



MFAT Management Response to *Tourism Development
Phase 2 (2019-2024) Review*

A note from the author of this review:

The *Tourism Development Phase 2 (2019-2024) Review* was a thorough and comprehensive study of MFAT's Tourism Development in Timor-Leste. It should be noted that the recommendations received in the Review are broad, and cover the needs of the whole tourism sector in Timor-Leste, rather than focusing on where New Zealand can add the greatest value. They would require more action to implement than can be realistically expected of a single phase in MFAT's tourism development support to Timor-Leste. For that reason, future activities should coordinate with other donors (such as Australia) whose tourism development programmes are working in the Timorese Ministry of Tourism and Environment (MoTE) so that New Zealand's efforts are complementary and aligned.

A new phase of tourism development support will be designed over the coming 12 months. Through this process we will identify which recommendations from this review New Zealand will be prioritising for Phase 3.

The recommendations for public-private sector coordination on tourism (recommendations 1.5, 1.6, 2.1, 2.3.1, & 2.4.1) should be consolidated.

Evaluation Report Recommendation	MFAT Response and Action (Agree, Partially Agree, Reject)
<p>Skills and capacity Ministry of Tourism and Environment</p> <p>1.1 Review and clearly define roles within MoTE to align with strategic objectives and improve accountability.</p> <p>1.2 Provide ongoing professional development in project management, tourism marketing, and financial management.</p> <p>1.3 Create standard operating procedures for critical functions to ensure consistency and efficiency.</p> <p>1.4 Introduce digital tools and technologies to streamline processes and improve decision-making.</p> <p>1.5 Facilitate regular forums and partnerships with the private sector to enhance resources and</p>	<p>Agree with recommendations 1.1-1.8</p> <p>The design for the next phase of Tourism Sector development in Timor-Leste should focus on:</p> <ul style="list-style-type: none"> • Role Definition and Capacity Building within MoTE: Roles will be clearly defined to align with strategic objectives, and staff will be supported with ongoing professional development in critical skills such as project management and financial management. • Operational Efficiency and Digital Transformation: Standard operating procedures will be developed and digital tools will be introduced to deliver more effective services. • Public-Private and Local Collaboration: Technical assistance will be offered to MoTE to enabled

<p>expertise.</p> <p>1.6 Establish a clear public-private partnership framework to guide collaboration on key projects.</p> <p>1.7 Improve communication between MoTE and municipalities to align local and national tourism efforts.</p> <p>1.8 Empower municipalities by decentralising certain tourism management functions, with training and resources.</p>	<p>them to establish a framework for public-private partnerships, and improve communication with municipalities to align national and local tourism efforts.</p>
--	--

<p>Private sector development and integration</p> <p>2.1 Incorporating Private Sector Voices in Policy-Making and Budgeting Processes:</p> <ul style="list-style-type: none"> Establish Regular Consultative Platforms: Recommend the creation of regular consultative forums where private sector stakeholders can actively participate in discussions about policy formulation and budget allocation related to tourism. These forums could include representation from various industry associations, local businesses, and international investors. Structured Feedback Mechanism: Suggest implementing a structured mechanism where the private sector can provide feedback on proposed policies and budgetary decisions. This could be facilitated through online portals, surveys, or regular meetings with key government officials. Public-Private Partnership (PPP) Framework: Advocate for the development of a PPP framework (<i>while being mindful of political space</i>) that clearly defines the roles and responsibilities of the private sector in tourism development projects, ensuring their input is integral to decision-making processes. 	<p>Partially agree with recommendation 2.1</p> <p><i>Comment: Recommendations 2.1-2.5 should be condensed and considered in the future activity design, informed by scope and priority.</i></p> <p>Future work on private sector integration could:</p> <ul style="list-style-type: none"> Establish Regular Public-Private Forums: Structured, ongoing forums will allow for private sector input on policy and budget matters. These forums should involve representatives from key industry associations, local businesses, and potential investors. It will be agreed with MoTE if this is something they can lead. Develop a Digital Feedback System: Implementing an online platform (possibly with offline options to increase accessibility) will allow the private sector to provide feedback on proposed policies and budgetary choices.
<p>2.2 Enhancing Private Sector Representation in Tourism Governance: Representation on Key Committees: Recommend increasing the number of private sector representatives on key tourism governance bodies such as the Tourism Advisory Board and the Inter-ministerial Commission for Tourism. This could include</p>	<p>Partially agree with recommendation 2.2</p> <p><i>Comment: This may be outside the scope of future New Zealand support and decision-making.</i></p> <p>Private sector seats on Tourism Governance Bodies could be increased.</p>

<p>members from hotel associations, tour operators, and other relevant industry bodies.</p> <ul style="list-style-type: none"> 2.2.1 Rotational Leadership Roles: Propose introducing rotational leadership roles within these bodies to ensure diverse representation from different sectors of the tourism industry, allowing for broader perspectives and innovation. 2.2.2 Capacity Building for Private Sector Leaders: Suggest capacity-building programs for private sector leaders to enhance their ability to contribute effectively to governance structures. This could include training in areas such as public policy, strategic planning, and financial management. <p>2.3 Strengthening Public-Private Collaboration:</p> <ul style="list-style-type: none"> 2.3.1 Joint Strategic Planning Sessions: Recommend organising joint strategic planning sessions between government and private sector stakeholders to align their objectives and strategies for tourism development. Shared Data and Resources: Propose creating a shared database where both public and private sectors can access key data on tourism trends, visitor statistics, and economic impact, facilitating more informed decision-making. Collaborative Marketing Campaigns: Advocate for the development of collaborative marketing campaigns that involve both government and private sector funding and resources, ensuring consistent messaging and broader reach. 	<p>However, decision-making on the engagement of private sector sits with Government of Timor-Leste. Future New Zealand supported activities should advocate for expanding private sector representation on key tourism governance bodies, such as the Tourism Advisory Board and the Inter-ministerial Commission for Tourism.</p> <p>Partially agree with recommendation 2.3</p> <p><i>Comment: This may be outside the scope of a further phase of New Zealand support.</i></p> <p>The intentions of the proposed Joint Strategic Planning Sessions could be covered by recommendations 2.1 and 2.2. This will be determined through a design process.</p> <p>A centralised database will enable data sharing, support informed decisions, and lay the foundation for collaborative marketing efforts by providing up-to-date insights to all stakeholders. However this is outside of the scope of New Zealand's support and should be led and owned by the Government of Timor-Leste.</p> <p>The new phase should engage with existing marketing campaigns as suggested.</p>
--	--

<p>2.4 Communication</p> <ul style="list-style-type: none"> 2.4.1 Establish regular forums and networking events to encourage collaboration and knowledge sharing among tourism stakeholders. 2.4.2 Implement digital platforms for communication, resource sharing, and collaboration among tourism stakeholders. 2.4.3 Establish systems to monitor collaboration effectiveness and gather stakeholder feedback for continuous improvement. <p>2.5 Capacity building and business development:</p> <ul style="list-style-type: none"> 2.5.1 Provide targeted training and mentorship to local tourism organisations in business management, marketing, and sustainable practices and tour guiding. 2.5.2 Develop Public Private Partnership frameworks that clearly define roles and drive joint infrastructure and marketing projects. 2.5.3 Provide financial assistance and business development services tailored to small and medium enterprises in the tourism sector. 	<p>Partially agree with recommendations 2.4 and 2.5</p> <p><i>Comment: This is outside the scope of a further phase of New Zealand support.</i></p> <p>Future activities could:</p> <ul style="list-style-type: none"> Organise Quarterly Networking Events and Forums: Establish quarterly networking events and forums for tourism stakeholders, including government agencies, local businesses, and community groups.
<p>Destination Management Plan</p> <p>3.1 Support the development of a national Destination Management Plan (DMP) to provide strategic direction for tourism development using a destination management framework that engages all stakeholders including municipalities and communities. The DMP needs to incorporate action plans that stakeholders commit to for priority</p>	<p>Agree with recommendation 3.1</p> <p><i>Comment: MFAT funded an 18-month extension to The Asia Foundation's Tourism Development work, which includes work towards the Destination Management Plan. Future activities may be designed to contribute towards this further, depending on what is possible.</i></p> <p>Actions:</p> <ul style="list-style-type: none"> An effective DMP should be developed

<p>destinations.</p> <p>3.2 For priority destinations identified through the DMP, support further local sustainable destination development and best practice site development</p>	<p>through workshops, forums, and regular consultations aimed at aligning stakeholder priorities and setting measurable goals for tourism development.</p> <ul style="list-style-type: none"> For effective local destination development, the future activity should create specific guidelines focusing on sustainable tourism practices and best site development methods.
<p>Visitor site and experience development</p> <p>4.1 Work with municipalities to plan for development of key sites as vibrant visitor experiences including working with communities to offer interactive experiences at sites where appropriate. Provide professional advice, case studies and mentoring to ensure optimal site development complementing the natural environment.</p> <p>4.2 Collaborate with existing tour operators and private sector suppliers that have the inherent on ground operational and community-based knowledge to develop new experiences that deliver on the brand.</p> <p>4.3 Implement an experience development program offered to operators and community members and businesses that have aspirations for tourism to help to identify and progress the best fit for experiences that deliver on Timor Leste brand.</p>	<p>Agree with recommendations 4.1 – 4.3</p> <p><i>Comment: Developing visitor experiences outside of Dili is essential for tourism in Timor-Leste to flourish, bring greater overall economic benefits, and for those benefits to be spread more widely. This will be incorporated into the design process.</i></p> <p>Future activities should:</p> <ul style="list-style-type: none"> Engage Municipalities: Partner with local government units to identify and prioritise key sites with tourism potential. Develop strategic plans that incorporate the needs of the community and preserve the natural environment. Involve Communities: Facilitate community participation in creating interactive and culturally relevant visitor experiences. Provide Expert Support: Offer municipalities access to professional guidance, case studies, and mentorship from tourism development experts to enhance site development and management while maintaining environmental sustainability.