



GROWING TOURISM TO 2030 – CREATING A SENSE OF NATIONAL IDENTITY

TOURISM POLICY FOR TIMOR-LESTE

DRAFT

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“A beautiful country like East Timor, with its determined and heroic history, must not be promoted through a tourist industry which creates a small modern world of luxury hotels, but rather we should accelerate the creation of conditions for ecotourism as a means to promote the unique identity, personality and character of our people, with a dimension of more humane relationships between people.

It is necessary that we are uncompromising in our defence of the environment, with all the consequences this may bring, because we should never lose sight of the small language of the land which is our nation, which has to be preserved as our birthplace and as the green lawn from where the future generations will grow, and as a grave full of flowers for all the generations that have gone before”.

Xanana Gusmao 1999,

“For the sector to thrive, and for Travel & Tourism to develop in a sustainable manner, governments need to provide a supportive physical, regulatory, fiscal and social environment – one which is also conducive to business development. This means adequate infrastructure, incentives for private sector investment, easy access – including good transport connectivity and visa facilitation – and intelligent taxation, as well as the appropriate policies to encourage growth in demand.”

World Travel & Tourism Council 2015

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PRIME MINISTER / MINISTER OF TOURISM STATEMENT

Timor-Leste has considerable tourism potential and the sector is of critical importance to the future of our economy. To ensure the industry is developed in a sustainable, effective and efficient manner, a clear policy framework must be in place. This Tourism Policy for Timor-Leste entitled Growing Tourism to 2030 – Creating a Sense of National Identity is a call to action for all stakeholders to work collectively towards achieving the true potential of our country as an international tourism destination.

Since gaining independence, Timor-Leste tourism has encountered periods of growth and decline, with wider political and economic trends at home and abroad significantly influencing overseas visitor numbers. Nonetheless, tourism is one of the nation's most important economic sectors and has significant potential to play a central role in Timor-Leste's pivot from an economy reliant on revenues from oil extraction.

In 2015, tourism was responsible for earning some US\$14 million in direct benefits to our economy. The sector supports about 4,000 jobs in the accommodation, food sector, and other tourism related services. However, tourism's contribution is not confined to directly generating employment, economic activity and exports. It also contributes by encouraging social inclusion and access to the labour market by our women and youth. Tourism has the potential to eradicate poverty and promote entrepreneurship, which will provide much needed to opportunity to our people.

Given Timor-Leste's position as a small island economy, we are heavily dependent on the exporting sectors to generate the revenue that fuels domestic economic activity and provide a significant contribution to the taxation that funds public services. The focus of tourism policy must therefore be to maximise the export contribution of tourism, while protecting the invaluable assets that are our natural, built and cultural heritage.

This involves a concerted effort by all government departments, the private sector and civil society to work in a unified fashion in which tourism success is a national priority. In terms of specific targets, by 2030 the Government's ambition is that overseas tourism revenue will reach US\$150 million in real terms (i.e. in 2016 prices), and employment in the sector will reach 15,000. This will be underpinned by 200,000 overseas visits per year by 2030, compared to 55,000 in 2015.

In the past, our natural and cultural heritage has been consistently cited as the primary motivating factors for people choosing to visit in the first place and for subsequently enjoying their holiday experience in Timor-Leste. For the future, our people, nature and culture will be the key pillars around which our tourism offering will be built.

Now, for the first time, we will also have an agreed policy framework in place that focuses on purpose, prosperity, protection, partnership and people as the key drivers of our tourism success. The Government is committed to the guiding principles set out in this Tourism Policy and in the coming months, we will develop a complementary implementation strategy and detailed action plan to set out specific measures that will be implemented to advance the development of Timor-Leste tourism in the coming years.

Our ambitions are not without their challenges. Benchmarked against international tourism competitiveness indicators and neighbouring ASEAN countries, Timor-Leste has a weak enabling environment limiting the ability of our tourism sector to develop. Our policy and enabling

conditions are sometime counterproductive and incompatible with our ambitions for tourism growth. There are also limitations to sector expansion due to poor or non-existent infrastructure. And we have yet to place the offer of our natural and cultural resources at the centre of our tourism development. While we should appreciate and acknowledge these challenges, they should not be an excuse or reason for inaction.

Now is the time to put tourism at the centre of our political agenda and plant the seeds that, if nurtured, will bear economic fruits for our people and have lasting positive impacts on future generations of Timorese.

In 2030, our aim is that we will have a vibrant, 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. This Tourism Policy provides the framework to deliver this ambition and we look forward to working with the industry, tourism agencies, government departments and everybody with an interest in Timor-Leste tourism to ensure we achieve our ambition.

In conclusion, we would like to express our thanks to the International Labour Organisation, New Zealand Agency for International Development and all stakeholders for their contribution and cooperation in developing this Tourism Policy for Timor-Leste.

Insert Photo's and Signatures

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EXECUTIVE SUMMARY

This Tourism Policy for Timor-Leste is an overarching policy, with broad principles set out for the development of the country's tourism sector in the period up to 2030. It sets a framework for placing tourism at the core of national socio-economic expansion and calls on all stakeholders to coordinate, collaborate and partner in order to earn foreign exchange, create jobs and alleviate poverty.

It states that both public bodies and private enterprises must ensure that social, economic and environmental sustainability is central to Timor-Leste's tourism offering in order to maximise the future competitiveness of the country as a visitor destination. It also recognises that Timor-Leste's cultural heritage and natural environment is both fragile and integral to the country's tourism offering and endorses the protection of natural and built heritage in a manner that is sustainable from an environmental, economic and societal perspective.

The Tourism Policy is meant to underpin any existing strategies formulated by Ministry of Tourism, Arts and Culture and other government agencies, to date, with the proviso that these remain aligned and consistent with the macro-level principles set forth in this document. The Tourism Policy does not itself propose the location, nature, size or operating conditions of strategic implementation, nor does it allocate specific resources to them. Rather it serves as a framework against which future strategies can be assessed and can inform decisions that may impact the tourism sector, for example in education and training.

The principles set forth in this Tourism Policy are founded on and benchmarked against good international practice as defined by internationally competitive destinations in relation to the enabling environment, political will, infrastructure and tourism resources. The current situation of industry development and national aspirations for a thriving economy that is less dependent on oil as a mainstay are also considered.

As identified below, the Tourism Policy posits five overarching themes through which government, industry, civil society and development partners should view tourism and focus their efforts in order to achieve a vision of sector prosperity and sustainability for Timor-Leste.

Purpose

In order to achieve the Tourism Policy purpose, the tourism industry will be recognised domestically and internationally as a vital pillar of economic development and will be embraced by all government institutions and the private sector. This will be achieved by committing public funding and resources required to place tourism at the forefront of national economic development and by a strong internal marketing campaign that will communicate the priority of tourism across all departments and institutions. Through advocacy efforts by leading public figures, the people of Timor-Leste will better appreciate their role as tourism hosts and embrace the national aspiration of tourism for all and all for tourism

Prosperity

Timor-Leste tourism will be recognised for its price competitiveness and as a value for money destination, which will be achieved and supported by enabling initiatives at government level to drive growth in tourism, facilitating and encouraging linkages with other local industries and implementing supporting fiscal measures, based on close monitoring of economic and market trends in Timor-Leste and the wider ASEAN region. Timor-Leste tourism will be characterised by delivering employment and creating new opportunities to all parts of society through local community based tourism enterprises. This will be achieved through partnerships between

entrepreneurs and government to create new ventures and local employment that are linked to and integrated with the wider tourism offerings of the country.

Protection

Timor-Leste tourism will be recognised for valuing and protecting the natural environment and its unique cultural heritage. This will be achieved through the enactment of legislation that affords full protection for the natural and built environment that ensures sustainable development and supports community based tourism ventures. The country will be recognised as a safe, secure and healthy tourism destination that operates to the highest internationally recognised standards. This will be achieved by continuous investment in training staff in support industries, such as security, health and environmental monitoring, and the coordination of such services at governmental level.

Partnership

Timor-Leste tourism will be characterised by a range of public and private partnerships that stimulate, develop and grow a diverse portfolio of tourism products ranging from community based initiatives to foreign direct investment. This will be achieved through inter-ministerial and inter-departmental cooperation and engagement with the private sector, with the shared vision of creating an economically viable tourism industry. This will drive the integration of public and private investment to stimulate and develop a diversified tourism industry. Tourism partnerships will be exemplified by the establishment of the Tourism Authority of Timor-Leste at the national level and destination management organisations (DMOs) at the local district level.

People

Tourism in Timor Leste will be characterised by a workforce that is trained and educated to internationally recognised standards to ensure the highest quality of visitor experience. This will be achieved through partnership between industry and the education/training sector to design and deliver programmes at all levels in a manner that facilitates access for participants at all stages of their careers. The government and private sector commit to fund and resource these education and training initiatives on an on-going basis. This will be further supported by the private sector releasing managers to act as mentors to entrepreneurs to encourage new community based ventures. Tourism awareness will be improved by introducing introductory courses in primary and secondary school curricula.

METHODOLOGY

The public consultation process for this Tourism Policy began in 2008 when an initial draft document was produced by the United Nations World Tourism Organisation (UNWTO).¹ Further valuable evidence-based research has also been conducted by many development agencies active in Timor-Leste, including: the Asia Foundation in collaboration with Australian Aid²; the United States Agency for International Development³; the Asian Development Bank⁴; and the International Labour Organisation (ILO) in collaboration with New Zealand Aid and Irish Aid⁵.

In July and September 2016, a public consultation process commenced in which tourism stakeholders were interviewed individually and in focus groups to support the further development of Timor-Leste's Tourism Policy

In support of these activities, the Government of Timor-Leste has also conducted a tourism situational analysis that identifies the opportunities and challenges of developing the sector. This excellent work, led by H.E. the Minister of Tourism, Arts and Culture, provides the foundation for the development of this Tourism Policy and any complementary strategy and action plans can be established to help achieve specific national objectives, such as: employment; sustainability; regional integration; and economic diversification.

¹ Draft Timor-Leste Tourism Policy (2008)

² 2014 Survey of Travelers to Timor-Leste

³ Timor-Leste Diversification Analysis (August 2015)

⁴ Growing the Non-Oil Economy: A Private Sector Assessment for Timor-Leste (2015)

⁵ Business Opportunities and Support Services (BOSS) Project (2013)

INTRODUCTION

Currently, the business volume of global tourism equals or even surpasses that of oil exports, food products or automobiles. Tourism has become a major player in international commerce, and represents one of the main income sources for many developing countries. This growth goes hand in hand with increasing diversification and competition among tourist destinations. Tourism represents a complicated web of interrelationships that centres on the tourist, but also importantly involves the local community, the environment, public and private stakeholders and civil society. Tourism is a dynamic phenomenon that not only influences a country's economy, but also its environmental, political, social and cultural dimensions.

International tourism now accounts for 30 percent of the world's exports of services and six percent of all global exports.⁶ According to the UNWTO, total export earnings generated by international tourism in 2015 was US\$1.232 trillion dollars on expenditures for accommodation, food and drink, entertainment, shopping, and other services and goods. For Asia and the Pacific these earnings have tripled since 2005 reaching an impressive US\$418.9 billion in 2015.⁷

Global tourism arrivals surpassed the one billion mark in 2012 and have continued robust growth reaching 1.184 billion in 2015. For Asia and the Pacific, tourism arrivals have nearly doubled in the past decade from 154 million in 2005, to just shy of 300 million in 2015. These revenue figures equate to a staggering average daily spend of US\$3.375 billion on global services delivered at the destination. The daily regional spend for Asia and the Pacific destinations equates to US\$1.150 billion on average.

The World Travel and Tourism Council (WTTC) estimates that some 284 million people are engaged in some form of direct work in the global tourism sector, which accounts for one in 11 jobs worldwide.⁸ And when considered on a broader scale, experts argue that the tourism value chain provides a multiplier effect resulting in an additional 1.4 jobs per sector employee. That suggests that 638 million jobs are stimulated through global tourism related activities.

This is significant for a region where many countries are working to mitigate challenges of alleviating poverty, satisfying basic human needs, ensuring human welfare, promoting political stability, ensuring national security and seeking equality for ethnic groups, women and other vulnerable segments of their populations. In short, tourism presents an amazingly efficient and effective system for transferring wealth from more developed economies where the bulk of tourists originate to less developed countries making the sector compellingly pro-poor.

The Government of Timor-Leste sees the potential for tourism growth as part of a five-pillar economic development strategy and a means for broader inclusion of its 1.2 million people. There is consensus, among public and private stakeholders, that a substantive tourism planning mechanism is urgently required to set policy principles and serve as the roadmap for a unified tourism strategy and action plan for the country.

This Timor-Leste Tourism Policy is predicated on the stated objectives of the Strategic Development Plan - 2011-2030 (SDP), which is a 20-year vision reflecting the aspirations of creating a prosperous and strong nation. The SDP has been developed to inspire change, support collective action and plan for a better future. The SDP vision is by 2030 Timor-Leste will have joined the ranks of upper middle income countries, eradicated extreme poverty and

⁶ UNWTO Tourism Highlights 2015 Edition.

⁷ UNWTO World Tourism Barometer Volume 14 May 2016.

⁸ WTTC Travel and Tourism Economic Impact 2016.

established a sustainable and diversified non-oil economy. The Guide for Economic Reform and Growth of Timor-Leste, 2015 – 2017 (GRFE) identifies the five main economic growth pillars for Timor-Leste as being: oil and gas, agriculture, fisheries, tourism, and manufacturing.

For the tourism sector, under Pillar 4 of the GRFE two main activities are identified: developing an economic model to estimate current impact of tourism expenditure in the economy and forecast potential of the sector, and in conjunction with the Ministry of Tourism, Arts and Culture and the International Labour Organisation, establish a Tourism Policy for Timor-Leste.

Since independence in 2002, the Government of Timor-Leste has aspired to pivot towards tourism as a central driver of the economy in order to reduce its heavy reliance on extraction. At the Pacific Asia Travel Association's 2003 Travel Mart in Singapore, then President Xanana Gusmao, said in his keynote address, "Tourism will be an important provider of economic growth behind oil and gas. We are now developing this industry from ground zero and we will bring to the world our culture and our people".

Timor-Leste is situated in one of the most competitive tourism regions in the world. The Asia Pacific region experienced the fastest growth across world regions in 2015, with an 8% increase in international tourist arrivals and a 4% increase in tourism receipts. According to UNWTO reports, in 2015 Southeast Asia earned US\$108 billion from 104 million international visitor arrivals. The WTTC estimates that tourism directly employs 65 million people in the Asia Pacific region.

This growth in tourism economies in Southeast Asia stems from several reasons:

- Economic and demographic factors, such as: strong growth in large developing economies like China, rising middle classes, increased holiday entitlements, recently favourable exchange rates, and low oil prices;
- Tourism sector growth factors, such as: the continued expansion of low cost airlines, increased connectivity, more frequent business travel and city-break vacations;
- Technology factors, such as: the further development of the internet, increased social media presence, and expanded digital platforms; and
- Tourism policy factors, such as: greater commitment to tourism by governments and a demonstrated improvement in the sophistication of destination marketing and management organisations.

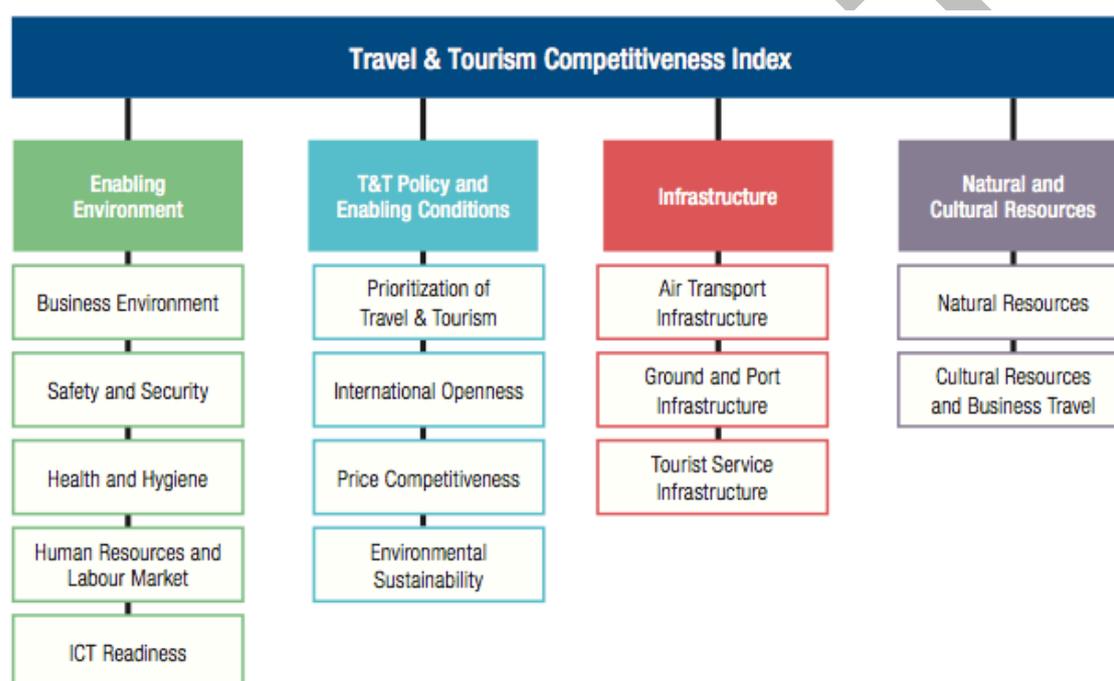
Estimates suggest that in 2015 Timor-Leste received US\$14 million from 55,000 visitors and that the tourism sector directly employed some 4,300 people. And while the economy is still predominated by oil and gas revenues, declining prices and production is compelling the Government of Timor-Leste to diversify its economy and tourism is viewed as a high potential substitute.

These key economic indicators lead to the question of how Timor-Leste nurtures the tourism sector as a key economic driver for the country. This Tourism Policy aims to provide answers and direction for this pivot away from a reliance on oil and gas to greater diversification in which tourism is at the centre of economic activities and growth.

UNDERSTANDING TOURISM AS A COMPLEX ECOSYSTEM

From a destination management perspective, tourism should be viewed as a complex ecosystem entailing the movement of people to countries and places outside their usual environment where they interact with the physical environment and local community.

The complexity of the tourism ecosystem requires that there is collective action at all levels of society and there must be a universal appreciation that sector success is everyone's business. The World Economic Forum (WEF) publishes the biennial *Travel and Tourism Competitiveness Report*, which establishes and measures a set of factors and policies that enable the sustainable development of a country's tourism sector and contribute to the overall competitiveness of a country. As shown in the below figure, the WEF index comprises four sub-indexes, 14 pillars and 90 individual indicators that collectively serve as a baseline for tourism policy and strategic development.



Spain topped the 2015 WEF edition of the global rankings for the first time, followed by France, Germany, the United States, the United Kingdom, Switzerland, Australia, Italy, Japan and Canada.

While Timor-Leste is not yet included in the index, many of the Southeast Asian countries in its competitive set are, including: Singapore (11th); Malaysia (25th); Thailand (35th); Indonesia (50th); Philippines (74th); Vietnam (75th); Lao PDR (96th); Cambodia (105th); and Myanmar (134th).

Overall, countries with the strongest performance are those that are best prepared to capture the opportunities of new trends, such as the growing demand from emerging and developing countries, such as India and China; the differing preferences of travellers from aging populations and a new generation of younger travellers; and the importance of online services and marketing, especially through mobile Internet and social media.

In addition, these countries recognise that the development of the tourism industry is complex and requires inter-ministerial coordination and public private partnerships to overcome financial, institutional and organisational bottlenecks.

The following analysis provides an overview of the 14 key pillars of tourism competitiveness and a benchmark situational analysis of where Timor-Leste stands vis-à-vis each of these criteria. Collectively, they provide an approach to tourism development that will reduce barriers to economic growth and job creation in Timor-Leste

THE ENABLING ENVIRONMENT

The enabling environment focuses on the extent to which business-friendly conditions are in place to stimulate private sector growth. It recognises that tourism is a business and emphasises important indicators describing the overall investment climate of a destination including, but not limited to, norms, customs, laws, regulations and policies.

BUSINESS ENVIRONMENT

The extent to which a country has in place policies conducive to companies doing business is a key consideration for a tourism economy. Aspects such as how well property rights are protected and the efficiency of the legal framework and ease of licensing are important considerations.

Timor-Leste's business environment, relative to its ASEAN neighbours, is fledgling and there is an urgent need to streamline processes and establish concrete policies to ensure a stable operating environment for its predominantly micro, small and medium enterprise business community. Many entrepreneurs view investing in Timor-Leste as high risk and remain cautious in establishing and expanding their businesses due to issues related to land tenure and bureaucratic processes. Although government authorities have established many procedures related to incorporation and licensing, these are often misunderstood and not readily available to the public. According to the World Bank, Timor-Leste ranks 173 out of 189 in terms of ease of doing business.⁹

SAFETY AND SECURITY

Safety and security is a critical factor determining the competitiveness of a country's tourism industry. Tourists are likely to be deterred from travelling to dangerous countries or regions. The costliness of common crime and violence as well as terrorism, and the extent to which police services can be relied upon to provide protection from crime should be a key consideration in tourism development plans.

Due to its relatively recent independence, Timor-Leste has a chequered past and from an outsider's perspective peace and stability is only a recent phenomenon. The country suffers from an unfortunate reputation for petty crime against women and reports of crocodile sightings around beachfront areas frequented by tourists. There is a general lack of public safety standards and enforcement to ensure an overall sense of security for international visitors.

HEALTH AND HYGIENE

Health and hygiene is an essential element of tourism competitiveness and is important for the comfort and health of travellers. This includes access to safe drinking water, clean food and

⁹ World Bank Group – June 2015

sanitation. And in the event that tourists do become ill, the country's health sector must be able to ensure that there are international standard facilities to properly care for them.

Although there is a provision for universal health care in Timor-Leste, basic services are low when set against international standards. Although, the country is known for its rich and diverse marine life, which is a major draw for the international diving community, the country lacks the capacity and facilities to deal with serious accidents that may occur, such as a decompression chamber. There is a general lack of understanding of minimal standards in regards to food hygiene among many hotel and food and beverage establishments in the country.

HUMAN RESOURCES AND LABOUR MARKET

Human capital is widely recognised as critical to the success of developing international standard tourism. Quality human resources ensure that the industry has access to the collaborators it needs to deliver products and services to standard. How well countries develop skills through education and training, and enhance the best allocation of those skills through an efficient labour market is an important consideration. Formal educational attainment rates and private sector involvement in upgrading human resources, such as business investment in training on service delivery and customer care is imperative. The depth of the country's talent pool and the effectiveness and efficiency in allocating human resources to their best use within the labour market is also vital.

Timor-Leste, like many countries in Asia and the Pacific, suffers from a severe deficiency in its ability to develop talent that can be responsive to the needs of the burgeoning tourism sector. Curricula are not aligned to the tourism potential of Timor-Leste and career opportunities for young people, i.e. eco-tourism and entrepreneurship. Courses on tourism are not offered in primary and secondary schools leading to an overall lack of public awareness of the sector as a key driver of the economy. There are over a dozen tourism-related programmes in the country, however many are heavy on theory and do not allow for practical application of learning objectives. There is little incentive for young people to consider tourism as a career either as a member of staff or, as an entrepreneur.

INFORMATION COMMUNICATION TECHNOLOGY READINESS

Online services and business operations have increasing importance in tourism, with Internet being used for planning itineraries and booking travel and accommodation. Not only is the existence of modern hard infrastructure, such as mobile network coverage and quality of electricity supply important, but also the capacity of businesses and individuals to use and provide online services to facilitate and improve customer satisfaction.

Internet in Timor-Leste is of acceptable quality in key urban areas and penetration continues to develop in more remote regions of the country. However, there is limited capacity, particularly among small and medium sized locally owned businesses, to fully engage in the digital economy as a tool for business development and operations. While a number of quality websites have been developed, sophistication in the usage of social media as an interactive marketing platform to attract international visitors remains in its infancy.

TRAVEL AND TOURISM POLICY AND ENABLING CONDITIONS

This pillar focuses on the destination's ability to attract foreign direct tourism investment and visitors. This relates to the building or management of hotels, resorts and attractions. It also highlights the priority given by government from a policy perspective to the minimisation of barriers for visitors (visas, air and sea access etc.) but also to monitor and influence pricing in the market place. It places a heavy emphasis on environmental conservation which increasingly is demanded by the market.

PRIORITISATION OF TRAVEL AND TOURISM

The extent to which the government prioritises the tourism sector has an important impact on sector competitiveness. By making clear that the sector is of primary concern, the government can channel funds to essential development projects and coordinate the actors and resources necessary to develop tourism. Measures related to government spending, effectiveness of marketing campaigns and country branding, and the completeness and timeliness of providing tourism data to international organisations, are important indicators of the importance that a country assigns to its tourism sector.

There is an abundance of evidence to suggest that the Government of Timor-Leste is committed to pivoting towards tourism as a mainstay of the national economy. While there is a clear willingness by government to invest in tourism and provide requisite annual budgets to nurture the growth of the sector, a lack of focus and purpose in allocating this money in a meaningful results oriented fashion is endemic. And while eco-tourism is widely identified as the best path forward for tourism in Timor-Leste, there is lack of unity by government agencies and civil society actors in this vision. Furthermore, there is a distinct absence of strategies and action plans that define roles and responsibilities of stakeholders, which leads to misunderstanding and inaction.

Data collection related to tourism statistics is fragmented and incomplete, which does not allow for accurate monitoring and evaluation of progress in sector development

INTERNATIONAL OPENNESS

Developing a competitive tourism sector internationally requires a certain degree of openness and travel facilitation. Restrictive policies such as cumbersome visa requirements diminish tourists' willingness to visit a country. The openness towards bilateral air service agreements entered by the government which impact on the availability of air connections to the country, is also important. Equally so, the number of regional trade agreements in force, serve as a proxy for the extent to which it is possible to provide world class tourism services.

There are few restrictions to entering Timor-Leste with the exception of acquiring a visa on arrival, which cost US\$30 for up to a one month stay. Bi-lateral air service agreements are limited due to Timor-Leste's remote location and infrastructure challenges and the country relies exclusively on access routes from Bali, Singapore and Darwin. There is room for improvement in the content and quality of these existing agreements, leading to liberalisation. Although not yet a member of the ASEAN Economic Community, Timor-Leste enjoys positive trade relations with many of its ASEAN neighbours as well as Australia. Due to its colonial heritage, the country is an active member of the Comunidades dos Paises de Lingua Portuguesa or CPLP, which ensures its open engagement in the international community.

PRICE COMPETIVENESS

Lower costs related to travel in a country increase its attractiveness for many travellers as well as for investing in the tourism sector. Among the aspects of price competitiveness taken into account are airfare, ticket taxes and airport charges, which can make flight tickets much more expensive. The relative cost of hotel accommodation, food, and other tourism activities compared to competitors is also an important consideration.

Due to its remote location and the fact that its economy operates in United States dollars, Timor-Leste is relatively expensive as compared to countries in its competitive set and lacks the value for money proposition of many of its neighbours. This is an inhibiting factor for the backpacker tourism segment, which often serves as an early adopter and pioneer for destinations. Due to the fact that very little is produced in the country, there is a heavy reliance on import of goods for use in the tourism economy. Compounding this phenomenon is the low levels of tourism arrivals, which does not allow tourism businesses to enjoy any level of economies of scale. Although there is a robust agriculture and fisheries sector in Timor-Leste, there are few linkages with the tourism economy and this remains a missed opportunity.

ENVIRONMENTAL SUSTAINABILITY

The importance of the natural environment for providing an attractive location for tourism cannot be overstated, so policies and factors enhancing environmental sustainability are an important competitive advantage in ensuring a country's future attractiveness as a destination. Policy indicators such as the stringency and enforcement of the government's environmental regulations and variables assessing the status of water, forest resources and sea beds are vital. Given the environmental impacts of tourism itself, the extent to which governments prioritize the sustainable development of the tourism industry in their respective economies should be taken into account.

One of the greatest appeal factors of Timor-Leste is its natural environment which is relatively untouched as compared to neighbouring Bali and other ASEAN destinations. The country's marine habitats are among the most unique on the planet with many rare aquatic species identified. The forests in the highlands of the country are also relatively untouched and pristine. However, with the pressures of development and a weak regulatory framework, these environments are at risk. While policies are in place to preserve the natural environment, there are gaps in implementation and enforcement. Timorese people and communities are under pressure to develop and often do not recognise the value of their natural assets, particularly in terms of tourism. Waste management approaches in the country are weak and in their current state are not able to absorb any additional demand that may be placed on them by the expansion of tourism. This may result in polluted beaches and oceans.

INFRASTRUCTURE

This pillar focuses on connectivity and infrastructure within a destination to facilitate arrival and for visitors to experience a high standard of access within a destination. It examines how integrated air and ground infrastructure is but extends to examine the quality and availability of tourist information and services at key nodes within a destination.

AIR TRANSPORT INFRASTRUCTURE

Air connectivity is essential for travellers' ease of access to and from countries, as well as movement within many countries. The quantity of air transport, using indicators such as available seat kilometres, the number of departures, airport density, and the number of operating airlines, as well as the quality of air transport infrastructure for domestic and international flights are important competitive measures.

There are four airlines currently serving Timor-Leste on a regular basis between Bali, Singapore and Darwin. Current load factors, which are not allowing for airlines to operate at profitable levels, indicate that existing capacity is sufficient to serve the current demand. The airport infrastructure allows A320s to land at restricted weights and during daytime hours only. Due to the current load factors, this is not a major challenge to growth at this time, as the focus should now be on filling the existing airplanes. Of immediate concern is the quality of the existing airport terminal infrastructure, which is in need of a cosmetic upgrade.

GROUND AND PORT INFRASTRUCTURE

The availability of efficient and accessible transportation to key tourist attractions is vital for the tourism sector. This requires a sufficiently extensive road and marine networks that meet international standards of comfort, security and modal efficiency. This also accounts for unpaved roads, which enable local connections, and to some extent, can proxy the existence of picturesque roads, which can, in very specific contexts, attract tourists.

In recent years, the Asian Development Bank and other development partners along with the Government of Timor-Leste have significantly improved the quality and quantity of roads. Many tourist destinations are now accessible by private car and public transport. An inhibiting factor for tourists using public transport is a lack of a proper terminal and easily understood and accessible information to schedules and routes. There is a notable increase in cruise ship calls in Dili, however basic facilities to ensure passenger comfort and safety and allow for maximisation of income by businesses and residents is lacking. There is a long term plan to move port facilities, however in the short term, simple port amenities, such as public toilets, and better information dissemination could improve the visitor experience. Access to key tourist destinations such as Atauro is limited and inconsistent and there is scope for improving the regularity and quality of these ferry services.

TOURIST SERVICE INFRASTRUCTURE

The availability of sufficient quality accommodation, resorts and entertainment facilities can represent a significant competitive advantage for a country. The level of tourism service infrastructure through the number of hotel rooms complemented by the extent of access to services such as car rentals and ATMs is an important measure of tourism sector preparedness.

Based on current tourism demand, Timor-Leste has sufficient supply of hotel rooms in Dili and key tourism destinations. This, however, may change as the number of visitors to the country increases and presents an opportunity for additional hotel investment. There is a lack of activities for visitors to engage in and this is a challenge in promoting visits to the country. There is significant scope for local entrepreneurs to develop additional tourism products to appeal to the visitor's need for entertainment and activities. Accessing and visiting more remote parts of the

country is still challenging and there is great opportunity for local communities to develop tourism products and services based on eco-tourism approaches.

NATURAL AND CULTURAL RESOURCE

This pillar spotlights the priority given to policies focused on providing access to and preserving the unique heritage and of a destination. Increasingly discerning, high value travellers demand a genuine experience presented in an environmentally sustainable manner.

NATURAL RESOURCES

Countries with natural assets clearly have a competitive advantage in attracting tourists. There is a number of attractiveness measures focused on natural resources, including the number of UNESCO natural World Heritage sites. The quality of the natural environment, the beauty of its landscape, the richness of the fauna in the country, the percentage of nationally protected areas are important tourism assets.

To date, none of Timor-Leste's remarkable natural resources have been recognised by UNESCO. Marine protected areas are in the early stage of development and provide significant scope for enhancing the tourism appeal of the country. While there is recognised opportunity for developing multi-day treks in the highlands of the country, this remains under developed. The natural resources of Timor-Leste are unique and represent an untapped resource at present. There is little in the way of community based tourism development, which has significant potential for the country. The natural resources of the country are one of its strongest selling points and are underutilised.

CULTURAL RESOURCES AND BUSINESS TRAVEL

A country's cultural resources are another critical driver of tourism competitiveness. The number of UNESCO cultural World Heritage sites, the number of large stadiums that can host significant sport or entertainment events, the number of online searches related to a country's cultural resources could allow the level of interest to be inferred. The number of international association meetings taking place in a country is also a consideration to capture, at least partially, business travel.

Timor-Leste enjoys a rich history both from its cultural roots and Portuguese colonial history. The country's fight for independence from Indonesia is also notable and well recognised internationally. These all have potential for further development. What is lacking is accurate story telling that shares this history with international visitors. There is limited access to the Timorese culture and features like the sacred Uma Lulik house and dance performances are not well publicised nor available as a visitor experience due to lack of information and access. While business travel is an emerging focus of the government, there are limited activities beyond the meeting room for delegates to engage in.

SETTING A PATH FOR TIMOR-LESTE TOURISM

This Tourism Policy is a pledge by the Government of Timor-Leste to develop a unified and holistic tourism sector that places emphasis on sustainability, community, quality, and business competitiveness. The policy is the first step in a long, participatory process to build up a tourism sector-enabling environment that will be inclusive, viable and beneficial for all Timorese people.

The key headline goals of the Tourism Policy are that, by 2030:

- Revenue from overseas tourism, excluding carrier receipts (air fares and ferry charges) will be US\$150 million per year (at 2016 prices i.e. adjusted for inflation between now and 2030).
- Employment in tourism will reach 15,000 (approximately 4,300 at present).
- 200,000 international tourists will visit Timor-Leste annually with an average stay of four days.

In order to achieve these goals, a range of policy priorities have been identified that will assist in marshaling the efforts of the government, the tourism industry, development partners and the wider community. There are five key elements, which collectively provide a national vision and direction for tourism, including:

- A universally acknowledged and understood sense of purpose behind developing tourism as a national priority for economic and social development.
- A commitment to improved prosperity, particularly for young Timorese and local communities, who will be gainfully employed in the tourism sector as service providers and entrepreneurs.
- A spirit of stewardship focused on the protection of nation's natural and culture resources and ensuring a safe visitor experience.
- A commitment to partnership in which all stakeholders have a voice and shared responsibility in how tourism is developed and implemented at the national and local levels.
- An acknowledgement that people are at the core of tourism and as such must be instilled with appropriate knowledge, skills and attitude.

This Tourism Policy considers the myriad of challenges that Timor-Leste faces in developing an internationally competitive tourism sector and provides guiding principles for achieving success. It represents a long-term goal that the people of Timor-Leste aspire to and it transcends any change in government leadership or otherwise. It is respectful of the reality that policy is most meaningful when it is 'set in stone' with unwavering stakeholder commitment.

There shall be supporting strategies and action plans put in place to scaffold this policy that shall take into consideration and be responsive to external factors be they at home or abroad. These shall be organised in a consultative fashion in a regular planning cycle by relevant government ministries and departments. There will be a framework for implementation that addresses the political dialogue level and the technical operational level.

PURPOSE

Purpose represents both the reason for this Timor-Leste Tourism Policy and the goal of inspiring the Timorese people to resolutely embrace tourism as a core element of their country's future.

First and foremost, this Tourism Policy serves as a call to action for the Government of Timor-Leste and sets out priorities for the period up to 2030 that will allow all stakeholders to have a clear view of Government intent.

As one of the youngest countries in the world, Timor-Leste is endowed with a unique blend of cultural heritage and pristine environments, Timor-Leste has an exceptional opportunity to develop a distinctive tourism sector that is respectful of the environment, profitable to communities and pleasing to international visitors.

This moment in time equally represents an opportunity and a threat. It is an occasion for Timor-Leste to position itself as a desirable destination with a unique tourism offer that can contribute significantly to economic development and poverty alleviation. There is also cause for concern that the country's delicate social and cultural fabric is vulnerable to negligent decision-making that will have likely negative impacts and quickly diminish its allure and tourism potential.

Timor-Leste's neighbours and competitors in the Asia and Pacific region provide numerous examples of development that exemplify both the benefits and risks of tourism. While the island of Bali enjoys a robust economy centred on the leisure industry, it has also suffered detrimental impacts to its cultural, environmental and social balance. Evidence from Thailand and Vietnam also demonstrate that there is a significant cost associated with haphazard tourism development geared towards catering to mass tourism markets.

This Tourism Policy recommends the creation of an inclusive tourism industry that is environmentally and economically sustainable and that promotes, values, recognises and protects the unique culture, environment, and heritage of Timor-Leste. It aspires for tourism to be a driver of the country's economic growth, a standard bearer of national pride, and the essence of an internationally recognised country brand.

Achieving this aspiration will require harmonisation of all tourism stakeholders, both public and private, as well as civil society who must rally around the vision for tourism as defined in this policy.

Governmental ministries and agencies must work collaboratively and invest in enabling infrastructure and execution of policies, legislation and regulations that respect and protect the unique culture and environment of the country.

The private sector must strive to deliver internationally recognised standards of quality and service through a diversified range of tourism products that are attractive to a wide range of visitors from around the world.

The workforce must be educated and trained to accredited international standards, and there must be continual investment in developing requisite knowledge, skills and attitude.

And the Timorese people and civil society actors must be empowered to fully participate in the tourism economy and embrace a roles of stewardship.

The Government will:

- Recognise the critical role of tourism in the wider economic and social fabric of Timor-Leste and be embraced by all government institutions.
- Commit funding and resources required to place tourism at the forefront of national economic development.
- Initiate an internal marketing campaign that it communicates the priority of tourism across all departments and institutions.
- Orchestrate, through advocacy efforts by leading public figures, a communication process whereby the people of Timor-Leste will better appreciate their role as tourism hosts and embrace the national aspiration of tourism for all and all for tourism.
- Prepare and regularly update a tourism strategy and corresponding action plans compatible and consistent with this policy.
- Create confidence in the private sector to invest in products and services that are of high international standards.
- Encourage the development of tourism which respects the country's natural and cultural assets in a sustainable manner.

The Private Sector will:

- Commit to placing tourism at the heart of economic development by engaging with and supporting governmental initiatives.
- Commit to share, where appropriate, funding and resources as recommended by government aimed at tourism development.
- Support and promote the internal marketing campaign to their staff, employees and investor communities and act as advocates and champions for change to enhance business confidence.
- Contribute to the development, implementation and updating of tourism strategies and action plans as active participants.

PROSPERITY

Prosperity in the context of this Tourism Policy is a state of flourishing, thriving, good fortune and success that encompasses health, wealth and happiness for the Timorese people as an outcome of a robust tourism economy.

The five pillars that are identified as the locomotive of the economy are oil, agriculture, fisheries, manufacturing and tourism. The Government recognises that as the nation's oil reserves deplete, it is critical to pivot to other economic sectors to ensure medium- to long-term fiscal stability.

Tourism represents a significant opportunity to stimulate the Timor-Leste economy through foreign exchange, investment, job creation and sector linkages. It can also ensure the sharing of benefits to rural areas of the country where people suffer from a prevalence of poverty and lack of opportunity.

There are numerous challenges in positioning tourism at the centre of the Timor-Leste economy. Relative to other destinations in Asia and the Pacific, the country suffers from a low value for money tourism offer due in large part to its United States dollar-based economy. A large proportion of the products consumed within the tourism economy are imported resulting in high levels of economic leakage. And current tourism activities are concentrated in the capital of Dili allowing for low levels of participation by the country's 1.2 million people.

To rectify these challenges, there must be a concerted effort to improve economies of scale, develop linkages with agriculture, fisheries and other sectors of the economy and encourage greater dispersion of tourism to communities outside of Dili.

From a tourism supply-side perspective, there is significant room for improvement in ensuring that the entire tourism supply chain is delivering food, handicrafts and other indigenous products and services that are of sufficient quantity and quality. In order for this to occur, improvements in the business environment are necessary to enable the private sector to invest in and operate small and medium sized profitable enterprises.

Some initiatives are already assisting rural farmers and fishermen to access formal markets and the government is now committed to prioritising the creation of well-functioning markets to facilitate agricultural and fisheries growth. This transfers into increased productivity and household incomes. Linking food production to the tourism sector is a natural progression as businesses rely heavily on food that is clean, sustainably produced, and consistently supplied.

Although the Government of Timor-Leste has introduced several initiatives to improve the investment climate, including establishing an open trade and investment environment, liberalisation of the telecommunications market, and streamlining of business registration processes. The government acknowledges that more needs to be done to establish a more transparent and less risky business enabling environment.

In relation to international demand for Timorese products and services, tourism can play a central role in promoting Timor-Leste as a country that is 'proud and ready for business'. Through a strong national brand, that communicates authenticity and uniqueness, key economic and business associations and linkages can be forged across the five pillars of growth. A national brand requires a national effort to identify the strengths and opportunities of the country along with its competitive advantages. It also requires a concentrated effort to tap into the emotional value that comes from people who have visited Timor-Leste. A national brand can be

communicated to both tourists and inhabitants to create a new narrative for Timor-Leste; one that reflects the unique, authentic nature of the country.

The country image at home and abroad will be more than a logo. It will be a message that communicates the international competitiveness across the economy while protecting and valuing society including the natural resources, environment, cultural heritage, social values and communities. The brand of Timor-Leste should not be treated as a single marketing campaign. There must be continuity and a background story behind it. Implementing the culture, history, products, and services into the touristic offerings will enhance the country's unique identity while growing the commercialisation of its resources.

The Government will:

- Establish a country brand to present a Timor-Leste narrative of unique products and services within the globally competitive market place.
- Monitor trends to ensure regional price attractiveness and improve value for money proposition.
- Ensure grassroots community based tourism development to ensure dispersion of benefits.
- Identify and exploit opportunities for convergence between tourism and other economic sectors.
- Ensure accurate collection of statistics for collection to support evidence based decision-making, including the goal of developing a tourism satellite account for Timor-Leste.
- Support innovation and continual improvement in the competitiveness and sustainability of the tourism offering, in order to most effectively meet the needs of future visitors.
- Set up a mechanism for access to finance for the promotion of Timorese entrepreneurship

The Private Sector will:

- Support and promote the Timor-Leste country brand through commercial ventures.
- Capture market trends and accurate tourist data to provide to central government to inform strategic decision-making.
- Support community based entrepreneurs through funding or in-kind benefits that support and enhance the tourist experience.
- Ensure that all tourism support services are delivered in a coordinated manner to optimise the tourist's experience.
- Commit to developing innovative products and strive to continually improve the quality and standards of service to world-class standards.
- Support the creation of private equity funds to provide micro-finance support to drive community based tourism ventures and ensure the dispersion of benefits to all parts of the country.

PROTECTION

Protection in the context of this Tourism Policy considers the conservation, preservation and safeguarding of Timor-Leste's natural environment and cultural heritage. It also aims to ensure the well being of international visitors.

The pristine environment of Timor-Leste presents exceptional opportunities for the development of specialised tourism in the country. The rather undeveloped state of the country is a unique selling point and the absence of intensive tourism development means that environmental problems linked to tourism are not yet evident. The protection of Timor-Leste's natural and built heritage in a manner that is sustainable from an environmental, economic and societal perspective is essential to future success of the country.

Serious consideration must be given to the potential of eco-tourism as a core tourism development approach that will maximize economic benefit and minimize negative impacts. It will also allow for Timor-Leste to offer a distinct product to that of its regional competitors, many of which have embraced a mass tourism approach.

The country's stunning and relatively untouched landscapes and seascapes present an opportunity for Timor-Leste to position itself as a clean and green country. The development of public infrastructure and private construction activity should be carried out with as much sympathy as possible for the natural landscape and regard for the value of built heritage. Effective and balanced management of key natural and built heritage is essential for growth in tourism that is both economically and environmentally sustainable.

Recent discovery of rare species of marine life should be carefully considered and where possible, marine and other protected areas, should be established, regulated and enforced. These national treasures have potential for UNESCO world heritage recognition, which could bring significant international attention to the country and support the further development of the diving industry, for example

The highlands of Timor-Leste also present opportunities for eco-tourism in the form of trekking and other soft adventures. There is considerable scope for supporting this type of tourism development and for engaging local communities. However, success in this area is contingent upon good stewardship and conservation so as to ensure that tourism is not the cause for destruction of these unique assets.

The country's rich colonial heritage is also an important element of tourism development and concerted efforts should be placed on ensuring that these treasures are preserved and that accurate interpretation is provided to allow for full appreciation by visitors. Equally important is the local cultural heritage, which should be accessible to visitors in the form of performance arts.

Local communities are integral to natural and cultural preservation and should be encouraged to respect the value of their assets and understand their importance to tourism development.

Equally critical to the successful implementation of tourism is the provision of sufficient measures to ensure the well being of international visitors during their stay in Timor-Leste. Public safety is identified as a challenge in the country and it is important that the authorities establish mechanisms to prevent and respond to such incidents. This duty of care obligation requires that

emergency responders are readily accessible and trained to take action effectively and efficiently.

Preventative actions should also be considered by encouraging good practice in business operations, particularly among restaurants, hotels and attractions where minimal standards in food hygiene and safety should be met.

The Government will:

- Guarantee the conservation and preservation of the natural environment and where possible create marine protected areas
- Place sustainable and community based tourism at the forefront of the tourism offer.
- Feature Timorese arts and culture as a distinct tourism attraction
- Ensure the safety and security of international visitors through coordinated measures.
- Support the mitigation of risks through the dissemination of minimal operational safety and hygiene standards for hotels, restaurants and other tourism attractions
- Plan for responses to a variety of tourism related emergencies

The Private Sector will:

- Commit to the conservation and preservation of the natural environment and ensure that new and existing developments minimise negative impacts and ensure that all development are designed and operated in an environmentally sustainable manner
- Where appropriate place Timorese arts and culture at the heart of tourism offerings.
- Commit to continual investment in staff development to ensure all tourism services are operating to the highest standards of safety and food hygiene.
- Mandate that large-scale tourism development projects contain corporate social responsibilities measures that contribute to environmental and social economic benefit.

PARTNERSHIP

Partnership allows for the multiple stakeholder groups to increase the likelihood of achieving their mission and amplifying their reach. This Tourism Policy acknowledges the complexity of the tourism ecosystem and calls for mobilising broad support from government, industry and the Timorese people to be effective and successful.

There are distinct roles and responsibilities of public and private sector actors at the various stages of the tourism development cycle and given the very early stages of tourism development in Timor-Leste, it is crucial for the government to play a leading role.

The Government of Timor-Leste is committed to developing tourism as a central driver of its economy, and therefore it is essential that a proper framework for development be established.

There are many good practice examples in the ASEAN region, where a number of countries have enjoyed notable success in building partnerships through tourism. In all cases, there are mechanisms and platforms for ensuring a healthy balance between political and implementation functions. It is generally accepted that tourism policy should be led by a strong ministry with the capacity to influence dialogue and action across all of government. Supporting strategies and action plans should be implemented by a tourism authority, which is sufficiently resourced in relation to finance and professionalism and enjoys a strong results oriented execution mandate.

The Timor-Leste public sector has a key role in coalescing the myriad of actors, facilitating quality improvements, and marketing the destination. At the same time, the private sector's responsibility is to deliver a variety of appealing and consistent tourism products.

As tourism is currently in a nascent stage of development, the Government of Timor-Leste must stimulate growth and commitment to the sector through bold, dynamic and considered investments, incentives and initiatives. This is evident in other destinations where the early stages of tourism development and investment are public sector driven and as the industry matures, the private sector assumes an increasing role for the delivery of quality tourism products and services.

In light of its ambitions for tourism development, Timor-Leste will adopt some of the institutional models and good practice approaches established by countries in developing their respective tourism economies. This will include the creation of a national tourism authority, which will be founded on spirit of public private partnership.

The creation of a Tourism Authority of Timor Leste (TATL) to implement the tourism strategy and action plans is necessary and the establishment of destination management organisations (DMOs) will ensure collective action occurs at the local level. The government will shortly carry out an assessment study for a Tourism Authority, which will explore best practice from other countries in ASEAN and Pacific Countries. This study will support the creation of a Tourism Authority in the medium-term.

The TATL should be structured as a government agency or government authority and include private sector and civil society representation. The Government of Timor-Leste is committed to adopting the best structure for the TATL and will allow flexibility in structure as the tourism development situation changes over time. The organisational structure will be determined based on the respective roles of the government and the private sector in the management of tourism development in Timor-Leste.

The TATL will have specific roles and responsibilities with the main function of acting as the national coordinating administration for implementation of tourism strategies and action plans that will engage as a result of this Tourism Policy.

It will also gather relevant statistics and develop evidence-based, sustainable tourism strategies and action plans.

The TATL will coordinate with DMOs which will be set up in each province to implement tourism at the grass roots level and will fully engage with the TATL to ensure implementation and community support. It will be responsible for the implementation of tourism strategies and action plans and a local and national level in partnership with the private sector.

The Government will:

- Ensure a mechanism for inter-ministerial and inter-departmental cooperation for the development of tourism in Timor-Leste.
- Create a Tourism Authority of Timor-Leste to guide the implementation of the tourism strategies and action plans in partnership with the private sector.
- Establish destination management organisations at the local level to support the work of the TATL in partnership with the private sector and in relevant networks.
- Actively explore opportunities for partnership with the private sector in the management and operation of public assets.

The Private Sector will:

- Support the Tourism Authority of Timor-Leste and actively contribute to its strategic management implementation of action plans.
- Support and actively participate in destination management organisations in support of the local community development
- Partner with government to explore opportunities in the management and operation of public assets.

PEOPLE

People refer to the ability of the Timorese workforce to support the delivery of quality experiences for all visitors to Timor-Leste.

The interaction between tourists and those working in the industry is important for creating a positive image for Timor-Leste, growing local entrepreneurship and attracting foreign tourism investment.

The government's push for tourism makes everyone a contact point for the tourist who has the power to immediately evaluate the country and subsequently broadcast opinions to thousands of potential travellers. The importance of this personal service in the sector makes people the number one factor of production for most travel and tourism enterprises. Due to the fact that the travelling customer is directly in contact with the line staff and the quality of a product is largely reflected in the employees' ability to meet customer expectations, there is a small margin for error when it comes to people.

Planning for the development of human capital will require the government, along with its respective ministries, to consider the competitive position occupied by Timor-Leste within ASEAN and Asia Pacific and initiate policies with agreed action plans that support increased destination competitiveness, which in turn requires a focus on achieving national service quality through people.

As tourism development in Timor-Leste becomes more customised, the government must recognise new essential competencies such as soft skills, language and technological know-how as the top attributes desired by the industry across all operational and managerial levels. The importance of understanding these skills requirements cannot be understated and this requires the creation of a new and coherent approach to developing national curricula for education and training coupled with a solid accreditation system.

Tourism in Timor-Leste is often unknown or widely misunderstood and the government will introduce short courses at primary and secondary school levels to generate youth interest. Women will be encouraged to work in the sector as they already comprise a majority of the tourism workforce and can secure opportunities for income generation and entrepreneurship, while at the same time balancing their traditional family roles. However, there is a long way to go in Timor-Leste before women access the higher levels of employment and management within the tourism industry.

Given the objective of creating local, community-based, sustainable tourism, access to quality entrepreneurship training must be widely available to facilitate the growth of Timorese owned business economy.

The Government will:

- Plan for the development of human capital with an initial nation-wide assessment of the supply of education and training and reference this against international standards and labour market needs.
- Support education, training and career development to maximise the ability of the industry to meet the needs of tourists and to enable those employed in the sector to achieve their potential.

- Encourage the private sector to have a key role in influencing the design of education, training and skills development programs for the tourism industry in collaboration with SEPFOPE and the Ministry of Education
- Support the establishment of special courses at the primary and secondary school levels to raise awareness of the tourism industry among civil society
- Promote and finance support for local entrepreneurship through the delivery of widely accessible introductory business and language courses.

The Private Sector will:

- Actively contribute to the on-going and continuous investment in human capital through education and training.
- Commit to resourcing and funding of career development of staff and employees through continuous professional development in education and training.
- Commit to support SEPFOPE and the Ministry of Education to design and develop relevant education and skills training programmes for the tourism industry.
- Provide senior and middle managers to act as mentors to local entrepreneurs to encourage new community based ventures.