era—countries will be vying for tourists and each destination must dedicate resources to promote their tourism product offerings to prospective visitors through targeted marketing, branding, and advertising campaigns. It is with this in mind that HOTL would like to propose that the Government of Timor-Leste establish a National Tourism Board to promote the country’s tourism industry collectively with public and private sector resources. The benefits of a Timor-Leste Tourism Board are numerous and worthy of consideration, such as job creation, visitor volume growth, economic development and growth, tax income creation, international reputation, community pride, leadership and coordination of tourism stakeholders.

Creating a public-private partnership for the TLTB would reflect growing global practice that features innovative approaches to including the private sector in tourism planning and governance. It would also reflect the imperative need for a modernized and more professional approach to marketing tourism (as discussed under the Prosperity Pathway, 2.1). The TLTB would also act as a bridge to partner with the private sector and to co-ordinate between government ministries, local authorities, and civil society.

4.2.3 Community-based Tourism Investments

Community-based tourism and small-scale ecotourism projects help broaden product development and build linkages with local communities. Attracting the right mix of (small and larger, domestic and foreign) investors is thus a critical part of destination development. This requires a common understanding amongst agencies responsible for investment generation and tourism development.

There are some under-developed tourism assets in Timor-Leste that have the potential to become world-class attractions. These include areas of natural beauty, both on land and at sea, and places of major cultural historical importance. The local communities at the heart of these areas should be the primary beneficiaries of tourism activity around these assets, but they may not have the financial and commercial resources required to develop them. Through partnerships, community-based tourism solutions can be devised and facilitated opening the way for investment and project design, to create high-quality facilities that will attract visitors and bring prosperity to local people, whilst retaining community ownership. The CBET website and marketing strategy will play a key role in strengthening the viability of existing businesses and supporting new ones.

Key activities to be carried out through the Implementation Plan would include: identification of community-based investment opportunities; community consultations to obtain consent and agree on legal framework for tourism development partnership; production of project designs, cost estimates and investment prospectus; and identification of sources of finance.
4.2.4 Investment Promotion

Investment is one of the key mechanisms that will drive tourism development in Timor-Leste. However, financial partnerships need to be in tune with the environmental, social and cultural tenets of the National Tourism Policy, whilst providing the maximum return on investment for all parties to any agreement. Investment partners need to be selected with this in mind; therefore, promotional activities aimed at bringing in finance for tourism projects in Timor-Leste should be carefully targeted. Investment promotion actively seeks to bring investment opportunities to the attention of potential investors, provides capital, jobs, skills, technology and exports, and increases productivity, innovation and wages in a city or country. Investment promotion is targeted to both domestic as well as foreign companies.

Key activities to be carried out through the Implementation Plan would include: identification of investment opportunities and creation of portfolios; promotion to targeted socially responsible potential investors, through networking and international events and promotional “roadshow” visits to appropriate markets; and developing collaboration with TradeInvest.

Pathway 5

Improve destination marketing through targeted campaigns and interventions

Activity Group 5.1: Destination Branding and Packaging

5.1.1 International Tourism Brand

The “Explore The Undiscovered” destination brand has already been rolled out and the process of socialization has begun. Capitalizing on both its natural environment and rich cultural heritage, Timor-Leste wishes to avoid mass tourism in favor of ‘unique experiences’ for high-income tourists and this is conveyed in the Explore The Undiscovered brand.

Now, it is time to improve brand recognition both within the country and at international level. It is important to ensure that the tourism products offered fulfill the promise of the brand, so that visitors’ expectations are met. An integrated marketing campaign will inspire potential visitors to travel to Timor-Leste, confident that the destination can deliver the adventures that they seek. It will also serve to strengthen the presence of the destination as a whole across all electronic search and marketing platforms.

Key activities to be carried out through the Implementation Plan would include: ensure that all international tourism marketing and promotion activities carry the Explore The Undiscovered brand; encourage the use of the “hashtag” #ExploreTheUndiscovered so that the brand is always present in internet search results, driving traffic to the www.timorleste.tl official website; provide the brand logo artwork to all private stakeholders with guidelines for its use.
5.1.2 Domestic Tourism Brand

One should not underestimate the extent of the existing and potential market for domestic tourism within Timor-Leste. Experience-based or mini-break packages can be marketed to resident expatriates and Timorese people alike. It is worth noting that Indonesia reported 1.7 million visitor arrivals from Timor-Leste in 2018, its third-largest source market after China and Malaysia. Domestic tourism is not vulnerable to the fluctuations of air ticket pricing, provides a steady source of income to the community and an opportunity to develop pilot projects that can subsequently be launched on the international market. Currently, this type of tourism is usually undertaken in an informal way, as an independent “road trip”, but if packaged attractively, selling points include the services of professional drivers, provision of high-quality meals and activities for all the family. Excursions can be marketed to coincide with national holidays, which often provide the opportunity for a “long weekend”. Turizmu Ba Ema Hotu serves as a Timor-centric tourism brand to encourage Timorese to travel within their own country, whilst raising awareness of its beauty and promoting stewardship of cultural and natural assets. Domestic tourism strengthens the resilience of the industry as a whole, in the face of changes in the international market.

Key activities to be carried out through the Implementation Plan would include: expanding the roll-out of the Turizmu Ba Ema Hotu Brand across all civil society, Government and industry actors, with the possible incorporation of a “My Timor-Leste” sub-brand to promote domestic tourism; make sales calls to embassies, international agencies and large companies based in Dili; Organizing a travel fair and other types of events in the capital to promote tourism attractions in all 13 municipalities; running media campaigns and competitions in both Tetun and English languages, to encourage people to travel within the country.

5.1.3 Routes, Itineraries and Packages

With few exceptions, the current array of tourism products on the market is made up of fragmentary, disconnected experiences, leaving the visitor to devise their own itinerary based on inadequate information; this can lead to an unsatisfactory experience. For example, an independent tourist might greatly underestimate road journey times, because they are unaware of the local conditions; they might struggle to find meals, or fail to appreciate the significance of places that they visit.

Industry experts have the specialized knowledge to construct realistic itineraries that make for a relaxing and enjoyable excursion, and these respond more accurately to market demand, for both the independent traveler and travel agencies. Collaboration is needed between institutions and businesses to bring together the elements they offer in the creation of day or multi-day packages that are easy to promote and sell. The resulting combination and standardization of tourism information will improve the quality of promotional materials and enable stakeholders to pool resources in producing and disseminating them. Cross-marketing of this kind also facilitates internet booking and builds traditional marketing networks on the ground in Dili and regional centers.

Product packaging combines various tourism services into one all-inclusive experience for the visitor. Tourism packages may be long or short in distance and/or duration: lasting one-day, overnights, or for a period of a month or longer. An experience may be for one, two or more
people travelling as individuals, or for a bus-load of people travelling as a group. Package tours combine the cost of all the services and are sold for an “all-inclusive” price that is attractive to tourists. Packaged vacations take the guesswork out of travel planning, and create peace-of-mind and simplicity for the visitor. By doing the planning ahead of time, creating the itinerary, and ensuring streamlined service, a visitor can simply arrive and enjoy their time without any worry or stress. USAID-TFA has already devised a 5-day itinerary for the Singapore market, whilst HOTL is developing products of this kind for the Darwin market. This approach is strongly recommended considering Timor-Leste’s early stage of tourism development.

Key activities to be carried out through the Implementation Plan would include: development of a range of packages of different durations and prices that respond to niche interests and demand in potential source markets; organize a training course for travel industry operators to develop an understanding of tourism product packaging, partnerships, pricing and commissions, etc; work with Nusa Tenggara Timor to develop “One Island-Two Nations” itineraries for joint marketing; and work with airlines, hotels and transportation providers to obtain preferred rates to enhance value for money in package development.

**Activity Group 5.2: Marketing and Promotion**

It is important to balance the supply of tourism goods and services with demand, not just in the short term, but also as a long-term strategy. On the demand side, Timor-Leste’s destination marketing campaign under the brand “Explore The Undiscovered” encapsulates the general range of attractions that are on offer, but it is still in its early stages. Destination marketing serves to raise awareness of the destination, and to convert enquiries into firm bookings; to achieve this, potential tourists need easy access to detailed information.

Traditional marketing activities such as travel trade shows, media familiarization trips, and the production and limited distribution of printed promotional material had been the main focus until the recent creation of the national [www.timorleste.tl](http://www.timorleste.tl) website. Traditional marketing has had a limited impact on the growth of visitor numbers as these activities do not facilitate direct booking in an efficient way. Digital marketing is a more cost-effective marketing tool, and it can be linked directly to holiday booking services. A recent survey by Travel Weekly found that as many as 80% of people now book their holiday via the internet, and that nine out of ten research their holiday online before travelling. However, both traditional and digital marketing have their part to play, although they need to be integrated in a single, interactive and coherent marketing strategy for maximum impact.

**5.2.1 Digital**

Timor-Leste’s internet presence as a tourism destination needs to be amplified across a range of digital marketing platforms. The [www.timorleste.tl](http://www.timorleste.tl) website is intended to be the gateway for digital promotion but it is just one component in a constellation of available online media platforms. A much more extensive network should be established comprising social media, blogs, specialist e-publications, and booking engines like TripAdvisor, etc. Online marketing is by far the most cost-effective way of reaching potential tourists.
The extended reach of tourism information about Timor-Leste must be supported by the constant collection and creation of new, updated, quality content aimed at maintaining the online audience’s awareness and interest in the destination. The official www.timorleste.tl website needs to be managed on a sustainable basis, and whilst Directorate of Tourism staff have received training for this, institutional, procedural and budgetary support needs to be provided to ensure the effectiveness of the site in the long term. It is recommended that appropriate specialists be identified and engaged to handle the information technology aspects of this project. Training should be given to those responsible for the future management of the official platforms, as well as to business owners, so that they can produce their own content and maximize the benefits they can derive from digital marketing. The Tourism Board of Timor-Leste could play an active role in digital marketing, whilst new content can also be generated, curated and disseminated from external sources such as travel media, bloggers, and “influencers” through competitions and promotional visits.

Electronic delivery of information is also important for visitors who are already in the country, so that they can easily find their way around and be directed to local restaurants, tours and shopping opportunities. The development of a telephone “app” would be an advantage in this respect, whilst also establishing direct contact with potential tourists.

Key activities to be carried out through the Implementation Plan would include: establish www.timorleste.tl as the authoritative portal for tourism information with #ExploreTheUndiscovered as the official brand on all internet content; establish the framework for website management and maintenance; improve the range and quality of content to include photography, videos, promotional campaigns, competitions and commissioned e-magazine features; extend the reach of the website by cross-posting on social media; establish a Timor-Leste Tourism News e-bulletin for industry stakeholders, relevant public sector officials and actors influencing demand in key markets; collect and analyze traffic statistics and analytics to evaluate the reach and performance of electronic portals; work with the private sector to encourage strong participation in e-marketing and promotion, including provision of training where needed; and arrange for internationally renowned digital tourism marketing platforms, e.g. TripAdvisor to provide training in content development and converting enquiries into bookings.

5.2.2 Traditional

Traditional marketing communications refers to older media: trade shows; familiarization trips; television, radio, billboard and magazine advertising; face-to-face sales calls/meetings; and physical editorial print and placement.

To a certain extent, participation in trade shows has proved effective in raising awareness of Timor-Leste as a nation and as a destination, but it is a costly activity that has not always delivered bookings as expected. However, once effective digital marketing strategies are in place, the conversion rate from enquiry to sale will improve. Face-to-face contact with agents and potential visitors serves to inspire, inform and explain, whilst the decision to proceed with booking a holiday can put into action via digital marketing. Participation in specific trade shows should be carefully considered, to ensure that they reach target markets and offer an acceptable return on investment. In this respect, industry-to-industry trade fairs (e.g. PATA)
may be more effective than tourism expos that are open to the general public, but in both cases, it is essential to come prepared with saleable packages to achieve good results.

Indonesia is a highly appropriate market for Timor-Leste due to its proximity, shared language and cultural familiarity. Bali, in particular, is a strong source market for both local and expatriate residents on that island and it is well worth exploring cross-marketing opportunities, perhaps by establishing a permanent presence there. There is also a potential market for faith-based tourism from Indonesia, which might be approached through personal contact with appropriate institutions and specialist websites. Timor-Leste’s growing reputation for marine tourism might also warrant attendance at industry-specific events, too. Participation in trade fairs should be undertaken in collaboration with the private sector. HOTL and some of the dive and adventure tourism companies engage in this activity on a regular basis and their efforts should be supported by MTCI wherever possible.

The current, widespread use of printed promotional materials (brochures) should be reconsidered: once Timor-Leste has a strong internet presence, it is more effective and economical to produce a small card with the tourism brand and the www.timorleste.tl website address. It is difficult to maintain overall quality of printed materials: glossy brochures are expensive and need to be well-designed, up-to-date and comprehensive. It is also costly to ship them to trade fairs and they are usually quickly discarded by visitors to these events.

Key activities to be carried out through the Implementation Plan would include: organize familiarization (FAM) trips for travel agents, tour operators, journalists, bloggers and key opinion leaders from select source markets, with in-kind support from the Timor-Leste private sector; facilitate and organize an Explore the Undiscovered booth at select international trade shows in partnership with the private sector; develop a national visitor guide for distribution at selected locations and events; extend tourism marketing opportunities with Indonesia; purchase advertising in relevant publications and on billboards in suitable locations; organize sales missions and promotional roadshows; and work with the Catholic church of Indonesia and Timor-Leste to promote faith-based tourism.

Activity Group 5.3: Booking Conversion and In-country Support

5.3.1 Communication Clearing House

Once tourism promotional activities have succeeded in arousing interest from potential visitors, it is crucial that initial contact be followed up and converted into bookings. The www.timorleste.tl website should serve as the main point of contact for business-to-business and business-to-consumer sales and enquiries. Capturing and converting tourists when they are planning their holiday is an essential stage of tourism marketing. During the booking stage it is important to provide accurate, timely and up-to-date information, particularly in a lesser known destination such as Timor-Leste. Pre-arrival communication is central to the tourism experience.

In support of this activity, TAF has commissioned a Strategic Marketing Plan for Timor-Leste.
Key activities to be carried out through the Implementation Plan would include: the identification and recruitment of a business manager to handle and monitor all enquiries, comments and complaints generated via the website and social media and establishing a system for monitoring performance of these activities; and providing capacity building to industry to respond professionally to commercial inquiries and ensure all leads are follow up on in a satisfactory manner.

5.3.2 Visitor Information Dissemination

In addition to the general digital and traditional marketing initiatives described above, Visitor Information Centers can play a key role in improving the tourist experience whilst increasing the “spend” by visitors. Ideally, these centers would provide a combination of high-quality traditional and digital information, to offer a bespoke service to the individual visitor, helping them to choose activities and destinations that are best suited to their taste, interests and level of physical fitness. A tourist information center is a one-stop shop where travelers can connect to local businesses and services. A well operated visitor information center will help promote local tourism products and services; and consequently, have direct impacts upon small and medium sized tourism enterprises.

Such centers require personable, motivated, highly-trained staff with a well-developed skill set, including proficiency in several languages and a thorough grounding in the country’s geographical, cultural and historical background. It is also important that Information Center staff are familiar with the ever-changing configuration of tourism businesses in each Municipality. Key recommendations include: better awareness and understanding of what information tourists are looking for; greater variety and knowledge of half and full day itineraries in Dili and across the country; improved maps and use thereof to highlight where to go and how to get there; improved information gathering; and updated brochures and collateral.

It is recommended that the government consider the options for public-private partnership for the management of these facilities. Involving the private sector in the visitor information center could boost the facility’s usefulness and transform it into a more vibrant and profitable space for attracting tourists. Additions to the facility might include a tour sales desk, ticketing agency, café/restaurant, and souvenir shop. This would provide a model for sustainable financing of operations and maintenance of the center. The facilities at Tourism Information Centers can include wi-fi access, comfortable seating, a café or snack bar and toilets, so that visitors can rest and relax whilst they consider their next adventure.

There is also scope for the extension of this type of tourism information service to major hotels, the airport, and by identifying individuals in each Municipality who could take up such a role.

An Action Plan for an enhanced Tourism Information Center through a public private partnership modality was produced by USAID-TFA in 2019, whilst a conceptual design has been produced for the Atauro Visitor Information and Conservation Center.
Key activities to be carried out through the Implementation Plan would include: conducting a pre-feasibility study on options for PPP management of the Visitor Information Center in Dili; seeking funding for the construction of the Atauro Visitor Information and Conservation Center; appoint individuals to serve as information providers in all municipalities; develop tourism products that can be sold to walk-in customers and guests at hotels; and create a telephone app for access to digital tourism information on the ground.

5.3.3 Experiencing and Sharing

As discussed throughout this document, visitors to Timor-Leste are seeking a meaningful personal experience as they interact with local people during their trip. It is therefore extremely important to provide outstanding customer service before, during and after an activity and exceed customer expectations, leading to satisfaction. These positive experiences will encourage visitors to become brand ambassadors and share their stories on social media and through word of mouth.

Key activities to be carried out through the Implementation Plan would include: organizing regular welcome performances for incoming flights to make a strong first impression; establishing a tourism concierge service at the airport to assist visitors as they arrive; produce a unique immigration stamp that is memorable; create backdrops at key tourism sites to encourage tourists to share their experiences on social media using #ExploreThe#Undiscovered.
### Abbreviations used in this document:

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AARTIMOR</td>
<td>Arts and Crafts Association of Timor-Leste</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>AIFAESA</td>
<td>Autoridade de Inspeção e Fiscalização da Actividade Económica Sanitária Alimentar</td>
</tr>
<tr>
<td>AEMTL</td>
<td>Associação Empresarial das Mulheres de Timor-Leste</td>
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<tr>
<td>AOTTL</td>
<td>Associação Operador Turísticos Timor-Leste</td>
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<tr>
<td>APORTIL</td>
<td>Port Authority of Timor-Leste; ASEAN=Association of Southeast Asian Nations</td>
</tr>
<tr>
<td>ASTRABEKA</td>
<td>Asosiasaun Turizmu Ramelau, Blehitu, and Kablake</td>
</tr>
<tr>
<td>ATKOMA</td>
<td>Asosiasaun Turizmu Koleku Mahanak Ataúro</td>
</tr>
<tr>
<td>ATM-TL</td>
<td>Asosiasaun Turizmu Maritima Iha Timor-Leste</td>
</tr>
<tr>
<td>CCI-TL</td>
<td>Chamber of Commerce and Industry of Timor-Leste</td>
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<tr>
<td>CI</td>
<td>Conservation International</td>
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<tr>
<td>COM</td>
<td>Council of Ministers</td>
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<tr>
<td>DGoT</td>
<td>Directorate General of Tourism</td>
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<tr>
<td>DIT</td>
<td>Dili Institute of Technology</td>
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<tr>
<td>FBTWG</td>
<td>Faith-Based Tourism Working Group</td>
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<tr>
<td>FCCHHM</td>
<td>Federação Coperativa de Credito Hanai Malu</td>
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<tr>
<td>FONGTIL</td>
<td>Forum NGO Timor-Leste</td>
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<tr>
<td>GoI</td>
<td>Government of Indonesia</td>
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<tr>
<td>Abbr.</td>
<td>Full Name</td>
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<tr>
<td>GoTL</td>
<td>Government of Timor-Leste</td>
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<tr>
<td>KIF</td>
<td>Kaebauk Investment and Finance</td>
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<tr>
<td>HICAP</td>
<td>Otel Investment Conference Asia Pacific</td>
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<td>HOTL</td>
<td>Otel Owners Timor-Leste Association</td>
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<tr>
<td>IMCTD</td>
<td>Inter-Ministerial Commission for Tourism Development</td>
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<tr>
<td>INDMO</td>
<td>National Labor Force Development Institute</td>
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<tr>
<td>MA</td>
<td>Municipal-level Administration</td>
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<td>MAF</td>
<td>Ministry of Agriculture and Fisheries</td>
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<tr>
<td>MDF</td>
<td>Market Development Facility</td>
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<tr>
<td>MFI</td>
<td>Micro Finance Institution</td>
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<td>MOF</td>
<td>Ministry of Finance</td>
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<td>MOJ</td>
<td>Ministry of Justice</td>
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<tr>
<td>MTCI</td>
<td>Ministry of Tourism, Commerce and Industry</td>
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<tr>
<td>NATCOM</td>
<td>National Commission for Intangible Culture and Heritage</td>
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<tr>
<td>NTT</td>
<td>Nusa Tenggara Timor</td>
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<td>OITN</td>
<td>One Island-Two Nations</td>
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<tr>
<td>PEA</td>
<td>Political Economy Analysis</td>
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<tr>
<td>PPP</td>
<td>Public Private Partnerships</td>
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<td>PICAL</td>
<td>Participatory Institutional Capacity Assessment and Learning</td>
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<td>PS</td>
<td>Private Sector</td>
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<tr>
<td>REDUCE</td>
<td>Dili Plastic Waste Reduction Project</td>
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<tr>
<td>SDG</td>
<td>Sustainable Development Goals</td>
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<tr>
<td>SEAC</td>
<td>Secretary State of Art and Culture</td>
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<tr>
<td>SEFOPE</td>
<td>Secretário de Estado para a Política da Formação Profissional e Emprego</td>
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<tr>
<td>SERVE</td>
<td>Services for Registration and Verification of Entrepreneurs</td>
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<tr>
<td>STVJ</td>
<td>Sentru Treinamentu Vokasional Juventude</td>
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<tr>
<td>TAF</td>
<td>The Asia Foundation; TBEH=Turizmu ba Ema Hotu</td>
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<tr>
<td>TFA</td>
<td>Tourism For All</td>
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<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>TLTB</td>
<td>Timor-Leste Tourism Board</td>
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<td>TO</td>
<td>Tourism Observatory</td>
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<tr>
<td>UNW</td>
<td>United Nations Women</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organization</td>
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<tr>
<td>UNTL</td>
<td>Timor Lorosa’e National University</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development.</td>
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ANNEX

Implementation Plan Framework
For
Timor-Leste National Tourism Development Strategy
Introduction and Methodology

This living document meant to guide the growth of tourism in Timor-Leste in alignment with the National Tourism Policy that was approved by the Council of Ministers in 2017.

It is the result of extensive stakeholder consultations, including:

- Four regional consultations with over 350 individuals participating (Dili – 27 September, Baucau – 17 October, Liquica – 08 November, Maubisse – 25 November)
- Internal discussions with the Director General of Tourism and his Deputies and Directors
- Exchange with Development Partners including: UN Women, UN World Tourism Organization, Market Development Facility, Asian Development Bank, World Bank Group and The Asia Foundation
- Soundings with a Panel of Regional and International Tourism Experts

It is intended that the document will be reviewed on a regular basis and updated accordingly to ensure relevance to the operating environment in Timor-Leste.
TIMOR-LESTE TOURISM DEVELOPMENT STRATEGY

Vision

The Timor-Leste Tourism Policy entitled *Growing Tourism to 2030 – Enhancing a National Tourism Destination Identity* aspires to develop a vibrant and attractive tourism sector that makes a significant contribution to employment across the country; is economically, socially, and environmentally sustainable; helps promote a positive image of Timor-Leste overseas; and is an industry that people wish to work in. In this context, the vision for the Strategy is:

“To incrementally realize the Timor-Leste Tourism Policy’s aspiration of an integrated, prosperous, sustainable and equitable tourism sector”

To measure progress toward achievement of this vision the Ministry of Tourism, Commerce and Industry in collaboration with other government agencies will monitor\(^2\) the following:

1. Revenue from overseas tourism and international visitors with particular emphasis on earnings per visitor and length of stay;
2. Tourism jobs and beneficiaries across the value chain (with at least 40% women);
3. Quality, value and range of tourism products and services created through private investment;
4. Efficacy, frequency and consistency of destination marketing and promotion activities;
5. Community satisfaction and appreciation of tourism; and
6. Negative impacts of tourism on the environment, society and culture.

Expected Outcome

The expected outcome of the Timor-Leste Tourism Development Strategy is that sustainable growth of tourism through a diversified visitor portfolio and higher average visitor expenditures increasingly contributes to the economy, inclusivity and international competitiveness of Timor-Leste as a tourism destination.

Achievement of the outcome will be assessed by establishing and continually assessing macro and micro indicators that track the implementation of each of the five P’s of the National Tourism Policy (i) priority (ii) prosperity (iii) protection (iv) partnership and v) people.

Guiding Pathways

The five themes identified in the National Tourism Policy will guide implementation of The Strategy and provide a framework for activity implementation. They include:

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\(^2\) It is recommended that as Timor-Leste improves its data collection and analytical capabilities and uses international standard indicators, e.g. the World Economic Forum Travel and Tourism Competitiveness Index indicators upon which the Timor-Leste Tourism Policy is benchmarked. Tourism Satellite Accounts can also be considered.
i. **Prioritize** the tourism sector by committing public funding and resources required to place tourism at the forefront of national economic development.

ii. Improve the **prosperity** of Timorese people by delivering employment opportunities and encouraging tourism entrepreneurship.

iii. **Protection** Timor-Leste’s natural and cultural environment through sustainable stewardship.

iv. Nurture **partnerships** that stimulate, develop and grow a diverse portfolio of tourism products and experiences through a shared commitment by all actors.

v. Engage **people** to improve capacity, awareness and commitment for tourism development in Timor-Leste

**Strategic Pathways (Objectives)**

The strategic pathways (objectives) of the Tourism Strategy are:

a. Plan for integrated sustainable tourism development through institutional coordination  
b. Accelerate destination connectivity and attractiveness through improved infrastructure  
c. Increase local participation in the tourism economy through skill and SME development  
d. Draw investor interest through access and information sharing  
e. Improve destination marketing through targeted campaigns and interventions

**Key Activity Groups and Priority Actions**

Implementing partners for the Timor-Leste Tourism Development Strategy include Government (lead by the Ministry of Tourism, Commerce and Industry), Development Partners, Industry, Civil Society Organizations, and Non-Governmental Organizations. It is divided into five strategic pathways and ten activity groups with recommended priority actions, which are presented graphically and in a Gantt in the subsequent pages. The strategic framework is presented graphically on the following page.
### Timor-Leste Strategic Tourism Development Framework

#### Vision
To incrementally realize the Timor-Leste Tourism Policy's vision for 2030 of an integrated, prosperous and equitable tourism sector in the country.

#### Expected Outcome
The 5 P's of the Timor-Leste Tourism Policy are advanced – Priority, Prosperity, Protection, Partnership and People.

#### Strategic Pathways

<table>
<thead>
<tr>
<th>Pathway 1</th>
<th>Pathway 2</th>
<th>Pathway 3</th>
<th>Pathway 4</th>
<th>Pathway 5</th>
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</thead>
<tbody>
<tr>
<td>Plan for integrated sustainable tourism development through institutional coordination</td>
<td>Accelerate destination connectivity and attractiveness through improved infrastructure</td>
<td>Increase local participation in the tourism economy through skill and SME development</td>
<td>Draw investor interest through access and information sharing</td>
<td>Improve destination marketing through targeted campaigns and interventions</td>
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<thead>
<tr>
<th>Activity Group 1.1</th>
<th>Activity Group 2.1</th>
<th>Activity Group 3.1</th>
<th>Activity Group 4.1</th>
<th>Activity Group 5.1</th>
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<tr>
<td>Strategic Implementation Framework</td>
<td>Tourism Infrastructure</td>
<td>Tourism Product and Experience Development</td>
<td>Business Enabling Environment</td>
<td>Destination Branding and Packaging</td>
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<tr>
<th>Activity Group 1.2</th>
<th>Activity Group 2.1</th>
<th>Activity Group 3.2</th>
<th>Activity Group 4.2</th>
<th>Activity Group 5.2</th>
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<tr>
<td>Tourism Data and Analytics</td>
<td>Air, Sea and Land Connectivity</td>
<td>Sustainable Tourism Enterprise Development</td>
<td>Tourism Investment</td>
<td>Marketing and Promotion</td>
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</table>

<table>
<thead>
<tr>
<th>Activity Group 1.3</th>
<th>Activity Group 3.3</th>
<th>Activity Group 4.3</th>
<th>Activity Group 5.3</th>
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<tbody>
<tr>
<td>Cultural and Natural Preservation</td>
<td>Destination Human Capital</td>
<td>Business Enabling Environment</td>
<td>Booking Conversion and In-country Support</td>
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<thead>
<tr>
<th>Activity Group 3.4</th>
<th>Activity Group 5.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism Awareness and Community Engagement</td>
<td>Business Enabling Environment</td>
</tr>
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</table>
### Activity Group 1.1

#### Strategic Implementation Framework

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.1.1 Timor-Leste National Tourism Policy - Growing Tourism to 2030-Creating a Sense of National Identity</strong></td>
<td><strong>Completed or in Progress</strong></td>
<td></td>
</tr>
<tr>
<td>Produce and widely socialize the Tourism Policy</td>
<td>Tourism Policy Approved by Council of Ministers in March 2017</td>
<td>MTCI, NZAID, USAID-TFA</td>
</tr>
<tr>
<td>Develop a TL National Tourism Development Strategy and Implementation Plan that aligns with the National Tourism Policy</td>
<td>Directorate of Tourism with the support of USAID-TFA is drafting</td>
<td>MTCI</td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Continue to build public awareness of the tourism policy</td>
<td></td>
<td>MTCI DoT, TFA, xx</td>
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<tr>
<td>• Mainstream thematic Ps (Priority, Prosperity, Protection, Partnership and People)</td>
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<tr>
<td>• Conduct regular review and update meetings of the TL National Tourism Development Strategy and Implementation Plan</td>
<td></td>
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<tr>
<td>• Monitor results against Policy goals</td>
<td></td>
<td></td>
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<tr>
<td><strong>1.1.2 National Tourism Development Institutional Framework</strong></td>
<td><strong>Completed or in Progress</strong></td>
<td></td>
</tr>
<tr>
<td>Establish an Inter-Ministerial Commission for Tourism Development to manage issues and challenges requiring multiple ministry action</td>
<td>IMCTD established in 2019 (one meeting conducted)</td>
<td></td>
</tr>
<tr>
<td>Establish industry-led associations</td>
<td>HOTL established in 2018</td>
<td>MTCI, TAF, USAID-TFA</td>
</tr>
<tr>
<td>ATM-TL established in 2019</td>
<td></td>
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<tr>
<td>Establish baseline data and measure institutional capacity building monitoring</td>
<td>USAID-TFA has conducted PICAL assessments of select institutions</td>
<td>USAID-TFA</td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
<td></td>
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<tr>
<td>• Document roles and responsibilities of public, private and civil society actors</td>
<td></td>
<td>TBD</td>
</tr>
<tr>
<td>• Process for raising and addressing key opportunities, challenges and barriers to tourism growth</td>
<td></td>
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<tr>
<td>• Decision making framework for tourism sector</td>
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<tr>
<td>• Identify key barriers/issues inhibiting tourism growth that require strategic considerations e.g.: visa reform, ICAO, airport, aviation, open skies, safety and security</td>
<td></td>
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<tr>
<td>• Connect to UN Women research showing women play significant role in tourism industry as employers, employees, own account and unpaid workers. Institutional assessment of barriers should include gender focal actors.</td>
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</tr>
<tr>
<td><strong>1.1.3 Timor-Leste Tourism Board and Marketing Fund</strong></td>
<td><strong>Completed or in Progress</strong></td>
<td></td>
</tr>
<tr>
<td>Conduct interactive discussions on improving destination marketing and promotion through a partnership with the private sector</td>
<td>7th Tourism Dada Lia was held in October 2019 with the theme Global Case Study Presentation on the models, roles, and impacts of Public-Private Tourism Boards to support Destination Marketing</td>
<td>USAID-TFA</td>
</tr>
<tr>
<td>Produce an action plan</td>
<td>USAID-TFA produced an action plan in 2019</td>
<td>USAID-TFA</td>
</tr>
<tr>
<td>Sketch potential organizational designs of a Timor-Leste Tourism Board to strengthen coordination between government and industry including funding sources</td>
<td>USAID-TFA drafted a discussion paper</td>
<td>USAID-TFA</td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
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<tr>
<td>• Disseminate action plan and discussion paper</td>
<td></td>
<td>MTCI, PS, MOF</td>
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<tr>
<td>• Market assessments and mandate</td>
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<tr>
<td>• Conduct further stakeholder workshops</td>
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<tr>
<td>• Institutional organogram</td>
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<tr>
<td>• Legal and regulatory road map</td>
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<tr>
<td>• Conduct good practice study tours to destinations like New Zealand</td>
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<tr>
<td>• Critically analyze innovative financing approaches that capture funds that can be earmarked and ring-fenced in an economically sustainable model to finance long term tourism marketing and promotion such as marketing, promotion,</td>
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</tbody>
</table>
conservation, park management, and other activities critical tourism.

- Conceptual design of a Tourism Marketing Fund to finance TLTB activities
- Identify funding sources, e.g. industry, government, tax, user fees
- Multi-year budgeting strategy to ensure that sufficient budget mechanisms
- Institutional Development Strategy and Business Plan; Development of Authority, By-laws, Governance, and Operational Procedures; Development of Budget, Organizational, and Staffing Requirements; Establishment of Operations, and Launch.
- Personnel plan and job descriptions
- Ensure a critical mass (at least 30%) of women are represented on the Tourism Board and gender equality specialists included to ensure industry growth does not have negative impacts on gender equality efforts

### 1.1.4 Local-level Authorities/Destination Management Organizations

<table>
<thead>
<tr>
<th>Completed or in Progress</th>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocate for the establishment of a Dili Municipal Tourism Office</td>
<td>Consultative discussions held with Dili Municipal Government, MTCI and USAID-TFA Formal request sent to Ministry of State Administration to allocate human resources, i.e. Director of the Dili Municipal Tourism Office</td>
</tr>
</tbody>
</table>

#### Recommendations for Further Programming and Implementation

- Establish municipal level government approaches to tourism development
- Establish municipal level tourism working group
- Pilot the establishment of a municipal level tourism unit in Dili Municipality (Dili Tourism Office) for promulgation across the country
- Produce a Visit Dili tourism campaign
  - Dili Clean and Green Mark
  - Visitor Information Center
  - Visit Dili APP
- Identify capacity building needs and provide suitable training and technical support
- South-south exchanges with municipal tourism success stories in ASEAN, i.e. Yogyakarta, Magelang, Solo

### 1.1.5 International and Regional Cooperation

<table>
<thead>
<tr>
<th>Completed or in Progress</th>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain membership and collaborate closely with UNWTO, SPTO, PATA, CPLP, ASEAN and other regional and international bodies and frameworks</td>
<td>UNWTO has supported several studies in Timor-Leste UNWTO was present at the launch of the TL National Tourism Development Strategy and Implementation Plan on the occasion of World Tourism Day 2019.</td>
</tr>
</tbody>
</table>

#### Recommendations for Further Programming and Implementation

- Collaborate with 10 ASEAN member countries and adopt established regional tourism quality standards
- Leverage cooperative marketing and development opportunities with Indonesia and Australia, e.g. One Island Two Nations and Tri-lateral initiative

### 1.1.6 Legal and Regulatory Framework

<table>
<thead>
<tr>
<th>Completed or in Progress</th>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct a cursory review of tourism laws in Timor-Leste</td>
<td>USAID-TFA conducted a rapid assessment of the law in relation to tourism in 2018. There are five tourism-specific laws and at least eight other laws that refer to the tourism sector including: laws on protected areas, civil aviation, immigration, land use, forest resources, investment, culture and heritage and environment.</td>
</tr>
</tbody>
</table>

#### Recommendations for Further Programming and Implementation

- Identify a suitable international expert to conduct a review of TL’s tourism legal framework and laws
- USAID-TFA has produced a scope of work for a tourism legal expert and identified an appropriate expert in 2019. However, a formal request by the GOTL to conduct a review and make recommendations is required prior to mobilizing the expert
- Seek GOTL endorsement to conduct a review of tourism laws and regulations
- Conduct a formal review of tourism laws based on international good practice
- Draft and facilitate approval of new tourism laws, decrees or regulations in support of tourism development
- Identify an across government legal framework to nurture tourism development
- According to stakeholders, tourism law should consider and improve regulations in a range of areas, e.g. illegal foreign tour operators, tourism taxes, tourism investment

A consolidated review of laws affecting the tourism sector and the establishment of a national tourism law framework founded on the vision of the NTP is required.

<table>
<thead>
<tr>
<th>Activity Group</th>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2</td>
<td>Tourism Data and Analytics</td>
<td><strong>1.2.1 Tourism Observatory</strong></td>
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<tr>
<td></td>
<td>Identify the need for a central repository (aka Tourism Observatory) of tourism data collection to ensure accurate collection of statistics to support evidence-based decision-making</td>
<td>Discussed at the 1st International Conference for Emerging Tourism Destinations (2016) Establishment of a Tourism Observatory (TO) to monitor, evaluate and measure tourism performance is recognized as a need in the Tourism Policy The Acting Minister of MTCI has identified tourism data and analysis as a priority action</td>
<td>MTCI, DIT</td>
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<tr>
<td></td>
<td>Baseline assessment of existing data collection and analytics practice</td>
<td>Discussions held with statistics department of MTCI and initial assessments conducted</td>
<td>MTCI, USAID-TFA</td>
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<tr>
<td></td>
<td>Seek support from countries with good practice</td>
<td>MOU with Indonesia signed through ADB Regional Cooperation and Integration project</td>
<td>MTCI, ADB</td>
</tr>
</tbody>
</table>

**Activity Group 1.2**

**Tourism Data and Analytics**

- Explore with key stakeholders the possibility of formally establishing a Tourism Observatory to lead national tourism data collection and analysis, particularly educational institutions
- Produce terms of reference for the establishment Tourism Observatory
- Allocate sufficient budget to operate a Tourism Observatory
- Collaborate through south-south cooperation with Indonesia
- Seek support from UNWTO for tourism satellite accounting
- Ensure data collection is sex disaggregated, and types of data collection are developed with a gender lens.

**Recommendations for Further Programming and Implementation**

- **1.2.2 Demand Assessment**

Conduct research in key potential source markets

- Singapore market study conducted by USAID-TFA
- Strategic Tourism Marketing Plan for Timor-Leste in the key source market of Indonesia produced by TAF
- Faith based tourism market in Indonesia research conducted by USAID-TAF
- Terms of reference circulated for Australian Market Study by MDF

**Recommendations for Further Programming and Implementation**

- Prepare a detailed assessment of the historical and present demand conditions for Timor-Leste, including:
  - Numbers of visitors, sources of demand, visitor behaviour (purpose of visit, activity preferences, seasonality, length of stay, expenditure, travel patterns), visitor sentiment (awareness, perceptions) including a thorough understanding of the limitations and barriers to be addressed in building future demand.
  - Identification of global trends which provide opportunities for Timor-Leste and identify possible compatible markets defined by origin, visitor characteristics and

WB considering macro level demand assessment study with terms of reference prepared.

WBG
activity preference, price points; evaluate potential markets against criteria including ease of access, Timor-Leste’s readiness to meet market requirements, long term value to Timor-Leste and ability to contribute to Timor-Leste development goals and policy objectives; recommend priority markets and develop detailed scenarios for future growth and composition of these markets.

- Preparation of projections for the scale, origin and characteristics of future visitor demand at the national level by priority segment and projections for demand at key priority destinations over the medium and long term.
- Identification the nature, scale and cost of public investments needed to meet forecast future demand at each priority destination.
- Development of a strategy for market development including recommendations as to how the GOTL should develop competitive strategies to access priority markets such as through aviation policy, visa reforms, brand positioning etc.
- Conduct a baseline analysis of the supply and demand for tourism services in Timor-Leste to develop a clear understanding of the current drivers of demand, scale of development and competitive positioning. This will include an assessment of barriers to development and recommendations on immediate policy reforms and infrastructure requirements for inclusion in the GOTL’s 2020 budget.
- Conduct an assessment of future demand for the country and likely key destinations based on expected future market trends, changes to target markets, changing patterns of travel, emerging segments and trends reflecting scale and nature of demand, pricing, brand and market positioning, origin of visitors, activity preferences and visitor behaviour. Prepare detailed projections for visitor demand based on the assessment of most prospective segments.
- Prepare a market development strategy containing recommendations to guide the GOTL in building awareness and desirability in selected markets including the preparation of specific plans to access priority markets.
- Demand assessment should reflect different types of travellers (including single female, the LGBTI community and those with various disabilities)

### 1.2.3 Improve Collection Methodology

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<tbody>
<tr>
<td>Recognize that data collection is vital in guiding tourism development in relation to service delivery and infrastructure needs.</td>
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<tr>
<td>Acting Minister of MTCI and the Director General of Tourism have publicly acknowledging the importance of data collection. However, there remains fragmentation in data collection methods across government.</td>
</tr>
<tr>
<td>TAF conducts regular international survey of visitors to Timor-Leste at the airport and land border areas.</td>
</tr>
<tr>
<td>USAID-TFA has worked with ATKOMA to carry out regular visitor satisfaction surveys on Ataúro Island using a digital platform</td>
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<tr>
<td>A visitor survey has been established with HOTL</td>
</tr>
<tr>
<td>Establish an approach for aggregating hotel performance statistics</td>
</tr>
<tr>
<td>HOTL in collaboration with USAIDTFA have established a relationship with Horwath to aggregate hotel performance statistics on a monthly basis</td>
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</tbody>
</table>

**Recommendations for Further Programming and Implementation**

- Establish a data collection task force
- Continue to administer existing surveys
- Develop new survey tools
- Better utilize immigration and customs arrival cards to collect data
- Research good practice in data collection methodologies
- Mobile positioning data (explore)
- Measure the tourism impacts of Tais and as a tourism attraction contributing to household incomes and jobs (particularly women)

### 1.2.4 Monitor and Measure Tourism Performance

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| GoI, UNWTO, ADB, Central Bank, Ministry of Finance, |  |  |
### Establish a working group

**Recommendations for Further Programming and Implementation**

- **Agree on data to be analyzed**
  - Hotel statistics (occupancy, ADR and REVPAR)
  - Length of stay
  - Spending
  - Overall tourist receipts
  - Airplane load factors
  - Purpose of travel (business, VFR or leisure)
  - Growth and guest satisfaction
- **Inbound and outbound data**
- **Domestic tourism consumption**
- **Tourist satisfaction**
- **Hotel occupancy, average rate and xxx**
- **Tourism contribution to GDP**
- **Establish tourism satellite accounting for TL**

#### 1.2.5 Publish and Dissemination Tourism Analytics

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Actors and Partners</th>
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</thead>
<tbody>
<tr>
<td>Publish tourism statistics results regularly</td>
<td>TAF launched the Tourism Barometer as a tool to report and disseminate data on tourism in Timor-Leste.</td>
<td>MTCI, TAF, NZAID</td>
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</tbody>
</table>

### 1.3.1 Intangible Culture and Heritage

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<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify at least one Timorese intangible heritage and cultural element suitable for UNESCO recognition</td>
<td>Tais identified and agreed upon for UNESCO recognition</td>
<td>USAID-TFA, SEAC, xxx</td>
</tr>
<tr>
<td>Identify institutions engaged in relevant elements</td>
<td>Timor-Leste National Committee (NatCom) for Intangible Culture Heritage established in xxx</td>
<td>xxx</td>
</tr>
<tr>
<td>Establish a road map for gaining UNESCO recognition</td>
<td>Roadmap completed by USAID-TFA on xxx (available on knowledge exchange <a href="http://www.timorleste.lt">www.timorleste.lt</a>)</td>
<td>USAID-TFA, SEAC, xxx</td>
</tr>
<tr>
<td>Apply for UNESCO assistance</td>
<td>UNESCO grant applied for and awarded</td>
<td>USAID-TFA, SEAC, xxx</td>
</tr>
<tr>
<td>Hold supporting events</td>
<td>Two events held on Tais</td>
<td>USAID-TFA, SEAC, xxx</td>
</tr>
<tr>
<td>Complete UNESCO application including production of films</td>
<td>Film produced and application drafted in preparation for submission on 31 March 2020</td>
<td>USAID-TFA, SEAC, xxx</td>
</tr>
<tr>
<td>UN Women developed films contributing to ICH and also supported networks of weavers (with Alola and Timor Aid)</td>
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</table>

### Recommendations for Further Programming and Implementation

- **Identify additional Timorese elements for possible UNESCO or other recognition**
- **Determine methods for preservation and renewal of arts and culture**
- **Intellectual property.**
- **Encourage young people to engage with Tais.**
- **National Tais day**
- **Identify institutions engaged in performing arts.**
- **Establish a tourism performing arts working group.**
- **Identify performing arts suited for mainstreaming into the tourism sector.**
- **Develop public performance area.**
- **Conduct regular shows (twice a week) at sunset in iconic location.**

**Potential actors and partners**

MTCI DoT, TFA, TLTB, AARTIMOR
### Activity Group 1.3

#### Cultural and Natural Preservation

- Inventory existing museums and living arts centers
- Gap analysis
- Good practice
- Conduct research and consultation on the potential of establishing a “living art” center/museum tourist attraction in Dili to showcase Tais and other cultural elements of Timor-Leste.
- Consider participatory action research methods
- Gain an understanding of the constraints and barriers preventing progress in development of a national museum.
- The Project will investigate the implementation status of the National Culture Policy and potential support for the establishment of a national museum in Dili.

#### 1.3.2 Marine Protected Areas

- **Completed or in Progress**
  - Produce a Sustainable Management Plan for Atauro Island
  - Identify institutions engaged in marine protection, e.g. CI, Blue Ventures, World Fish and Coral Triangle Centre and establish working group
  - Support the in applying for Hope Spot recognition for Timor-Leste (special places that are critical to the health of the ocean)

- **Establish a Marine Tourism Association**
  - Use Atauro as pilot for MPAs and tourism incorporating local Tara Bandu laws
  - Consider community surveillance program was instituted to stave off illegal fishing
  - Conduct Training to help fishermen develop the customer service, communication and storytelling skills needed to successfully engage with tourists.
  - Demonstrate that carefully calibrated marine tourism can deliver real economic value without causing environmental harm.
  - Engage Timorese youth to become snorkel guides and dive guides and
  - Find methods to balance the need to rejuvenate reefs and alternative livelihoods.
  - Establish a system for collection of conservation fees which can be used to financing and management of the area.
  - Find PPP modality to support conservation on Atauro Island, e.g. Reef Rangers
  - Create marine-based tourism experiences, e.g. small-scale cruise expeditions aimed at those who are passionate about wildlife, under close scientific supervision to minimize any negative environmental impact.
  - Join in Pacific Islands Forum efforts towards common stewardship of the Pacific Ocean,
  - Establish national marine parks, which would allow marine fauna to recover and begin to create suitable tourism infrastructure.

#### 1.3.3 National Parks and Terrestrial Protected Areas

- **Completed or in Progress**

<table>
<thead>
<tr>
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<th>Status</th>
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<tbody>
<tr>
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<tr>
<td>Identify institutions engaged in marine protection, e.g. CI, Blue Ventures, World Fish and Coral Triangle Centre and establish working group</td>
<td><strong>Completed or in Progress</strong></td>
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<tr>
<td>Support the in applying for Hope Spot recognition for Timor-Leste (special places that are critical to the health of the ocean)</td>
<td><strong>Completed or in Progress</strong></td>
</tr>
<tr>
<td>Establish a Marine Tourism Association</td>
<td><strong>TBD</strong></td>
</tr>
<tr>
<td>Use Atauro as pilot for MPAs and tourism incorporating local Tara Bandu laws</td>
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<tr>
<td>Establish national marine parks, which would allow marine fauna to recover and begin to create suitable tourism infrastructure.</td>
<td><strong>Completed or in Progress</strong></td>
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</tbody>
</table>
- Identify authorities and NGOs engaged in protected areas, national parks and conservation.
- Establish working group.
- Collect data and share data sets (spatial and non-spatial).
- Research and advocate for a national protected area fee collection system.
- Establish national protected area fee collection system by Ministerial Decree aligned with degree law 05/2016 and article 42 of National System for Protected Areas.
- Enforcement of laws and regulations.
- Seek technical assistance, e.g. US National Park Service.
- Conduct workshop on community resource mapping in project geographical areas.
- Produce detailed maps Mt. Ramelau, Cristo Rei and other highly trafficked protected areas.
- Conduct a workshop(s) using a community resources mapping approach to identify and spot tourism assets inside the protected area (e.g. culture sites, rock art, animal species).
- Identify opportunities for UNESCO or other international recognition, e.g. UNESCO’s World Cultural Heritage; UNESCO’s Intangible Cultural Heritage; UNESCO’s World Natural Heritage; UNESCO’s Biosphere Reserves under its Man and the Biosphere Program; UNESCO Global Geoparks; or FAO’s Globally Important Agricultural Heritage System.

### 1.3.4 Climate Change

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- Create climate change awareness training program and conduct training of trainers.
- Advocate for (reuse, reduce and recycle) awareness among citizens of Timor-Leste.
- Reduce single use plastics.
- Ban the use of single use plastic bags.
- Consider a service contract for a local Timorese company to cleanup rivers, streams and waterways of plastic and other waste in and around Dili under an “Output-Based Aid” model.
- Establishing a plastic waste collection and management initiative, particularly along the tourism value chain.
- Research and possibly implement plastic bottle reduction initiatives such as [www.refillmybottle.com](http://www.refillmybottle.com).
- Run TV advertisements to build awareness of the harm of plastic garbage, especially in the oceans.
- Establish and enforce fines for consumers and merchants that abuse plastic waste.
- Encourage the use of reusable cups, straws and food containers.
- Establish a Green Schools initiative that helps young people appreciate the importance of environmental stewardship to help educate school kids and their parents on how to reduce, reuse and recycle single use plastics.
- Promote ecotourism by encouraging accommodation providers to institute eco-friendly practices such as local water harvesting, solar energy capture, greywater recycling, etc.

UNESCO estimates that, globally, only 1.5% of the world’s coral is currently ‘pristine’ and not under stress due to the effects of climate change and human activity. Higher rates of tourism often means a greater reliance on imported goods, increased carbon emissions and more waste production.
### Pathway 2 Accelerate destination connectivity and attractiveness through improved infrastructure

<table>
<thead>
<tr>
<th>Activity</th>
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<tbody>
<tr>
<td><strong>2.1.1 National Tourism Asset Mapping</strong></td>
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<tr>
<td>Numerous institutions have conducted mapping of key maritime, terrestrial and cultural assets in Timor-Leste, including MTCI and Chego!</td>
<td>Existing data needs to be collected</td>
<td>MTCI, USAID-TFA</td>
</tr>
<tr>
<td>Digital Mapping Expert retained by USAID-TFA</td>
<td></td>
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<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
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</tr>
<tr>
<td>• Build a database (spatial and non-spatial data) of socio-cultural and natural sites across the Timor-Leste for integration into mapping tools</td>
<td>Tourism Asset Mapping (TAM) is an approach to identifying a tourism destination’s key features and recognizing how visitors see and experience them. It is a means through which an inventory of places of interest can be developed; allows for a ranking of the most valued elements; and explores reasons why people place high value on tourism assets.</td>
<td>TBD</td>
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<tr>
<td>• MTCI to issue a letter across all institutions representing government, civil society and industry advocating for the sharing of tourism asset mapping data</td>
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<tr>
<td>• Acquire GIS coordinates, take photo, write descriptions</td>
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<tr>
<td>• Document required improvements to identified tourism assets</td>
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<tr>
<td>• Establish thematic routes and itineraries across Timor-Leste based on clustering of tourism assets</td>
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<tr>
<td>• Pilot in the Atauro-Dili-Mount Ramelau tourism corridor</td>
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<tr>
<td>• Produce and maintain GIS tourism asset maps</td>
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<tr>
<td><strong>2.1.2 Integrated Tourism Master Plans</strong></td>
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<tr>
<td><strong>Completed or in Progress</strong></td>
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<tr>
<td>Expression of interest by the GOTL to conduct an integrated national master planning process</td>
<td>Discussions held between MTCl and development partners, including: UNTO and WBG</td>
<td>MTCI, WBG, UNWTO</td>
</tr>
<tr>
<td>Discuss integrated national tourism master planning process with select development partners</td>
<td>Internal dialogue between MTCl and WBG and UNWTO held</td>
<td>MTCI, WBG, UNWTO</td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
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<tr>
<td>• Establish a Timor-Leste Tourism Forum and/or task force to encourage engagement by multiple stakeholders</td>
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<tr>
<td>• Develop scope of work and oversee tendering and implementation of the tourism master planning exercise.</td>
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<tr>
<td>• Review and assess potential tourism destinations and describe and quantify the scale, cost and timing of product needs and soft and hard infrastructure requirements for selected priority destinations based on the demand analysis and agreed destination selection criteria.</td>
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<tr>
<td>• Assess of current and potential product offerings to determine Timor-Leste’s unique selling points and opportunities to position Timor-Leste as a competitive tourism destination.</td>
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<tr>
<td>• Identify priority destinations and determine the product requirements at each destination including scale and type of preferred developments and investments needed to satisfy market needs.</td>
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<tr>
<td>• Identify short term policy reforms and infrastructure investment needs and provide cost estimates to enable resources to be mobilized by the GOTL.</td>
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<tr>
<td>• Develop master plan for three development zones (east, central, west) that includes the following:</td>
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<tr>
<td>o Tourism zoning and spatial orientation</td>
<td>Integrated tourism master plans (ITMP) should cover both hard and soft infrastructure, both small and large infrastructure, both public and private investment, for each of the selected destinations for priority development. They can help guide a much wider set of interventions than currently suggested, and could be the framework for collaboration (and budget allocations across ministries, levels of government and public-private players) in each of the destinations.</td>
<td>MTCl DoT, IMCDT, related ministries, diocese, private sector, WB</td>
</tr>
<tr>
<td>o Safe markets spatial analysis (gender inclusive/informed)</td>
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<tr>
<td>o Identification of tourist destinations</td>
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<td>o Infrastructure gap analysis</td>
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<tr>
<td>o Tourism development phasing</td>
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<tr>
<td>o Identify large infrastructure projects</td>
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<tr>
<td>o Project feasibilities and cost estimates</td>
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<tr>
<td>o Recommendations for funding of priority needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o Implementation plan for tourism infrastructure development</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2.1.3 Public Sector Funding for Tourism Infrastructure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Completed or in Progress</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TWO and WBG</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
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</tr>
</tbody>
</table>

The ITMPs can best be prepared at the destination-level. It is at that level that they can be used as a framework for alignment of existing (or new) central government (and municipality) programs for roads, basic services, skills development, environmental protection and the business environment for better results in selected tourism destinations.

Each ITMP consists of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years) and detailed development plans (with a planning horizon of 5 years) for existing and future key tourism areas within the tourism destination. These areas could best be defined at the municipality and sub-municipality level. They will provide the basis for development of tourism facilities and supporting infrastructure that: (a) is consistent with the environmental, social and cultural opportunities and constraints of the selected destinations; and (b) avoids degradation of the natural and cultural assets that attract visitors to that destination.
### Prioritize public investment in tourism in accordance with the National Tourism Policy

**Completed or in Progress**

Inter-Ministerial Commission for Tourism Development (MCTD) established MOU with Indonesia signed through ADB Regional Cooperation and Integration project

MTCI, ADB, WBG, USAID-TFA

### Advocate for increased public investment in tourism

**Completed or in Progress**

Directorate of Tourism of MTCI has allocated funding in the 2020 budget to rehabilitate National Parks and tourism sites in the capital city of Dili and Mt. Ramelau; The Directorate has also planned to construct several projects including Lagoa Maubara, Marina Square, Fleixa-Ainaro, and CIT in Bobonaro.

MTCI

### Recommendations for Further Programming and Implementation

- Produce project feasibility and analysis of projects
- Seek intergovernmental approvals (COM and other)
- Establish tourism advisory group with the Ministry of Finance
- Submit public funding proposals in accordance with Timor-Leste procedures
- Ensure sustainability measures are considered through user-pays facilities and services
- Develop a brochure and sign posts that will provide boat transfer schedules and costs in Dili and in Beloi
- Establish a pier and centralized ticket and information booth for boat transfers to Atauro in Dili
- Create a floating dock that will facilitate boat arrivals and departures from Beloi
- Meeting with the Civil Aviation Division to advocate for the $10k needed to improve the existing airstrip
- Once airstrip is improved, establish regular schedule flights to the island
- Work with tourism companies on the island to promote the regularly scheduled flights

Selected larger developments are necessary to build awareness, attract sufficient airlift, and stimulate travel trade interest. When well-managed, they also contribute to sustainability and community impact through larger scale employment, skill building and supply chain development.

MTCI DoT, TFA, TAF, MDF, WB

### Activity Group 2.2

#### Air, Sea and Land Connectivity

**Activity**

**Key Considerations/ Actions**

**Potential Actors and Partners**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Potential Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.2.1 Aviation</strong></td>
<td>Develop and Socialize</td>
<td></td>
</tr>
<tr>
<td><strong>Completed or in Progress</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Diversify air access and lower international airfares</td>
<td>Current airfares to Timor-Leste are crippling leisure demand and a major inhibitor to developing tourism to the country. This should be treated as a national emergency.</td>
<td>MTCI DoT, TFA, TLTB</td>
</tr>
<tr>
<td>• Establish a high-level aviation task force to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>o Review and publish widely the landing and passenger handling fee structure and make transparent.</td>
<td></td>
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</tr>
<tr>
<td>o Review and further develop Air Service Agreements at the government to government level. Timor-Leste should be aggressive in this area - the more the merrier.</td>
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</tr>
<tr>
<td>o Review and discuss requirements for foreign airlines to operate in Timor-Leste. Develop a clear standard operator procedure that is transparent and readily accessible.</td>
<td></td>
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</tr>
<tr>
<td>o Establish a priority list of carriers and solicit interest from strategic locations, e.g. Surabaya, Kuala Lumpur, Macao, Bangkok etc.</td>
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</tr>
<tr>
<td>o Confirm existence of Aviation Policy and guide implementation</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2.2.2 Sea</strong></td>
<td>Increase unique page views</td>
<td></td>
</tr>
<tr>
<td><strong>Completed or in Progress</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Cruise Tourism Standard Operating Procedure was produced by MTCI with support by MDF</td>
<td></td>
<td>MDF</td>
</tr>
<tr>
<td><strong>Recommendations for Further Programming and Implementation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Create a technical handbook on Timor-Leste Ports, including port depths, pier lengths, service provisions</td>
<td>Demand for global cruising increased by 64% from 2006 to 2016, compared to 45% for general global tourism. Cruise tourism generated</td>
<td>MTCI DoT, TAF, TLTB, HOTL</td>
</tr>
</tbody>
</table>
### 2.2.3 Roads

**Completed or in Progress**

**Recommendations for Further Programming and Implementation**

- Improve overland access between Dili and Kupang
- Host a seminar amongst development partners, NTT and GoTL officials to discuss ways to improve roadways across the island of Timor
- Create an overland motorcycle caravan event across the island of Timor under the One Island – Two Nations campaign

### Pathway 3 Increase local participation in the tourism economy through skill and SME development

#### Activity

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Potential Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.1.1 Niche Tourism Products</strong></td>
<td>Coastal and marine tourism, Historical and cultural tourism, CBT/eco-tourism, Cruise ship tourism, MICE tourism, Nature-based tourism, Adventure tourism</td>
<td></td>
</tr>
<tr>
<td>Directorate of Tourism has identified tourism niches that have potential in Timor-Leste</td>
<td></td>
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<tr>
<td>Second ICETD event held on the topic of faith-based tourism development</td>
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</tr>
<tr>
<td>Faith-based tourism working group established and meeting regularly</td>
<td></td>
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</tr>
<tr>
<td>Food and coffee tourism is being developed through funding by NZAID (implemented by TAF)</td>
<td></td>
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</tr>
<tr>
<td>Balibo Trails (walking, hiking and cycling) established with local community</td>
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</tr>
</tbody>
</table>

**Recommendations for Further Programming and Implementation**

- Conduct market analysis of identified target niches
- Assess the prioritization of future markets and the overall growth trajectory
- Develop niche market action plans
- Develop an inventory of tourism products, services and experiences from which itineraries can be developed
- Organize a tourism product development working group with members of key government departments, NGOs and the private sector
- Further expand the opportunities of Faith-based tourism as identified during the 2nd International Conference for Emerging Tourism Destinations
  - Establish religious tourism as a recognized niche tourism development opportunity
  - Meet with faith-based leaders across all religions in Timor-Leste
  - Find links with success pilgrimage destinations (e.g. Fatima in Portugal)
  - Develop faith-based/pilgrimage itineraries
  - Bolster the work of the Faith-based Tourism Working Group
  - Produce faith-based itineraries and promote to select markets

Steps for Tourism Product and Experience Development include:

- Market research
- Matching the product to the market
- Assessing the destination suitability for different products and experiences
- Identifying stakeholder roles and responsibilities
- Building/creating tourism products, services and experiences
- Developing human and technical resources

TBD
- Organize a 3rd International Conference for Emerging Tourism Destinations on the topic of Adventure Tourism leading to recommendations for further development and expansion
  - Trekking and hiking
  - Cycling and mountain biking
  - Marine tourism activities (whale watching, diving, yachting, sport fishing)
  - Camping
  - Luxury eco-tourism (lodges and ‘glamping’)
- Improve management of annual whale watching activities to improve sustainability and profitability of locally owned and operated companies
- Collaborate with Nusa Tenggara Timor on ‘One Island-Two Nations (OITN)
  - Tourism asset mapping across the Island of Timor
  - Create joint itineraries
  - Organize motorcycle and road rally programs
- Tais as a cultural tourism experience. Not only the demonstration of weaving tais, but also its diversity, use and history. Work through Weavers Network (UNW, Timor Aid, Aloa)

3.1.2 Customer Journey Mapping

<table>
<thead>
<tr>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Identify itineraries</td>
</tr>
<tr>
<td>- Establish a group of evaluators (possibly through a FAM trip)</td>
</tr>
<tr>
<td>- Produce an evaluation system</td>
</tr>
<tr>
<td>- Seek input through an evaluation</td>
</tr>
<tr>
<td>- Share outcomes of the evaluation with relevant authorities</td>
</tr>
<tr>
<td>- Improve gaps in service and identify opportunities for adding commercial value and opportunity</td>
</tr>
</tbody>
</table>

For example: Map the arrival process in Dili from the moment someone disembarks from the aircraft until they enter their transportation. What are the gaps in that experience and how can they be improved?

3.1.3 Quality, Safety and Hygiene Standards

<table>
<thead>
<tr>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Develop a food safety and hygiene program (Dili Clean and Green)</td>
</tr>
<tr>
<td>- Conduct tour guide training to improve quality of storytelling and tourist experiences</td>
</tr>
<tr>
<td>- Establish a hotel rating system based on facilities and services</td>
</tr>
<tr>
<td>- Connect with UN Women Safe Cities program for ensure safety planning is gender inclusive</td>
</tr>
</tbody>
</table>

For example: Map the arrival process in Dili from the moment someone disembarks from the aircraft until they enter their transportation. What are the gaps in that experience and how can they be improved?

### Activity | Key Considerations/ Actions | Potential Actors and Partners

#### 3.2.1 Tourism Value Chain Analysis

| Identify Tourism Business Opportunities |  |  |  |
### Activity

**Group 3.2**

**Sustainable Tourism Enterprise Development**

**Completed or in Progress**

**Recommendations for Further Programming and Implementation**

- **Economies of scale through improved efficiencies across the tourism value chain.**
- **Supply chain management**
- **Cross-ministerial communications and management**
- **Develop an understanding of the Global Sustainable Tourism Criteria and how they can be applied to Timor-Leste**

The tourism sector is a rather complex sector with multiple linkages into the rest of the economy. In order for the sector to fully exploit this potential, a careful management of the inter-linkages with other parts of the economy is necessary. In national policy making, this requires co-ordination across different ministries – most notably the tourism and trade ministry - and other relevant authorities.

This will help to maximize tourism's spill-overs to the rest of the economy, like the possibility to source food from the local economy, to offer other leisure services or to sell local products to travelers. For the sustainability of the sector, aspects like the sector’s environmental impact are also important.

### 3.2.2 Tourism Enterprise Incubation

**Completed or in Progress**

Sustainable Tourism Enterprise Program providing grants has been organized by USAID-TFA

UNDP established the Knu Juventude Program building youth entrepreneurship

UN Women has established a Weaver's Network

**Recommendations for Further Programming and Implementation**

- **Establish a tourism “start-up” incubator**
- **Provide entrepreneurship and financial literacy training for small and medium sizes enterprises**
- **increase the chances for success of local SMEs, many of whom will stay in the communities in which the businesses were incubated and spend money on local goods.**
- **Help aspiring entrepreneurs (particularly youth and women) nurture their business ideas, seek funding and sustainably operate through mentoring and training.**
- **Provide additional studies and capacity building through the ‘feasibility’ and ‘transaction development’ phases of a tourism incubator.**

There is an urgent need in Timor-Leste to improve the quality and capacity for entrepreneurship in the tourism sector. The typical constitution of healthy tourism economy is 70% SMEs and 30% larger operators and conglomerates. In Timor-Leste, these percentages are skewed towards big investors.

### 3.2.3 Access to Finance

**Completed or in Progress**

USAID-TFA has partnered with microfinance institutions and commercial banks to organize access to finance workshops for the benefit of small enterprises

**Recommendations for Further Programming and Implementation**

- **Encourage microfinance institutions and commercial banks to better communicate and market their tourism-related products and services.**
- **Micro credit scheme for SMEs**
- **Continue to follow the Maubisse Declaration in which BNCTL is mandated to provide access to credit to women at a low interest rate, and improve access for micro, small and medium enterprises in rural areas.**
- **Improve awareness of tourism business opportunities, particularly among women**

Access to financing is vital to promote entrepreneurship and SME development and build a competitive and sustainable tourism sector. Financing is necessary at the early stages of an idea/product development to encourage entrepreneurs to set up new businesses, and bring in innovation in the sector.

### Activity

**Key Considerations/ Actions**

**Potential Actors and Partners**

#### 3.3.1 Tourism and Hospitality Education Programs

**Completed or in Progress**

Well established education institutions offering tourism education programs (e.g. DIT, UNTL) exist
### Activity Group 3.3

**Destination Human Capital**

A cursory inventory of existing hospitality and tourism education programs has been conducted by USAID-TFA

<table>
<thead>
<tr>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.3.2 Tourism and Hospitality Training Programs</strong></td>
</tr>
<tr>
<td>- Identify gaps between existing programs and industry needs</td>
</tr>
<tr>
<td>- Research good practice in ASEAN/Australian institutions</td>
</tr>
<tr>
<td>- Identify programs that can be replicated</td>
</tr>
<tr>
<td>- Re-engineer education programs accordingly</td>
</tr>
<tr>
<td>- Accredit to international standards (e.g. UNWTO TEDQUAL)</td>
</tr>
<tr>
<td>- Teacher/Trainer professional development</td>
</tr>
<tr>
<td>- Establish a Center of Excellence for Tourism and Hospitality and Tourism Education</td>
</tr>
<tr>
<td>Ensure education includes options for upskilling members of the industry, with consideration of limited existing education, and access barriers (fees, distance to facility, costs of travel and accommodation, childcare etc), with specific attention to access for women.</td>
</tr>
<tr>
<td>- Incorporate gender into curriculum</td>
</tr>
</tbody>
</table>

**3.3.3 Public Sector and Community Capacity Building**

Recommendations for Further Programming and Implementation

- Inventory existing hospitality and tourism training materials
- Identify gaps between existing programs and industry needs
- Research good practice in ASEAN (e.g. ASEAN Competency Standards for Tourism Professionals – Mutual Recognition Arrangement)
- Identify competency-based workforce training programs that can be replicated (e.g. Passport to Success)
- Build digital platforms for improved delivery
- Conduct training of trainers to develop master trainers
- Partner with tourism industry
- Incorporate recognition of prior learning and on-the-job training
- Develop professional management training programs for managerial level
- Ensure targeted measures are in place to promote women’s access to leadership opportunities (considering social barriers that might prevent skilled candidates from accessing opportunities)

**3.3.4 Entrepreneurship Training**

Recommendations for Further Programming and Implementation

- Identify training needs of public sector tourism officials
- Research existing training programs
- Seek support from neighboring countries with competency in public management, promotion and administration of tourism
- Conduct South-South exchanges and cooperation to garner knowledge and experience from ASEAN member states and their respective tourism sectors

**3.3.5 Recommendations for Further Programming and Implementation**

- In tourism, the economics of human capital are associated with the value that people bring to a destination’s quality of services. Arguably, competent, friendly and helpful people have a far greater impact on guest satisfaction at a destination than does extravagant infrastructure. Therefore, tourism companies and destinations need to approach the development of their people with the same fervor they do the construction of hotels and attractions.

**3.3.6 Completed or in Progress**

- New Zealand BOSS project worked in this area and developed training materials
- Building the capacity for local communities need to progress hand in hand. Community capacity building programs help underdeveloped communities to improve their ability to participate in the tourism decision-making processes. They encourage community involvement, and provide the tools that enable them to do so.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Potential Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.4.1 Turizmu Ba Ema Hotu</strong></td>
<td><strong>Develop Tourism Awareness Among Timorese People</strong></td>
<td></td>
</tr>
<tr>
<td>MTCD-DOT has developed a campaign logo and roadshows have been conducted in select parts of Timor-Leste</td>
<td></td>
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</tbody>
</table>

**Recommendations for Further Programming and Implementation**

- Develop logo for campaign through consultative process to promote tourism awareness
- Link campaign to the National Tourism Policy
- Soft launch campaign in select parts of the country
- Build awareness among youth through select advertising and public relations
- Establish a TBEH link on [www.timorleste.tl](http://www.timorleste.tl)
- Promulgate campaign through #turizmubaemahotu via Facebook and other social media channels frequented by Timorese people
- Implement a national road show
- Produce a short video series of Timorese interacting with international guests
- Develop a customer service training module suited to the Timor-Leste context and deliver to targeted tourism service providers.
- Establish the annual TBEH Tourism Awards of Excellence
- Identify and share tourism success stories widely
- Establish network of Turizmu Ba Ema Hotu Ambassadors across the country
- Engage FONTIL and Faith-based Institutions to spread the word about tourism
- Build awareness of career paths and business opportunities in tourism
- Advertisement in Lafeak magazine

**3.4.2 Community-based Tourism** | **Completed or in Progress** | |
| Community based tourism marketing strategy and CBET website produced | | |
| Local tourism partnerships established (ATKOMA and ASTRABEKA) | | |

**Recommendations for Further Programming and Implementation**

- Develop strategy to engage communities in tourism
- Integrate and/or link [www.cbet-timorleste.com](http://www.cbet-timorleste.com) into other destination websites
- Maintain and update CBET website to remain relevant
- Create CBET experiences
- Provide training to local communities to deliver experiences
- Establish partnership frameworks/associations that link community stakeholders
- Certification of CBET products and experiences

**3.4.3 Gender Equality and Social Inclusion** | **Completed or in Progress** | |

- Nurture Micro and Small Enterprise Development Inventory past and present initiatives to develop entrepreneurship skills among Timorese youth, women and communities
- Collect any existing training materials and assess their suitability for further promulgation
- Deliver business planning modules

**ANZ and MFIs offer financial literacy courses**
UN Women conducted study and held consultative workshop on 22 November 2019 on Women and Tourism

Recommendations for Further Programming and Implementation

- Support the implementation of the Maubisse Declaration
- Establishment of WG has to be under Ministry of Tourism, although UN Women can provide capacity devt and technical guidance for the group.
- Establish Weaver network - advocate tai's weaving and the weaver's empowerment to influence economic policies, knowledge to access their economic rights other development sectors, including tourism
- Leverage media partnerships to profile women, persons with disabilities in tourism
- Promote adoption and implementation of Women's Empowerment Principles by companies in tourism
- Facilitate knowledge exchanges with professional networks of women in tourism in the region.
- Create public speaking competition on 'gender and tourism'

Pathway 4 Draw investor interest through access and information sharing

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Potential Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4.1.1 Key Barriers to the Tourism Enabling Environment</strong></td>
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</tbody>
</table>

Completed or in Progress

Seven key barriers to the tourism business enabling environment identified by the Tourism Investment Working Group

The initial seven key barriers included: complex business licensing process, lack of access to loans/funds, land ownership issues, expensive aviation access to Timor-Leste, complex land lease agreements between landlords and business operators, loss of skilled labor to seasonal work, and lack of infrastructure.

<table>
<thead>
<tr>
<th>Recommendations put forward to Government</th>
<th>For Tax Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Support existing tax authority initiatives to continue opening tax offices in municipality;</td>
<td></td>
</tr>
</tbody>
</table>

1. Support existing tax authority initiatives to continue opening tax offices in municipality;
2. Gain support from commercial banks to facilitate easier bank transfers processes;
3. Encourage tourism businesses to pay monthly service tax by emailing report/receipts and using bank transfers instead of visiting multiple government offices;
4. Through the new tax authority website provide information on making payments easier;
5. Upgrade SIGTAS (Standard Integrated Government Tax Administration System) from version 1 to version 3 (v3) with on-line payment system option; and
6. Create and develop a new decree law to support e-payments in support of the implementation of the new SIGTAS version (v3)

<table>
<thead>
<tr>
<th>For Business Registration (SERVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Support SERVE initiatives to continue opening tax offices in a further six municipalities;</td>
</tr>
</tbody>
</table>

1. Support SERVE initiatives to continue opening tax offices in a further six municipalities;
2. Create a new article under existing Decree Law no 16/2017 concerning business registration to allow electronic business registrations in alignment with ASEAN good practice;
3. Amend article 16 for Decree Law no 34/2017 to allow
| Process for consultation established through TradeInvest and the Tourism Investment Working Group | SERVE to issue commercial licensing certificates before inspections benefiting small tourism businesses; and  
4. Support relevant agencies to co-ordinate cross-agency joint inspection teams for tourism businesses resulting in more efficient, transparent and effective inspections. |
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Issues paper highlighting key barriers to tourism development produced and socialized</td>
<td>CCI-TL, HOTL and other business associations use position paper for talking points in advocacy efforts with GoTL</td>
</tr>
</tbody>
</table>

**Recommendations for Further Programming and Implementation**

- Continually update, disseminate and socialize issues paper to ensure broad understanding of barriers to tourism development in Timor-Leste
- Advocate with responsible government agencies and through the IMCTD to prioritize critical barriers to tourism
- Conduct assessments of business requirements and challenges from the business owner perspective
- Develop a guide to opening and operating a tourism business that provides legal requirements
- Support SERVE to perform its function as a one stop shop for business registration
- Simplify process on Atauro and other remote areas of the country for businesses to pay their taxes and apply/renew licenses
- Make amendments and changes to policies, regulations and laws to bolster the enabling environment
- Ensure barrier identification includes a gender lens, and diverse women are represented among participants.
- Leverage commitments of Public Sector in the Maubisse Declaration to provide support to women in the tourism industry.

**4.1.2 Public Sector Agency Development**

| SERVE with the support of USAID-TFA produced infographics to visualize business registration processes | Increase transparency and understanding of business registration and licensing processes |

**Recommendations for Further Programming and Implementation**

- Map all public sector agencies involved in the tourism supply chain
- Identify institutional strength and weaknesses
- Conduct a training needs analysis
- Organize cross-agency consultations and workshops to improve understanding of roles and responsibilities in growing tourism in Timor-Leste
- Strengthen MTIC capacity in project analysis to better be able to estimate financial and operational viability; and identify shortcomings and measure to mitigate them

**4.1.3 Tourism Associations**

| Tourism associations, including HOTL, ATKOMA, ATM-TL, ASTRABEKA established | Tourism associations allow for private sector engagement through a shared platform. They help support tourism development and the business enabling environment by advocating for reforms, raising standards, and destination marketing and promotion. |

**Recommendations for Further Programming and Implementation**

- Engage with associations with shared interests in tourism sector development, e.g. CCI-TL, AEMTL
- Use PICAL tool or similar for baseline and institutional capacity building monitoring
- Establish communities of practice
- Assist tourism associations to become financially sustainable and self-reliant
- Engage the Women’s Business Network (AEMTL) to support outreach to women in
### 4.1.3 Financial Services for Tourism Development

**Completed or in Progress**

- Ensure associations include gender focal points

**Recommendations for Further Programming and Implementation**

- Consult with Central Bank and Commercial Banks regarding on-line payments, credit cards (MasterCard), ATM services and micro, small and medium sized tourism loans, all of which are inhibiting international visitors from acquiring cash that they can spend while on holiday in Timor-Leste
- Simplify access to loans for micro and small businesses through micro finance institutions
- Organize financial literacy training for micro and small enterprises
- Improve capacity for accepting on-line payments

**Potential Actors and Partners**

MTCI DoT, TAF, TLTB, HOTL

### 4.2 Tourist Investment Group

**Activity Group 4.2**

**Activity**: Tourism Investment Working Group launched on March 22, 2019 in partnership with TradelInv and USAID-TFA

**Key Considerations/ Actions**: TIWG has conducted three formal meetings and four workshops since its inception (326 participants in total – 46% or which were women)

**Potential Actors and Partners**

MTCI DoT, TAF, TLTB, HOTL

**Recommendations for Further Programming and Implementation**

- Identify and address issues/concerns for tourism investment
- Determine how to better promote investment in tourism
- Provide opportunity to discuss options and solutions for tourism investment
- Improve enabling environment for tourism investment

The Tourism Investment Working Group (TIWG) was established on March 22, 2019 in partnership with USAID’s Tourism For All Project. The purpose of the TIWG is to provide a forum for government and industry to support the diversification of the economy to service sector industries such as tourism leading to increased foreign direct investment, export earnings and job creation.

The objectives of TIWG are to identify and address issues that constrain tourism development and investment; identify how to better promote investment in tourism; provide opportunities for stakeholder dialogue to seek options and solutions for overcoming barriers; and improvement of the business enabling environment.

Current participating members of the TIWG include a range of private and public sector representatives such as: CCI-TL, AEMTL, HOTL, restaurants, and Asosiasaun Cefe Timor (ACT), ATKOMA and AST REBECA and other relevant tourism businesses, MTCI, Tax Authority, SERVE, Customs Authority, Land and Property and SEFOPE.

**4.2.2 Public Private Partnerships**

**Completed or in Progress**

- Research conducted on current PPP law
- Create project pipeline and continually update a top ten shortlist based on established criteria
- Produce due diligence project concept papers, action plans, feasibility and analysis of projects
- Tourism investment advisory group led by Ministry of Finance PPP Unit established
- Cristo Rei pre-feasibility circulated widely across government agencies and departments
- Review of PPP law in relation to small scale PPPs being considered by MOF

**Recommendations for Further Programming and Implementation**

- Continue the process of identifying, analyzing and taking to market PPP opportunities in

As a tool of economic governance, PPPs represent an essential mechanism
Timor-Leste

- Other PPP ideas, include:
  - Build and operate community beach facilities at popular coastal dive sites
  - (from Priority Section) from pipeline, which are best suited as PPPs. Cristo Rei, Dili Port, Green T, Tourism Board, Boat Service between Atauro and Dili
  - Improve public asset management.

available to governments in advancing national development agendas through partnerships with private enterprise. With an infrastructure financing gap that is growing wider each year, the need for countries to develop forward-looking policies to crowd-in all available sources of financing is self-evident. Indeed, complex challenges to economic development and prosperity not only require pioneering solutions that leverage private capital, but also technical expertise and a capacity for innovation that is often the domain of the private sector.

### 4.2.3 Community-based Tourism Investments

**Completed or in Progress**

- CBET website established
- CBET Marketing Strategy conducted

**Recommendations for Further Programming and Implementation**

- Identify community-based tourism investment opportunities
- Conduct community consultations
- Produce conceptual designs of projects
- Establish cost estimates
- Develop and agree on legal framework for community engagement
- Establish tax and other investment concessions
- Produce investment prospectus
- Identify financing options will also be identified, e.g. development credit agreements

**Community-based tourism and small-scale ecotourism projects help broaden product development and build linkages with local communities. Attracting the right mix of (small and larger, domestic and foreign) investors is thus a critical part of destination development. This requires a common understanding—in our view based on a single planning document (ie ITMP)—amongst agencies responsible for investment generation and tourism development, amongst others.**

**TBD**

### 4.2.4 Investment Promotion

**Completed or in Progress**

**Recommendations for Further Programming and Implementation**

- Identify investment opportunities
- Create investment portfolios outlining the opportunity and the incentives
- Participate in select international events to promote tourism investments in Timor-Leste, e.g. Hotel Investment Conference Asia Pacific (HICAP)
- Organize an investment promotion roadshow in select cities in Indonesia Jakarta, Bandung, Surabaya and Bali to build awareness of Timor-Leste tourism investment opportunities
- Promote investment opportunities identified in Atauro to potential investors in collaboration with TradeInvest.
- Tap into socially responsible investor networks to identify potential sponsor/investors for tourism development.
- Tourism project investment portfolios promoted to targeted social investors

**Investment promotion actively seeks to bring investment opportunities to the attention of potential investors, provides capital, jobs, skills, technology and exports, and increases productivity, innovation and wages in a city or country. Investment promotion is targeted to both domestic as well as foreign companies.**

**TBD**

### Pathway 5 Improve destination marketing through targeted campaigns and interventions

**Activity**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Key Considerations/ Actions</th>
<th>Potential Actors and Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>5.1.1 International Tourism Brand</strong></td>
<td>Explore the Undiscovered brand developed and launched in 2017 through extensive consultations</td>
<td>Explore the Undiscovered serves as the international brand for promoting tourism to Timor-Leste internationally. Capitalizing on both its natural environment and rich cultural heritage, Timor-Leste wishes to avoid mass tourism in favor of ‘unique experiences’ for high-income tourists. This is conveyed in the brand.</td>
</tr>
<tr>
<td><strong>Group 5.1 Destination Branding and</strong></td>
<td>Completed or in Progress</td>
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Pathway 5 Improve destination marketing through targeted campaigns and interventions
### Packaging

<table>
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<tr>
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<tbody>
<tr>
<td>Identify routes and itineraries that can be packaged (2-10 days)</td>
<td>Product packaging combines various tourism services into one all-inclusive experience for the visitor. Tourism packages may be long or short in distance and/or duration: lasting one-day, overnights, or for a period of a month or longer. An experience may be for one, two or more people travelling as individuals, or for a bus-load of people travelling as a group. Package tours combine the cost of all the services and are sold for an “all-inclusive” price that is attractive to tourists. Packaged vacations take the guesswork out of travel planning, and create peace-of-mind and simplicity for the visitor. By doing the planning ahead of time, creating the itinerary, and ensuring streamlined service, a visitor can simply arrive and enjoy their time without any worry or stress. This is strongly recommended considering Timor-Leste’s early stage of tourism development.</td>
<td>TBD</td>
</tr>
<tr>
<td>Package tours and provide variable pricing depending on number of passengers and quality of services for international source markets in accordance with niche interests</td>
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<tr>
<td>Organize a training course to develop an understanding of the importance of tourism product packaging – partnerships, pricing, commissions, etc.</td>
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<tr>
<td>Package experiences for Timorese and resident expatriates living in Dili</td>
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<tr>
<td>Work with Nusa Tenggara Timor to develop a ‘One Island-Two Nations’ or ‘Trans-Timor’ route/itinerary that can be co-branded and marketed to international markets</td>
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<tr>
<td>Develop and promote local festivals that can be packaged and marketed on the international market</td>
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<tr>
<td>Negotiate with airlines, hotels and transportation providers for preferred rates that can be bundled into packages</td>
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<tr>
<td>Work with local destination management companies to develop better coordination and partnership</td>
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### Recommendations for Further Programming and Implementation

<table>
<thead>
<tr>
<th>Turizmu Ba Ema Hotu brand established and launched by MTCI with support from USAID-TFA in 2019</th>
<th>Turizmu Ba Ema Hotu serves as a Timor-centric tourism brand to increase tourism awareness and promote domestic tourism among Timorese</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stimulate Domestic Tourism Demand</strong></td>
<td><strong>Completed or in Progress</strong></td>
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</tbody>
</table>

### 5.1.2 Domestic Tourism Brand

- Ensure that Turizmu Ba Ema Hotu is used by civil society, Government and industry when promoting domestic tourism
- Consider using ‘My Timor-Leste’ as a sub-brand for domestic tourism promotion, particularly resident expatriates
- Organize a Timor-Leste Travel Trade Fair that includes all 13 Municipalities (public and private sector) to promote domestic tourism
- Conduct sales call to Embassies and International agencies located in Dili to promote tourism in Timor-Leste
- Leverage domestic (Tetun-language) media to promote tourism in Timor-Leste to Timorese and get them travelling around their country
- Use local (English-language) media outlets such as Guidepost to promote domestic tourism activities among resident expatriates
- Organize a wall painting competition to encourage tourism awareness in country

### 5.1.3 Routes, Itineraries and Packages

- A 5-day/4-night itinerary developed for the Singapore market by USAID-TFA
- A package for the Darwin market developed by HOTL

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<tr>
<td>Training for use of the website was provided. However, the Directorate of Tourism failed to maintain and update website content. This occurred because the Directorate of Tourism does not have a recurring budget for operating the website, nor suitably qualified staff with requisite IT and language skills.</td>
<td>MTCL, USAID-TFA</td>
<td>TAF, MTCI DoT, TFA</td>
</tr>
<tr>
<td><a href="http://www.timorleste.tl">www.timorleste.tl</a> established in 2016 by Directorate of Tourism with support from TAF/NZAID</td>
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### Recommendations for Further Programming and Implementation

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<tr>
<td>The MTCI should provide hi-resolution versions of the logo and encourage all stakeholders to display it as widely as possible and ensure that it is included in all digital and traditional tourism marketing and promotion activities.</td>
<td>MTCL DoT, TFA, TLTB</td>
<td></td>
</tr>
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### Activity Group 2.2

#### Marketing and Promotion

**Government of Timor-Leste**

- Make [www.timorleste.tl](http://www.timorleste.tl) the single authoritative resource and information portal for tourism
- Establish and frequently post photos, videos and short stories on social media accounts, e.g. Facebook, Instagram, YouTube
- Establish an expert unit (or outsource) to oversee the content and editorial control of Timor-Leste’s tourism-related digital marketing platforms
- Develop an e-marketing strategy
- Organize banner advertising/links with websites sites
- Advertise on key websites
- Create Google ad word campaigns
- Produce digital marketing campaigns for key source markets
- Continually update consumer-related and e-library content
- Establish and maintain a calendar of events and photo bank
- Establish a Timor-Leste Tourism News e-bulletin for monthly or bi-monthly dissemination to a database of policymakers, industry members, international tourism businesses and online subscribers
- Organize a “win a dream trip” or similar social media campaign using examples such as “Best Job in the World”
- Use #exploretheundiscovered for promotional activities
- Monitor and share google analytics and digital marketing performance on a regular basis
- Invite Bloggers and Travel Influencers to attend a Discover the Undiscovered blogger blitz

**The Private Sector/Tourism Industry**

- Provide a link to [www.timorleste.tl](http://www.timorleste.tl) on all company websites and digital marketing platforms
- Encourage the use of #exploretheundiscovered for promotional activities
- Provide contacts for the national tourism database of key local and international contacts
- Improve in-house digital marketing capacity

**Civil Society**

- Provide information on upcoming events for insertion in the annual calendar of events
- Encourage the sharing photos and stories through #exploretheundiscovered

**Development Partners**

- Organize a digital bootcamp for public and private sector stakeholders with content that includes conducting health checks for websites, key-word analysis, using Google Analytics, pricing for contemporary hoteliers, Online Travel Agents (OTA), reputation management, and TripAdvisor do’s and don’ts
- Help update [www.timorleste.tl](http://www.timorleste.tl) and add features such as e-library, event calendar, social media streaming, photo bank, etc.
- Provide training to designated beneficiaries on website operations and maintenance
- Produce original stories about the country for digital dissemination
- Invite internationally renowned digital tourism marketing platforms, e.g. TripAdviser to provide training in content development
- Support micro and small enterprises to gain a foothold in digital marketing

#### 2.2.2 Traditional

<table>
<thead>
<tr>
<th>Completed or in Progress</th>
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<tbody>
<tr>
<td>Timor-Leste has been represented at Bali and Beyond Travel Fair since 2017</td>
</tr>
</tbody>
</table>

TBD

**www.timorleste.tl** was updated and relaunched in 2020 with support from USAID-TFA.

Recommendations for Further Programming and Implementation

A well designed and maintained website is a very important tool for any destination to attract potential visitors and generate high quality leads. It will be essential to explore the possibility of engaging a native English-speaking digital marketing advisor to support website management, content development, online marketing, and social media marketing while building capacity and documenting procedures of the government staff held responsible. Potentially this service could be contracted in the early stages. However, it is advised that the Ministry of Tourism, Commerce and Industry eventually establish a digital marketing hub using government staff.
### Recommendations for Further Programming and Implementation

#### Government of Timor-Leste
- Organize familiarization (FAM) trips for travel agents, tour operators, journalists, bloggers and key opinion leaders (KOLs) from select source markets, preferably with established connectivity
- Facilitate and organize an Explore the Undiscovered booth at select international trade shows in partnership with the private sector
- Organize a Sales Safari to select target source market cities with table top sales followed by a sundowner networking event
- Develop a national visitor guide that is available in every hotel and airport that can be distributed at trade shows, embassies, and visitor centers; and supplement cost with paid advertising from the private sector
- Collaborate with Nusa Tenggara Timor (NTT) to organize cross-border tourism events and destination marketing activities
- Open a Timor-Leste Marketing and Promotion Office in Bali
- Seek to exchange or purchase billboard advertising at Bali’s Ngurah Rai International Airport, Dili’s Nicolò Lobato International Airport, Singapore’s Changi Airport, Darwin International Airport, etc.
- Purchase advertising and produce feature editorials for in-flight magazines
- Target the Indonesian market by attracting an Indonesian celebrity to visit Timor-Leste (e.g. Krisdayanti)
- Organize a consumer contest ‘win a trip to Timor-Leste’ in source markets such as Indonesia, Darwin, Singapore
- Seek opportunities to promote tourism through Hollywood, Bollywood or Indonesia’s film industry

#### The Private Sector/Tourism Industry
- Provide hosting of accommodation, meals, transportation, etc. for guests visiting Timor-Leste as part of a FAM trip or other marketing-related activity
- Participate in select international trade shows possibly under the unified umbrella of an Explore the Undiscovered booth
- Participate in sales missions

#### Civil Society
- Develop exchanges through the Catholic church of Indonesia and Timor-Leste
- Promote faith-based tourism

#### Development Partners
- Assist the GoTL to conceptual and implement FAM trips and other traditional marketing activities
- Provide grants to help subsidize trade show and other marketing activities

<table>
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<tbody>
<tr>
<td>2.3.1 Communication Clearing House</td>
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</tr>
<tr>
<td>Strategic Tourism Marketing Plan for Timor-Leste (Indonesia) was commissioned by TAF</td>
<td>There is a need to substantially enhance <a href="http://www.timorleste.tl">www.timorleste.tl</a> as a main point of contact for B2B and B2C business cultivation, capable of generating inquiries and commercial leads for onward distribution and materialization by members of the tourism community.</td>
<td>TAF</td>
</tr>
<tr>
<td>Identify and recruit suitable individual(s) to work as business manager(s) to handle and monitor all inquiries, comments and complaints generated via the website and social media</td>
<td>Capturing and converting tourists when they are planning their holiday is an essential stage of tourism marketing. During the booking stage it is important to provide accurate, timely and up-to-date information,</td>
<td>TBD</td>
</tr>
<tr>
<td>Activity Group 2.3 Booking Conversion and In-country Support</td>
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<td>-------------------------------------------------------------</td>
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</table>
| • Install a “ticket system” to monitor incoming inquiries from the website and ensure timely, effective and efficient replies  
• Provide capacity building to industry to respond professionally to commercial inquiries and ensure all leads are follow up on in a satisfactory manner  
particularly in a lesser known destination such as Timor-Leste. Pre-arrival communication is central to the tourism experience. |

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<tr>
<th>2.1.5 Visitor Information Dissemination</th>
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<tbody>
<tr>
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</tr>
<tr>
<td>A needs assessment of National Visitor Information Center in Dili was conducted by USAID-TFA in 2018</td>
</tr>
<tr>
<td>Key recommendations include: better awareness and understanding of what information tourists are looking for; greater variety and knowledge of half and full day itineraries in Dili and across the country; improved maps and use thereof to highlight where to go and how to get there; improved information gathering; and updated brochures and collateral. USAID-TFA</td>
</tr>
<tr>
<td>An Action Plan for an enhanced Tourism Information Center through a public private partnership modality was produced by USAID-TFA in 2019</td>
</tr>
<tr>
<td>Involving the private sector in the visitor information center could boost the facility’s usefulness and transform it into a more vibrant and profitable space for attracting tourists. Additions to the facility might include a tour sales desk, ticketing agency, café/restaurant, and souvenir shop. This would provide a model for sustainable financing of operations and maintenance of the center. USAID-TFA</td>
</tr>
<tr>
<td>A conceptual design has been produced for the Atauro Visitor Information and Conservation Center</td>
</tr>
<tr>
<td>The conceptual design has been unanimously agreed by Atauro stakeholders and a funder is required to construct the facility USAID-TFA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recommendations for Further Programming and Implementation</th>
</tr>
</thead>
</table>
| • Conduct a pre-feasibility study on options for PPP management of Visitor Information Center in Dili  
• Seek funding for the construction of the Atauro Visitor Information and Conservation Center  
• Appoint Turizmu Ba Ema Hotu Ambassador (s) to serve as information providers  
• Produce a visitor map highlighting local businesses and tourism service providers for distribution at the airport, hotels and the visitor information center  
• Develop and distribute daily seat-in-coach tours that can be sold at hotels and the visitor information center  
• Train visitor Information center staff to improve service quality  
• Organize regular activities at the visitor information center  
• Develop and pilot an APP for digital tourism information dissemination, e.g. Visit Dili |
| Once a visitor has arrived in Timor-Leste it is imperative that on-the-ground destination knowledge is readily available communicating stories, transportation schedules, things to do and where to go. A tourist information center is a one-stop shop where travelers can connect to local businesses and services. A well operated visitor information center will help promote local tourism products and services; and consequently, have direct impacts upon small and medium sized tourism enterprises. TBD |

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<tr>
<th>2.3.3 Experiencing and Sharing</th>
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<tr>
<td>Completed or in Progress</td>
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<table>
<thead>
<tr>
<th>Recommendations for Further Programming and Implementation</th>
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</table>
| • Organize a regular welcome performance for all incoming flights to make a first impression on arriving visitors  
• Establish a tourism concierge service at airport to welcome guests to Timor-Leste and assist them through arrival procedures  
• Produce a unique immigration stamp that is memorable and a must have  
• Create backdrops at key tourism sites (e.g. Cristo Rei, Port of Dili during cruise ship visits, and airport) to encourage tourists to share their experiences in Timor-Leste on social media using hashtag undiscovered |
| Provide awesome customer service before, during and after an activity and exceed customer expectations leading to satisfaction. These positive experiences will encourage visitors to become brand ambassadors and share their stories on social media and through word of mouth. TBD |