WISATA II
Progress Report 2016
The Swisscontact WISATA II program

The WISATA program funded by the Swiss State Secretariat for Economic Affairs (SECO) originally started in 2009 covering only the island of Flores. Due to the success of the first phase, it was decided that a second phase of the program should start in June 2014, covering there additional destinations. Through this second phase, the approach which was successfully developed and applied in Flores is disseminated. WISATA, as a landmark program, is carried out in close cooperation with the Indonesian Ministry of Tourism and Creative Economy. The main goal of the program is to contribute to economic development through sustainable tourism, which creates employment and income to improve the livehood of the local population.

To achieve its goal, the program works in several main areas, as described below:

**Destination Management, Marketing, and Networks**
- Destination Management Organization
- Marketing
- Linkage

**Community Involvement**
- Attraction Management
- Agriculture Supply Chains
- Handicrafts Productions

**Business Development**
- Business Association and Enterprises
- Improving Service Quality

**Formal Tourism Education & Training**
- Vocational Education
- Higher Education

**Government Support**
- Local Planning
- Solid Waste Management
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Abbreviations

AKPAR Akademi Pariwisata in Makassar
(Tourism Academy under MoT)
APBD Anggaran Pendapatan dan Belanja Daera
District Revenue and Expenditure Budget
ASEPHI Association of Exporters & Producers of Indonesian Handicraft
ASITA Association of the Indonesia Tour & Travel Agencies
ATF ASEEAN Tourism Forum (Travel trade show)
Bappeda Badan perencanaan pembangunan daerah, Regional planning agency
BBTF Bali & Beyond Tourism Fair
BLH Badan Lingkungan Hidup
Local Environment Agency
BMO Business membership organization
BOP Badan Otorita Pariwisata / Tourism Authority
BPOM Badan Penelitian Obat dan Makanan National Agency of Drugs and Foods Controls
BP Business Plan
BPPD Badan Promosi Para rai wisata Daera
local Tourism Promotion Agency
BPS Biro Pusat Statistik, Bureau of Statistics Indonesia
CBT Community Based Tourism
CoCo WISATA Community Caching Program
CTDS Center for Tourism Development Studies at STPB
Dinas P3 Dinas Pertanian, Perkebunan dan Peternakan
Dinkes Dinas Kesehatan
DMO Destination Management Organization
DPRD Dewan Perwakilan Rakayt Daerah,
Parliament of district government
EDCO Economic Development Cooperation of SECO
EDM External Destination Marketing
FasLoc Local Destination Facilitators assigned by MoT
FasDes National Destination Facilitators assigned by MoT
FGD Focus Group Discussion
FKPP Forum Komunikasi Pengembangan Pariwisata
Communication Forum for Tourism Development
FTKP Forum Tata Kelola Pariwisata
Tourism Governance Forum of MoT
FTMP Flores Tourism Master Plan
HEI Higher Education Institutes
HKWK Himpunan Kelotok Wisata Kumai
Association of traditional boat operator
HSWK Himpunan Speedboat Wisata Kumai
Association of Speedboat operator
HoCo WISATA Hospitality Coaching Program
HPI Indonesian Tourist Guides Association
HRD Human Resource Development
IDD Internal Destination Development
INFEST EU project “Innovative Indigenous Flores Ecotourism for Sustainable Trade”
ITB International Travel trade show Berlin
KPK Komunitas Peduli Kebersihan
Private cleaning initiative
KSPN Kawasan Strategis Pariwisata Nasional
National Strategic Tourism Regions
M&E Monitoring and Evaluation
MoHA Ministry of Home Affairs
MoT Ministry of Tourism
MoU Memorandum of Understanding
MP3EI Indonesia Master Plan of Economic Development Acceleration
MTR Project Mid-Term Review
NTT Nusa Tenggara Timur
OFI Orang-utan Foundation International
P4TK Vocational Teacher Upgrading Center
PATA Pacific Asia Travel Association
PERDA Peraturan Daerah, local regulation
PGSP UNDP - Provincial Governance Strengthening Program
PHRI Indonesian Hotel and Restaurant Association
PoltekPar Politeknik Pariwisata – previously AKPAR
Tourism Politechnicum under MoT
Pokda wis Kelompok Pariwisata – previously AKPAR
Tourism Awareness Group for CBT
POKJA Kelompok Kerja, Working Group
Puslit Pusat penelitian
Renstra Rencana Strategis, Strategic Plan
RIPDA Rencana Induk Pengembangan Daerah, local Development Master Plan
RIPPARDA Rencana Induk Pengembangan Pariwisata Daerah,
local Tourism Development Master Plan
RIPPNAS Rencana Induk Pembangunan Pariwisata Nasional
National Tourism Development Master Plan
RKT Rencana Kerja tahunan, annual work plan
RPJMDes Rencana Pembangunan Jangka Menengah Desa
Village Mid-Term Development Plan
RT Rukun Tetangga, Neighborhood is the division of regions under the RW
RW Rukun Warga, Pillars is a division of region under the Village (Kelurahan)
SECO State Secretariat for Economic Affairs, Switzerland
SK Surat Keputusan,
Decree from head of district of province
SKKNI Standar Kompetensi Kerja Nasional Indonesia,
national working standards of Indonesia
SKPD Satuan Kerja Pemerintah/Perangkat Daerah
Local Government Work Unit
SME Small and medium enterprise
SMK Sekolah Menengah Kejuruan / Vocational School
STP Sekolah Tinggi Pariwisata - Institute of Tourism
SWM Solid Waste Management
TCA Tour Cook Association
TIC Tourist Information Center
TM O local Tourism Management Organisation
TN Taman Nasional / National Park
ToR Terms of Reference
ToST WISATA Tourism Skills Training modulus
ToT Training of Trainer
UGM University Gadjah Mada, Yogyakarta
UKI Toraja Universitas Kristen Indonesia Toraja
UPH Post Harvesting Processing Unit in Bajawa
UPTD Unit Pelaksana Teknis Dinas,
Technical Implementation Unit
VITO Visit Indonesia Tourism Office
WISATA Indonesia word for travel, used as project name
WISSPRO WISATA Sister School Program
WITIP WISATA Teacher Internship Program
WPDA Wakatobi Professional Divers Association
WTF World Tourism Forum, University of Lucerne
WTM World Travel Market (London)
WTTC World Tourism & Travel Council
YPO Yearly Plan of Operation, annual plan
1 Key Project Data

<table>
<thead>
<tr>
<th>Program Title</th>
<th>WISATA Tourism Development for Selected Destinations in Indonesia II</th>
</tr>
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<tr>
<td>Program Phase</td>
<td>01.06.2014 - 30.06.2018</td>
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<tr>
<td>Phase Budget / Expenditures</td>
<td>CHF 7,140,225.- 4,294,130.- 60.1%</td>
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<tr>
<td>2016 Budget / Expenditures</td>
<td>CHF 2,107,170.- 1,905,209.- 90.4%</td>
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<td>Program Goal</td>
<td>Increased income and employment in selected tourism destinations</td>
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<tr>
<td>Program Impact</td>
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2 Executive Summary

Currently, Indonesia’s tourism sector contributes for approximately four percent of the total economy. By 2019, the Indonesian government has an ambitious target of doubling this figure to 8 percent GDP. In order to achieve this target, that would double visitor numbers to about 20 million, the government will focus on improving Indonesia’s infrastructure, accessibility, health & hygiene and its online marketing. October 2016 showed an increase of 9.5 percent in visitor numbers compared to the year before, making it a true possibility for Indonesia to reach their visitor targets. However, the sharp increase is mainly due to Indonesia’s statistics Agency (BPS) adjusting the definition of foreign visitor arrivals per January 2016. The terrorist attack in central Jakarta in January did not seem to have affected visitor numbers, this may be due to foreigners realizing that terrorism has become a global problem. During the WISATA II Program’s 2nd phase, the MoT changed its DMO concept to a Forum like approach with new guidelines which created confusion and uncertainty within the local stakeholders’ role descriptions. This resulted in many activities being delayed and needing to rebuild the lost hard earned trust. Wakatobi and Toraja still call it DMO whilst Flores focuses on local organisations (TMO’s). Moreover, in Tanjung Puting the stakeholder became demotivated. Generally, however, the project is coming along with many innovations especially in capacity building and community involvement through CBT. The Mid-Term Review of May 2016 had positive findings, with a few recommendations and adjustments for the project and the policy dialogue with MoT. In Wakatobi, WISATA initiated the establishment of Island Working Groups to bridge the needs of the stakeholders on island level to be in line with the FTKP on district level. In Toraja, youth involvement is being increased, aiming towards sustainability in the long run.

The Flores and Toraja brands are widely applied on marketing collaterals. The Wakatobi brand by the private sector has slightly increased. Tanjung Puting, developed its destination brand and introduced it with a brand campaign. The capacity of the DMO/FTKP members managing social media platforms and websites have increased through travel writing classes, promotional tools developed and distributed at events/trade fairs, advertisement schemes, websites focused on the user’s experience etc. A travel writing class participant successfully had their article published in a national travel magazine. Flores, Toraja and Tanjung Puting effectively supported the production of their printed materials with an advertisement scheme. Moreover, the destinations represented themselves in various national and international fairs and medias this year, including: ITB Berlin, BBTF, PATA Mart, ITB Asia. During the travel fair, Toraja shared a stage with Wonderful Indonesia. Three of the destinations (Flores, Toraja, Wakatobi) also attended Sales Missions in Germany and business meetings with tour operators based in the Netherlands. Trade fair participation training was given by the Flores DMO marketing teams to all destinations.

In 2016, internal destination development activities focused on the development of training programs and training materials of the Tourism Skill Training Program (ToST) and the finalization of the Hospitality Coaching Program (HoCo). The ToST training modules cover 4 occupations: F&B Waiter/Waitress, Good Kitchen Practice, Receptionists and Tour Guiding. HoCo is comprised of three disciplines: Workplace Cooperation, Service Quality & Human Resource Management, and Good Environmental Practices. The HoCo program has already been implemented successfully in Flores and Toraja. Motivated and competent local resource people have been found to be trained in the Training of Trainer Programs and to become local trainers. Furthermore, local associations are supported in developing their own work, business or program plans and to strengthen their internal organizational capacity and skills through workshops, tools and tips.

To prepare communities for tourism, the Community Coaching (CoCo) Program concept has been developed. The program includes three modules: Community Organization, Homestay Operations and Local Products. The draft of the first module was made available in the first semester of 2016, whereas the other two module drafts were created in the second semester. Flores has high potential in offering both, culture and nature, such as: traditional villages,
ceremonies, weaving, beaches, waterfalls and many more. Tanjung Puting, is focusing bringing awareness to the Lopus Village and Landau Kantu. Toraja on the other hand has established tourism village working groups with annual activity plans, developed local tour guides and is also encouraging the improvement of homestays. Lastly, Wakatobi, has improved in its community awareness and involvement. CBT groups have been officially assigned by village authorities, CBT tourism attractions are being developed and guide and English trainings are offered to community members.

In all destinations, the exit and sub-sector surveys have been conducted and the results disseminated to related government agencies. The development of the district tourism master plan (RIPPARDA) and local regulation planning (RANPERDA) is either in process or finalised. The FTKP/DMOs are also involved in tourism development planning in the destination level.

As part of the “10 New Bali”, the authorities of the two National Parks of Komodo and Wakatobi, are in cooperation with WWF Indonesia to develop a Master Tourism Plan including the “Least Acceptable Change” mechanism. WISATA supports the process in both destinations with data collection and SVF exercises.

The Solid waste management (SWM) program has now also been initiated in Toraja and Tanjung Puting. The pilot activities in Labuan Bajo were successful and are used as examples for the other locations.

Since 2016, there are 9 vocational school (SMK) in four destinations and 5 model schools under the Sister School Program (WISSPRO) to improve the school management quality. The target SMKs developed the curricula for local content in each destination. In the Teacher Internship Program (WITIP) 2016, 23 teachers participated compared to 14 teachers the year before. SMK strategic partners also increased from 7 to 14 companies. In 2016, WISATA developed a local content curriculum for the supported SMK in Flores which highlights the local culture of Manggarai Barat and English skills for Tourism. This is supported by SMK in Wakatobi and Tanjung Puting.

WISATA continues to develop 10 (ten) higher education modules of Destination Management for Professionals. These modules are dedicated for practitioners in destination management of DMOs, policy makers, government representatives, academics and professional associations. The 10 modules have been launched during a pre-event of GTCF/Global Tourism Care Forum on 18th November 2016 in STP Bandung. A pilot training had been successfully conducted in which 60 people attended from the four target destinations, as well as from Bandung, Jakarta and other areas in Indonesia.
3 Introduction

3.1 Economic and Political Situation

Statistics Indonesia (BPS) announced that Indonesia’s gross domestic product (GDP) expanded 3.20 percent year-on-year (y/y) in the third quarter of 2016, down from a revised 5.19 percent (y/y) growth pace in the preceding quarter but in line with forecasts. BPS said Indonesian economic growth remained subdued amid bleak and uneven growth in major trading partners. Slowing government spending realization and a cut in spending (to prevent Indonesia’s budget deficit from widening too much) affected the GDP growth rate as well. Overall, the global economic picture remains mixed and uncertain. Weak global demand and low commodity prices (with the notable exception of rapidly rising coal prices) still undermine more rapid GDP growth for Indonesia.

Meanwhile, the Indonesian government not only cut government spending by around IDR 137 trillion (approx. USD $10 billion) in the Revised 2016 State Budget, but realization of government spending has also slid. BPS notes that government spending reached IDR 439.73 trillion in the third quarter of 2016, down from realization of IDR 484.78 trillion in the same period one year earlier. Still, compared to the third quarter of 2015, Indonesian economic growth accelerated. While, GDP growth was recorded at 4.74 percent (y/y) in Q3-2015, it was recorded at 5.02 percent (y/y) in Q3-2016. On a quarterly, non-seasonally adjusted basis, Indonesian GDP expanded 3.20 percent in the third quarter of 2016. Traditionally, Indonesia’s GDP growth accelerates more noticeably in the last quarter of the year and thus we expect to see full-year GDP growth between 5.0 - 5.1 percent.1

President Joko Widodo’s answer is to improve infrastructure and to deregulate, in order to attract investment and speed up job creation. Early last year he scrapped expensive petrol subsidies, to allow greater spending on health and education, as well as big investments in infrastructure. He has also produced more than a dozen packages of reforms intended to trim red tape and raise competitiveness.2

According to Undang-Undang Pemerintahan Daerah No. 23/2014 the authorization of education is divided into 3 (three) levels from national/ministry of education, provincial level/dinas pendidikan provinsi, and district level/dinas pendidikan kota/kabupaten. Effectively from January 2017 onwards the management and supervision of VET (SMK) is under Dinas Pendidikan Provinsi (Provincial Education Department). The authority covering the area of VET/SMK Management, Local Curriculum, Teacher placement within provincial level, and education institution license. This change results in a closer cooperation of the WISATA project with the provincial government.3

3.2 Tourism in Indonesia

Currently, Indonesia’s tourism sector contributes for approximately four percent of the total economy. By 2019, the Indonesian government wants to have this figure doubled to 8 percent of GDP, an ambitious target (possibly overly ambitious) which implies that within the next three years, the number of visitors needs to double to about 20 million.

In order to achieve this target, the government will focus on improving Indonesia’s infrastructure (including ICT infrastructure), accessibility, health & hygiene as well as enhancing online promotional (marketing) campaigns abroad. The government also revised its visa-free access policy in 2015 to attract more foreign tourists.4

The contribution of the tourism sector to the national employment is rising steadily. The Ministry of Tourism reported that the achievement indicators of the amount of direct, indirect and related labor to the tourism sector exceeded the target set of 11.3 million people, reaching 12.16 million people (in 2015). It is 10 percent of total 118 million of national employment according to Statistic Indonesia (BPS).5 Compared with previous years, the achievements of the amount of direct, indirect and related labor of the tourism sector continued to rise.6

Until October 2016, the number of foreign tourist arrivals in Indonesia reached 9.4 million. It increased 9.5 percent from the same period of the previous year (8.0 million).7 It is highly likely that Indonesia will achieve its foreign visitor arrival target of 12 million people in 2016. Nevertheless, one must note that Indonesia’s Statistics Agency (BPS) adjusted the definition of foreign visitor arrivals per January 2016. This explains the sharp increase in foreign visitor arrivals between 2016 and 2015. Based on the latest data from Indonesia’s Statistics Agency (BPS) – this data covers the month of October 2016 – most tourists that visited Indonesia originated from China (12.4 percent

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3 http://www.indonesia-investments.com/business/industries-sectors/tourism/item6051
4 https://www.bps.go.id/linkTabelStatistik/view/id/970
of total foreign visitor arrivals), followed by Malaysia (12.1 percent), Singapore (11.4 percent), Australia (11.0 percent), and Japan (4.1 percent).

Foreign tourist arrivals in Indonesia are influenced by the presence of terrorist attacks. Since 2009 there have not been any significant terrorist attacks in Indonesia directed specifically towards foreigners, therefore, tourist numbers can be seen gradually rising in 2010. Undeniably, terrorists did commit another vicious attack on the streets of Central Jakarta in January 2016 in which several people were killed but this did not make foreigners avoid Indonesia. This could be explained by the fact that these terrorists were aiming at Indonesian police, not at foreigners. Still, a stable society does of course help to attract foreign tourists. Therefore, it is good that the massive anti-Ahok demonstration on Friday (02/12) went peacefully.

Indonesian Tourism Minister Arif Yahya said he is confident that the government's target of welcoming 12 million foreign visitors in 2016 will be achieved. He added that the government is currently busy promoting ten tourist destinations. According to the latest travel and tourism competitiveness report (2015), Indonesia ranks 50th in the world while it’s growing tourism industry reaches over 8.8 million international visitors. Thanks to the national prioritization of the industry (15th) and the continued investment in infrastructure — the mobile network now covers all areas of the country, air transport infrastructure has been expanded to reach the 39th position, while ground transport reaches the 77th. These developments support Indonesia’s main competitive advantages: price competitiveness (3rd) and rich natural resources (19th), including biodiversity (ranking 4th on the Total known species indicator) and several heritage sites (10th). However, given its dependence on natural resources, Indonesia is not placing enough emphasis on environmental sustainability (134th). Deforestation (97th) is endangering species (129th), and only a minimal fraction of the water used is treated (117th). There are also concerns relating to safety and security, specifically the business cost related to terrorism (104th).

### 3.3 WISATA II Program

The WISATA program funded by the Swiss State Secretariat for Economic Affairs (SECO) originally started in 2009 covering only the island of Flores. Due to the success of the first phase, it was decided that a second phase of the program should start in June 2014, covering three additional destinations. Throughout this second phase, the approach which was successfully developed and applied in Flores is being circulated. WISATA is carried out in close cooperation with the Indonesian Ministry of Tourism. The main goal of the program is to contribute to economic development through sustainable tourism; which creates employment and income to improve the livelihood of the local population. The project has 3 components including:

I. Strengthening the competitiveness of selected tourism destinations

II. Strengthening tourism education and training in Indonesia

III. Identifying, sharing and mainstreaming lessons learnt into policy making

Just as the 2nd phase started, the MoT changed its DMO concept to a Forum like approach with new guidelines. This change impacted local stakeholders in all target destinations, creating confusion and uncertainty about their roles. The MoT started its transformation exercise in a few locations and created the so called FTKPs. Wakatobi was one of this Destination. DMO. In Flores MoT focused for this transformation on the local organisations (TMOs) only. Nevertheless, the process is not finalised yet and in some districts stakeholders are not interested. In other destinations, like Tanjung Puting, the process became a bit more difficult due to local stakeholders becoming

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3.4 Destination Brief

Flores

With the Komodo and Kelimutu National Park, the island has become a major destination for both central and district governments. Many types of visitors come to Flores, including: international cruise ships, yachts and liveaboards, with organized tourist groups, individual travellers, and backpackers, yet unfortunately with little benefit to the local people. Since 1986, the Komodo National Park has been declared a World Heritage Site by UNESCO. Lonely Planet awarded Flores the 8th Best Region to Visit in 2015. In 2016, Pesona Indonesia awarded Kelimutu the Favourite Highland Destination titled award and awarded the exile house of Soekarno as the best history tour in Indonesia. More than 500 businesses (accommodation, tour operators, restaurants, dive shops and art shops) exist on the whole island to serve visitors. In the west part of Flores, the most popular activities are diving and snorkelling, in combination with a visit to Komodo National Park. Hence, the number of dive operators and liveaboards in Labuan Bajo have rapidly increased over the last five years, e.g. from 8 up to 30 dive operators. However, a hyperbaric chamber is still missing. There is a general lack of regulations, for example, control over building heights in main areas or the monitoring and control over land acquisitions. With the increase of visitors in Komodo National Park, Labuan Bajo has become an interesting place for tourism investors. Nevertheless, this has dramatically increased land prices and created problems for the welfare of the ecology around Labuan Bajo. Documents of the rules and regulations for responsible tourism should be made available to support sustainable tourism development.

All three main Airports in Maumere, Ende and Labuan Bajo have been upgraded. Nowadays, the Komodo Airport is able to receive larger planes like Embraer or Boeing types beside just the propeller based airplanes. Since December 2016 the airport in Labuan Bajo has a direct connection to Jakarta and in the future it will also have flights from abroad, like Singapore. Labuan Bajo became one of the 10 prioritized destinations in Indonesia, supported by the central government with infrastructure development and the instalment of a Badan Otorita Panwisata (Tourism Authority Board). With this support Labuan Bajo shall become “the gate point of world ecotourism in East Nusa Tenggara”. The government intends to not only promote the destination’s attractions but to also improve: roads, public facilities, water & electricity supply, waste management, relocation on container ports, immigration, hubs for cruise ships, academic/university tourism and other tourism services. The target is to receive 500,000 visitors by 2019. Compared to the previous year the destination Flores experienced a steady growth with more national (37.9%) and international (4.4%) visitors, longer stay (14%) and higher average daily spending (20.9%).

Compared to 2009 (Phase 1) the overall satisfaction of international Visitors increased by 13% and since 2014 by 3%. See destination summary in Annex 2.
**Tanjung Puting**

Most of the visitors come to Tanjung Puting National Park and explore the site by *kelotok* (small boats) where the number of visitors increases. Two hotels newly opened to serve domestic market while some tour operators start to include Lopus Village (Lamandau) in their tourism package where the tourists can stay overnight in the village. The government support towards tourism in Tanjung Puting is improving particularly in Lamandau District, for instance in the development of Delang Sub-district as tourism village. Some activities have been conducted such as Festival Balyah Lanling in Kudangan and stakeholder trip to Sillikan Muhur in Hulu Jajabo. However, due to limited budget, for Kotawaringin Barat & Seruyan, support for activities is very limited. Yet, Kotawaringin Barat Tourism Office is willing to lend the TIC in Kumai to be used as FTKP Secretariat.

Compared to the previous year the destination Tanjung Puting experienced an overall improvement with regained national (100.1%) and again less international (-14.8%) visitors, with longer stay (0.6%) and higher average daily spending (92.2%). Compared to 2014 (start of Phase 2) the overall satisfaction of international Visitors increased by 13%. See also destination summary in Annex 2.

**Toraja**

During the first semester of 2016, the visitor numbers for Toraja increased. Both local governments decided to put tourism as a leading sector for the region. Besides the well-known cultural tourism and grave tours, new potential attractions were developed such as: natural sites, food & beverage and lodging businesses. The newly promoted natural sites are: Lolai, Sumalu, Ollon, Sa’pak Bayo-bayo, Sarambu waterfall and the Jesus Statue at Burake. Additionally, due to the growing enthusiasm in recent years for Toraja coffee, a coffee tour has been created and plans for coffee shops are being developed. New restaurants, accommodation and an adventure tour operator have been established as well. Furthermore, Toraja now has a direct flight from, and, to Makassar from Monday to Saturday. However, with the new regents of Toraja Utara and Tana Toraja there will be a restructuring of the government offices and a reshuffling of its people. This will have an effect on the understanding of the WISATA program amongst the new government officials, additional socialization will be needed for them.

Compared to 2014 (start of Phase 2) the overall satisfaction of international Visitors increased by 9.8%. See also destination summary in Annex 2. Other data of the destination Toraja are not yet available.

**Wakatobi**

Most tourists come to Wakatobi for diving. Due to the high end, Wakatobi Dive Resort, the destination is perceived as luxurious and expensive. However, leaving aside the luxury resort, the other tourism facilities in Wakatobi such as accommodations or dive operators lack quality in their facilities, staff training and day to day operations, resulting in disappointed visitors that come with high expectations. Furthermore, accessibility to the destination continues to be limited and time consuming, merely one or two flights are offered: the indirect flight from Makassar via Kendari to Wangi-Wangi and the direct flight from Makassar to Wangi-Wangi. The destination is also accessible via boat from Kendari or Baubau but it is even more time consuming.

And yet, even with its shortcomings, tourism has become a leading sector in Wakatobi. The Ministry of Tourism selected the destination as one of the ten priority regions with a tourism authority body (BOP) to push tourism development. Besides the FTKP as a coordinating body in Wangi-Wangi, there are now different island based Working/Tourism Groups (IWGs) which link the tourism development between the district and the islands. The IWG network is also expected to act as a marketing agency. The local government and tourism stakeholders are aware of the need to develop and promote alternative attractions to attract more visitors and increase the involvement of stakeholders. Therefore, potential new attractions such as Tourism villages could be offered, as well as local products that are being supported in their development by the new government. Additionally, there are some newly opened to serve domestic market while some tour operators start to include Lopus Village (Lamandau) in their tourism package where the tourists can stay overnight in the village. The government support towards tourism in Tanjung Puting is improving particularly in Lamandau District, for instance in the development of Delang Sub-district as tourism village. Some activities have been conducted such as Festival Balyah Lanling in Kudangan and stakeholder trip to Sillikan Muhur in Hulu Jajabo. However, due to limited budget, for Kotawaringin Barat & Seruyan, support for activities is very limited. Yet, Kotawaringin Barat Tourism Office is willing to lend the TIC in Kumai to be used as FTKP Secretariat.

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established hotels, resorts, and dive operators in Wangi-Wangi, Kaledupa and Tomia. There are also plans from the local government to establish a training centre for tourism workers as well as a plan to provide 24 hours a day of electricity and internet connection for Tomia and Kaledupa Island.

Compared to the previous year the destination Wakatobi experienced a steady growth with more national (27.7%) and international (18%) visitors, longer stay (3.8%) and higher average daily spending (79.3%). Compared to 2014 (start of Phase 2) the overall satisfaction of international Visitors increased by 2%. See also destination summary in Annex 2.

4 Project Results

4.1 Destination Management

General

At the beginning of the 2nd phase of WISATA, the MoT changed its approach from Organisation (DMO) to Forums (FTKP) this created confusion among stakeholders in our target destinations and in some cases paralyzed their motivation. With the new Ministry set-up, new programs started and the FTKP/DMO seemed to have lost importance. It was mainly smaller activities that were realised by the MoT program, and in October they were stopped due to budget cuts. The MoT is now establishing the planned Tourism Authority Body (Badan Otoritas Pariwisata/BOP) which will have the role to coordinate government programs and initiate/attract investments in the ten priority destinations which include, Labuan Bajo in Flores and Wakatobi.

Destination Management Organizations (DMO/FTKP) in supported destinations are in the process of acquiring their legal statuses. The short-term and mid-term work plan, the road map, the rules of association and the internal bylaws (AD/ART) have already been established in all the destinations. Furthermore, the DMO/FTKPs are currently trying to generate some income independently. The awareness of tourism stakeholders towards the DMO/FTKP and its role has been raised. In Wakatobi, WISATA initiated the establishment of Island Working Groups to bridge the needs of the stakeholders on island level to be in line with the FTKP on district level. In Toraja, youth involvement is being increased, aiming towards sustainability in the long run.

To increase destination management competencies in the destination WISATA supported CTDS of STP Bandung to develop 10 training modules DM for professionals. The 10 modules include: i) General Introduction to DM, ii) Leadership and Coordination, iii) Governance and Finance, iv) Research and Information, v) Destination Planning, vi) Visitor Management, vii) Crisis Management, viii) Destination Marketing, ix) HR, x) Community Involvement. The Modules are broken down to a practitioner level and based on international best practices which are adapted to the Indonesian context. The Modules will be implemented in 2017 and are foreseen to be socialised to MoT for a national application.

From Project side, progressing of the DMO/FTKPs is quite mixed: while Flores has a well operating regional DMO with a wide spectrum of services to be offered, and some local TMOs are in the process to be revitalised. In Wakatobi the setting up of the Island Working Groups is well on track. In Toraja the DMO/FTKP is set-up, but the legal registration is not completed so far. Tanjung Puting has set-up the FTKP but internal conflicts limits their operation.

Flores

The MoT announced to transform/revitalize TMOs to FTKPs in each district. This had a demotivating effect on the performance of the TMOs. Provincial Tourism Office NTT together with the DMO and TMO facilitated and conducted a meeting in Bajawa regarding the needs of revitalization. In East Flores the TMO has since made more ahead with its revitalization.

In the second semester, DMO Flores coordinated with 7 TMOs to re-vitalize TMO Sikka, Ende, Nagekeo, Ngada, Manggarai Timur, Manggarai dan Manggarai Barat. In December, the 2 TMOs from Nagekeo and Ngada finalised the process and installed a new board.

The big challenge for the Operational unit of the Flores DMO is its financial sustainability, since government contribution is not granted. Last year the DMO prepared and presented proposals to all districts, the provincial and
central governments, yet none assigned the DMO. Earlier this year the DMO started to find financial sources through visits to potential donors interested in cooperation with the DMO Flores like: Bank NTT, Bank BRI, Pertamina, Sampoerna, as well as government agencies outside the Department of Tourism like National Parks in Flores and the Department of Industry and Trade of the Province of NTT. The DMO will once again prepare activity proposals to the district governments for selected activities only.

### Tanjung Puting

For the first semester, subsequent to two meetings/workshops supported by the Ministry of Tourism, the activities of the FTKP focused on organizational issues.

The Regent of Kotawaringin Barat obtained the decree. FTKP Tanjung Puting now has an organization structure, daily operational body, road map, AD/ART and the short-term work plan available. The legal status is still in process due to internal coordination and commitments. The secretariat of FTKP is at the Tourist Information Center in Kumai. The medium and long-term plan is still in the development process.

The questionnaire for the base line survey (exit survey & sub-sector survey) is available and the 2016 data has been updated to the end of December 2016.

The TIC building of the Tourism Office is available in Kumai, close to the entrance of the national Park. It will also be used as the Secretariat of FTKP. The handing over of the TIC is still in process by the Tourism Office of Kotawaringin Barat. Income generated activities through marketing tools (advertorial space) have been initiated and the result has been profitable. The income has been saved and will be used for marketing activities further.

Two potential tourism attractions being promoted are: Lopus & Hulu Jojoba Village in Lamandau District. Both villages offer ecotourism products in Dayak village. Other villages, like Landau Kantu, Riam Penahan, Kudangan, Sepoyu, are part of the tourism attraction development plan.

### Toraja

The DMO Toraja is established, organizational AD/ART are developed and will be registered by notary to get legal base. Working groups have been established to maximize the function of the organization. Compared to 2015 where 24% of the DMO members where actively involved it increased to 73% in 2016 (30 of 41 members). Regular meetings are conducted by DMO members, quarterly. DMO Toraja was invited to support tourism development planning process in both districts Toraja Utara and Tana Toraja. In addition, Ministry of Tourism assigned DMO Toraja to collaborate in conducting familiarization trip which was judged positive by the participants. In 2016, DMO Toraja executed an exit survey with tourism offices and WISATA. DMO Toraja also conducted a workshop on the Strategic Visitor Flow in which tourism stakeholders from Toraja participated in. The results will be used as a base for activities and intervention plans.

By the end of 2016, DMO Toraja succeeded in generating IDR 102.765.000 from advertisements in the destination brochure and from the Plastic Reduction Initiative (PRI) merchandises.

### Wakatobi

In 2015, FTKP Wakatobi played a role as coordinating body only. This year, FTKP Wakatobi has 25 active members involved in all discussions regarding tourism projects implemented in Wakatobi. Unfortunately, the non-public sector, including grass root communities are not well represented. To overcome that, three Island Working Group (IWGs) from Kaledupa, Tomia and Binonkgo were established. IWGs now act as the coordinator for all kinds of tourism and development issues on the islands.

Currently, IWGs are working on product development including a traditional event which will be partly funded by the government. **IWG Kaledupa** has organized a local festival “Barata Kahedupa Festival” which was considerably successful. **IWG Tomia** established a mini TIC of which is now functioning as an outlet for local souvenirs. IWG Tomia was also actively involved by the local government to develop a concept for a local festival in Tomia Island “Festival Bahari Pulau Tomia”. **IWG Binonkgo** has established Pokdarwis which includes 5 villages and sets directional signage for Binongko island. The IWGs established an IWG network functioning as s destination marketing agency in the future. IWGs have developed a 5-year work plan, as well as annual action plans. Synchronization of work plans with FTKP (at destination level) for connecting the planning at island and district levels, has been done and submitted to the district government through BAPPEDA to be implemented in 2017. Over the last year, the IWGs have significantly improved their capacity to manage the destination at island level. In Wakatobi, around 50% of stakeholders are aware of the FTKP/IWGs role.

The Exit Survey has been conducted which is analyzed by CTDS (Center of Tourism Development Studies) of STP Bandung. FTKP has been linked with Bali and Makassar-based tour operators interested in developing tour packages for Wakatobi.
4.2 Destination Marketing

General

The Flores and Toraja brands are widely applied on marketing collaterals. The use of the Wakatobi brand by the private sector increased, though not significantly. Tanjung Puting has developed its destination brand and commenced with a brand campaign.

Promotion of the destinations is done through the social media channels (Facebook, Twitter, Instagram), website, events and media. The capacity of the DMO/FTKP members in charge of managing social media and website has increased. In 2016, 2 travel writing classes were conducted by DMO Toraja and Wakatobi IWG to ensure awareness creation and the availability of articles for the newsletter/website. The local stakeholders are highly motivated to participate and eager to prove their skill improvements. One of the participants, successfully had his article published in a national travel magazine.

Promotional tools for Flores, Toraja, Wakatobi and Tanjung Puting were developed and distributed at local, national and international events/trade fairs. Digital versions are available on the website to download. Flores, Toraja and Tanjung Puting applied an advertisement scheme to support production of the printed materials, while Wakatobi will implement the advertisement for the 2017 brochure. The development or revision of Flores and Toraja are done, whereas Wakatobi and Tanjung Puting websites are in progress. All websites focus on user’s experiences and will integrate action tools which will allow faster access to local businesses.

Flores, Toraja and Wakatobi represented their destinations at ITB Berlin 2016. All 4 destinations participated at the BBTF 2016 (23-26 June in Bali), and PATA Mart (6-10 Sep in Jakarta), ITB Asia (19-21 Oct). In the travel fair, Toraja shared a stage with Wonderful Indonesia. Prior to ITB Berlin, the three destinations were exposed in Sales Missions in Germany. They have also conducted a half-day business meeting with 29 Netherlands-based tour operators. Flores DMO, Wakatobi and Tanjung Puting, co-hosted a Bali stakeholders gathering with tour operators.

During BBTF 2016 (23-26 June), Flores DMO, Toraja DMO, IWG Wakatobi, and FTKP Tanjung Puting were interviewed by TTG Media Singapore, TTG Poland and a local TV media (Berita Satu online TV). Makassar office participated in MATTA Kuala Lumpur (2-4 Sep), PATA Mart (6-10 Sep) for all 4 destinations under Wonderful Indonesia pavilion, ITB Asia Singapore (19-21 Oct), Celebes Travel Mart (Nov). In its first debut in ITB Asia, Tanjung Puting has received good response and interest from Indonesian sellers and overseas buyers who had no knowledge of Tanjung Puting. Before participating in trade fairs, a capacity building training is given by the Flores DMO marketing team on trade fair participation to representatives from Toraja, Tanjung Puting and Wakatobi.

From Project side, progress is on track with all destinations have their brand, marketing tools and are promoted on national and international markets. The use of this marketing channel by the private sector is mixed, while in Toraja the interest is very high right from the beginning for the other three destination it still needs additional socialisation.

Flores

In 2016, the Flores DMO e-newsletter achieved a total of 5,543 subscribers with an average opening rate of 10% and managed all its social media channels (Facebook 5,318 likes, Twitter 619 followers, Instagram 1,943 followers) by 31 Dec 2016. As for www.florestourism.com, between 1 Jan-31 Dec 2016 the Flores website achieved a total of 225,398 page views with an average monthly page view of 18,000 (users 64,305, bounce rate 35.87%). The Flores website development, including; mobile compatibility, call to action buttons and the integration of the online shop & booking is progressing and is live since the 5th of January, 2017.

Flores Advertisement 2016 (brochure, e-newsletter, website, city maps) offers promotion opportunities to local and national businesses. 42 companies participated in Advertising 2016 and yielded a total of Rp 155,414,000. As for the retail product sales in 2016, Flores DMO earned Rp 136,989,230. Total sales of 2016 is Rp 294,403,230.

Flores DMO supported a familiarization trip across west Flores hosted by MoT as a post-event of BBTF 2016 and managed to gain support from local business to hold a networking event attended by 14 platinum buyers from Europe, Asia and Australia. During BBTF 2016, Flores DMO was interviewed by TTG Media Singapore, TTG Poland and a local TV media station (Berita Satu online TV). Flores DMO participated in 2 table top meetings; with Australian and Eastern European tour operators in Bali. The table top was done as part of familiarization trip organized by MoT and the Embassy of the Republic of Indonesia with Poland, which established contact with 26
tour operators and 1 Airline. This year Flores DMO participated in ITB Berlin 2016, Komodo Travel Mart (KTM) and ASITA Fam Trip 2016, Labuan Bajo (established contact with 10 Bali-based tour operators including Japan market and 1 Indonesian blogger), BBTF 2016, PATA Mart and lastly, ITB Asia Singapore (contact with 3 media and 57 tour operators).

The Flores stakeholder gathering is was on 31 May 2016 (co-hosted with IWG Wakatobi), with 15 participants from Bali based tour operators and airlines. The 2nd stakeholder gathering was held on 9 Dec 2016 (co-hosted with FTKP Tanjung Puting and Garuda Indonesia) with 25 participants from Bali based tour operators, hotels and tourism schools.

Flores DMO supported and participated in local events such as Tour de Flores 2016, and other Flores events as a support to the local government. The media features Flores in AKTE online page (featuring Waturaka), the Exile House of Soekarno is voted for Most Popular historical site: https://ayojalanjalan.com/vote/index.php/situs-sejarah-terpopuler, etc.

As a follow up for taking over TIC management, Flores DMO held a training on TIC management and development of bike rentals in September 2016 with representatives of TIC Labuan Bajo, Bajawa, Ende, and Moni which also participated in the workshop. WISATA contributed 16 bikes to help flourish the demand of bike rentals. As follow up of the MoU signed between Flores DMO and Tourism Office of Manggarai Barat, Flores DMO supported the installation of backdrop for the TIC at Komodo Airport to improve its function and look.

Cooperation with third party intensifies through coordinating marketing and promotion efforts with VITO worldwide offices, ministry of tourism, and CBI. In September Flores DMO has submitted a proposal for cooperation through CSR program of Pertamina. Billboard and brochure design for Kelimutu National Park and Waturaka Community-Based Tourism were also supported.

### Tanjung Puting

FTKP Tanjung Puting continues its destination branding process in the second semester 2016 with destination logo and tagline 'Ultimate Borneo', finally established in October. Prior to the finalisation, a series of in-depth discussions on the branding concept strategy between FTKP and the brand agency in Pangkalan Bun, to the socialisation and online/offline voting precede to select the most representative destination logo and tagline among the local stakeholders of 3 regencies, (Kotawaringin Barat, Lamandau and Sekonyer) resulting in over 600 votes. After Babukung Festival, FTKP Tanjung Puting had the first introduction of Tanjung Puting tourism destination brand logo with the government officials of Lamandau Regency. The local government responded well to the information about the destination brand. Another round of introduction of the Tanjung Puting destination brand in Oct was also done in Grand Kecubung Hotel, Pangkalan Bun where FTKP Tanjung Puting presented the philosophy of the logo and brand which was received well by the local government of Kotawaringin Barat.

Brand core identity design development commences in August with a brand book and finished promotion material designs (brochure, flyer, biz card, etc). Since July, other marketing tools, i.e. website, mobile apps, are slowly progressing and scheduled to go live by March 2017. The Tanjung Puting destination brochure is produced and distributed by September, along with pins. The brochure has included advertisement with 13 companies – most of them tour operators based in Pangkalan Bun - promoting their businesses by paying between Rp 900,000 to 6,700,000 for one ad. A total of Rp 34,200,000 was achieved from the advertisements.

Social media of Tanjung Puting is activated though not yet optimized.

In 2016, FTKP participated in BBTF 2016 (37 contacts), PATA Mart (38 contacts), ITB Asia Singapore (48 contacts). Prior to trade fair participation, FTKP reps received a training to strengthen their capacity in trade fair. Tanjung Puting was interviewed by TTG Media Singapore, TTG Poland and a local TV media (Berita Satu online TV).

FTKP Tanjung Puting with support from Lamandau Regency and WISATA, conducted a Tanjung Puting fam trip (25-30 Oct) participated by 8 tour operators (Khiri Travel, Kelana DMC, Caraka Travelindo, Asian Trails, Go Vacation Indonesia, Exo Travel, Come2Indonesia) and 6 media (Anas, www.fatstrism.com, PT. Indonesia Dinamika Media/Valentino Luis, Teguh of Kalstar inflight magazine, DestinAsian Indonesia, Colours Magazine, Mario of My Trip magazine). During the trip all participants experienced the local tourism attractions: CBT Lopus, Babukung Festival, jungle trekking, night trekking, national park, ketolok cruise, etc. They shared feedback for improvements and have responded well to the potentials and attractions of Tanjung Puting. Media exposure resulting from the fam trip is scheduled till 1st semester of 2017 to allow for regular exposure distribution.

FTKP Tanjung Puting supported Babukung Festival (28-30 Oct) in Lamandau Regency and used the event to also create awareness about the destination brand. The event is featured in the Kalstar inflight magazine.

Tourism Office of Kotawaringin Barat provided a building near Kumai port to use it for TIC which is managed by FTKP. The TIC will not only provide destination information but will also be used as promotion space for local
products (craft, food, etc.) and as a coordination centre for local tourism stakeholders. Small renovations of the building, including its interior, is ongoing. The TIC plan is meant to launch in January 2017.

**Toraja**

Toraja destination’s brand campaign continues through awareness creation done with the help of media exposure, website, brochure and social media. The website and social media tasks are managed by a small group of team (Pokja) supported by Toraja and Makassar office. Whereas the 2016 Toraja destination brochure was published with 16 businesses, advertisements generating Rp 49.400.000; the 2017 brochure will be produced in Jan 2017. Various exhibitions and events participated by local government and Toraja DMO are the main distribution channels to promote the destination along with pin and sticker. Toraja DMO will hold familiarization trip for tour operator in 2017. Follow ups on article publications continue with media participating in the previous familiarization trip.

This year, Toraja DMO participated in ITB Berlin 2016, BBTF 2016 (contacts 41 international and 27 local TO), PATA Mart (15 contacts), ITB Asia Singapore (44 contacts), Celebes Travel Mart (40 contacts), MATTA Kuala Lumpur (13 contacts and VITO Malaysia). The DMO also supported a post-BBTF familiarization trip (26-29 Jun) organized by the MoT. During BBTF 2016 (23-26 June), Toraja DMO was interviewed by TTG Media Singapore, TTG Poland and local TV media (Berita Satu online TV).

The Toraja website [www.visittoraja.com](http://www.visittoraja.com) was launched in June. Update news about events in all destinations are spread via indonesia.travel and Colours Garuda inflight magazine. Toraja is featured in NatGeo Traveler Indonesia, Xpress Air inflight magazine (written by Valentino Luis), The Jakarta Post (result from Toraja media trip). Toraja e-newsletter is progressing and will be launch in 2017.

Toraja gained more exposure through Toraja Fair, 24-26 June 2016 in Jakarta. WISATA supported the arrangement by doing a barter promotion through the Toraja website. Toraja DMO supported Toraja International Festival, Toraja Marathon, Toraja Ultra Scenic Run, Kandian Dulang Festival, Lovely Toraja and Lovely December by supplying promotional materials or barter promotions, Instameet Celebes 11-13 Nov 2016.

As per December 2016, Toraja destination’s website that launched on 3rd June 2016 was visited by 3.387 users and 12.295 viewers (bounce rate 50.90%) and will be managed by Pokja. Social media achieved 7.176 likers and 7.129 followers on Facebook, 4.423 followers on Instagram, and 975 followers on Twitter (per June 2016, 5.971 likers on Facebook, 2.640 followers on Instagram, and 652 followers on Twitter). Toraja DMO held social media training and handed over the management of Toraja social media accounts (Instagram, Facebook, Twitter).

Toraja DMO Pokja participated in 4-days workshop in 26-29 Sept to learn how to manage website, newsletter, and social media for the Toraja destination along with the campaign to help make online promotion tools (website and newsletter) of Toraja’s sustainable development.

In September 2016, a trial of cycling around Rantepao was done to see the potential of cycling tour businesses in Toraja. This activity is supported by TOSA (Toraja One Stop Adventure) by borrowing their bikes for the trial.

**Wakatobi**

The Wakatobi destination brand continues with its brand campaign with a few local businesses applying the logo on their products. The protection to its intellectual property will begin on 1st semester 2017. Wakatobi destination brochure has been printed and distributed. The Tourism guide book content is nearly finished and scheduled to be ready by 2017. To ensure availability of promotion as well as improving capacity, IWG members had a travel writing course (11 participants) and a social media management course (10 participants).

Wakatobi is featured as the cover story of DestinAsian Indonesia Magazine (July–Aug edition), cooperation with media, i.e. Colors inflight magazine, Indonesia.travel, Lion inflight magazine and others, is maintained.

Wakatobi merchandise (pin, bag, umbul-umbul, bunting banners) are produced to support Festival Barata Kahedu. An article on the cultural festival has been published on Detik.com, Tribun.com, The Jakarta Post, Tribun, beritagar, etc. Wakatobi is nominated for Most Popular Dive Site: [https://ayoijalanjalan.com/vote/index.php/tempat-menyelam-terpopuler](https://ayoijalanjalan.com/vote/index.php/tempat-menyelam-terpopuler) and it was announced on 16 September 2016 in Anugerah Pesona Indonesia 2016 Jakarta. Wakatobi media trip (15-20 September 2016) features CBT Kulaite, Barata Kahedu Festival and island hopping around 3 main islands of Wakatobi: Wangi-Wangi, Kaledupa and Tomia, with 8 media participating: Trip Canvas, CNN Indonesia, The Jakarta Post, Metro TV, Harian Kompas, Supir Pete2, anakflores.blogspot.com, fatrism.com.

The familiarization trip for TO is held in 4-9 Dec 2016 with 10 TO from Bali, Jakarta and Makassar, i.e. Caraka Travelindo, Dewi Wisata, Vifa Holiday, Expo Travel, Panorama, GOH, Happy Trail Indonesia, Kelana DMC, Khi Travel, ASITA Sulawesi Tenggara. A business gathering was held after the tour operator familiarization trip, it was attended by local government and 8 local tourism industries. The session brought both parties to assess the possibility for cooperation.
This year Wakatobi participated in ITB Berlin 2016 (established 16 contacts), BBTF 2016 (established contact with 52 tour operators and 7 media). In PATA Mart, the FTKP established 25 contacts. At ITB Asia (19-21 Oct, the FTKP established 38 contacts. At Celebes Travel Mart 2016, the FTKP established 40 contacts. During BBTF 2016 (23-26 June), IWG Wakatobi, and FTKP Tanjung Puting was interviewed by TTG Media Singapore, TTG Poland and a local TV media (Berita Satu online TV).

In October IWG Wakatobi, Flores DMO, stakeholders from Makassar, Bali and Lombok (Dewi Wisata, Khiri Travel and Asian Trails) participated in a table top meeting in Bali with 17 Eastern European tour operators, who visited Bali, Wakatobi, Toraja and Flores during the trip. The table top was part of fam trip organized by the Embassy of the Republic of Indonesia from Poland with support from the Ministry of Tourism.

The Wakatobi website www.wakatobitourism.com and the mobile app are done. By December 2016, there are 44 businesses using online marketing platform mobile Apps and websites provided by destination/FTKP including 28 accommodations, 11 dive operators, and 5 CBTs.

Since October 2016, Wakatobi social media shows high improvement in 2 months. Social media management is planned to be handed over to the IWG Marketing Networks media team in 2017. To support the media team, series of training on social media and travel writing were done in September 2016. Facebook Wakatobi has 691 likes (increase of 42%), Instagram 680 (increase of 139%) and Twitter 112 (increase of 430%) followers (as per July 2016, Facebook 484 likes, Instagram 284 and Twitter 21 followers).

Partnerships with third parties have been recently done through communication with VITO Singapore, Germany, Netherlands and France. Brochures were distributed to VITO offices.

4.3 Tourism Associations and Businesses

**General**

In 2016, internal destination development activities focused on the development of training programs and training materials, in particular on the Tourism Skill Training Program (ToST) and modules with the purpose of upgrading the skills of the local tourism workforce in the destinations as well as the Hospitality Coaching Program (HoCo) and the finalization of its modules. The ToST training modules cover 4 occupations: F&B Waiters/Waitresses, Good Kitchen Practice (for Kitchen Staff), Receptionists as well as Tour Guiding. Besides the ToST materials, 2 further training materials on Health & Tourism and Safety & Security have been developed. The HoCo training materials and tools have been finalized for all 3 disciplines in two destinations, Flores and Toraja: (1) Workplace Cooperation, (2) Service Quality and Human Resource Management, and (3) Good Environmental Practice.

All destinations have been supported to identify motivated and competent local resource people to be trained in the Training of Trainer Programs and to become local trainers for ToST and HoCo under for the respective Local Resource Networks (LReN).

Local associations are supported to develop work plans as well as programs (business plans) and to strengthen their internal organizational capacity and skills through: workshops, tools, and tips. In order to do so, an association support concept has been developed to support all 4 destinations with an experienced back stopper, to help increase the internal organizational capacity of the supported associations at the beginning of the year.

From project side progress is very good in all destinations with the establishment of LReN’s and the introduction to the training and coaching tools. In Flores and Toraja the local trainers already provided some trainings and have been involved in the HoCo process. For Wakatobi and Tanjung Puting it is more difficult to find local trainers but is in progress. Training delivery through local trainers is planned for next year.

**Flores**

The Flores DMO further developed and managed its Flores Resource Network (FReN), a pool of local resource people with the capacity and motivation to share tourism related knowledge and act as informal trainers and coaches for the local tourism industry. The Flores DMO selects local resource people to implement DMO program activities such as HoCo and ToST. As FReN members, these local resource people are prepared through specific Training of Trainer Programs (ToT). In 2016, 39 local resource people were trained to become trainers under the FReN and resulted in 8 HoCo trainers, 7 Housekeeping trainers, 7 F&B trainers, 7 Good Kitchen Practice trainers, 5 Reception trainers and 5 Tour Guiding trainers.
The Flores DMO has a significant role in promoting and socializing the programs, tools, and training modules to associations and businesses. FReN, the local /regional training service provider network is fully operational and is handled independently by the DMO Flores. The DMO Flores was trained to operate FReN, to implement the service quality improvement tools and also the training programs and modules on their own at a later stage, independent of outside trainers.

DMO Flores implemented the HoCo Program successfully over 5 months in Labuan Bajo. 5 hotels participated, resulting in 4 hotels succeeding in improving their service quality. The final result presentation was conducted in Labuan Bajo in February 2016. In Ende, the HoCo program was implemented independently by DMO Flores, backstopped by WISATA. 4 hotels successfully participated in HoCo with the final result presentation at the end of July 2016.

The ToST Program was implemented independently by DMO Flores and FReN trainers for the occupations of (1) Housekeeping, (2) F&B Service and (3) Good Kitchen Practice. The Housekeeping training was implemented 2 times in Larantuka, 2 times in Maumere, 2 times in Ende, 1 time in Manggarai Barat, 1 time in Manggarai and 1 time in Moni. In total 138 hospitality workers have improved their housekeeping skills in Flores. The training on F&B Service was implemented 1 time in Sikka, 1 time in Flores Timur and 1 time in Manggarai. All in all, 32 hospitality workers have improved their skills on F&B Service in Flores. The training on Good Kitchen Practice was implemented 1 time in Sikka, with 12 participants improving their kitchen practice skills.

In cooperation with Badan Sertifikasi Nasional, the DMO conducted a competency test in Sikka in which 15 tourism staff were certified.

In Flores 2 associations (PHRI Manggarai Barat and Sikka) have successfully developed business plans/road maps for the coming 5 years, including: works plans, program, and budget. Five further associations in Manggarai, Nagekeo, Manggarai Timur, Flores Timur, and Ende have been supported to develop their business draft and program plans. To legalize the boards of local associations, the PHRI of the Province NTT, inaugurated the board of PHRI Flores Timur, Sikka, Ende, Nagekeo, Ngada, Manggarai Timur and Manggarai.

**Tanjung Puting**

Five tourism association are active in Tanjung Puting: PHRI (Indonesian Hotel and Restaurant Association), ASITA (Indonesian Tour and Travel Agencies), HPI (Indonesian Waiter Association), HKWK (Kumai Tourist Kelotok Association), and TCA (Tourist Cook Association).

There are 126 guides as members of HPI, 46 kelotok owners joined HKWK, 10 hotels are members of PHRI, 9 companies joined in ASITA, and 84 TCA members. TCA delivered human resources capacity building to its members through local culinary of Kalimantan Tengah training and 19 of 84 TCA’s members participated. TCA has a work plan and conducts monthly meetings. Two of the five trained food recipes are now served to tourists on Kelotoks.

WISATA conducted a sub-sector survey and disseminated the result to tourism stakeholders via email.

Toresta, the local resource network, has been initiated as an independent resource network with ToST and future HoCo trainers to improve service quality of local tourism businesses in the destination. Under Toresta, 17 local resource people were trained to become local trainers: 5 Housekeeping trainers, 3 Reception trainers and 2 Tour Guiding trainers. The ToST program was implemented for the occupation of Housekeeping and resulted in 19 participants improving their Housekeeping skills. In addition, applying traditional recipes in cooking, and food presentation was trained to TCA members.

**Toraja**

PHRI Tana Toraja and PHRI Toraja Utara have been established based on the requirements of the local governments. They will get administration support from the local government. Two tourism associations PHRI and HPI improved their internal capacity through coaching. Networking between tourism associations/businesses and SMKs in Toraja was intensified. PHRI’s membership has increased from 100 to 107 members. PHRI and HPI now have a forum for the members to meet with fellow hotelier, restaurant, and guides in bi-monthly PHRI Coffee Club meetings. The associations will provide and recommend training programs for the human resource development of their members. Toraja tourism workers, 30 Guides and 150 workers from Hotel & Restaurants, have passed their competency certification.

In Toraja, all in all, 18 local resource people were trained to become trainers under the Toraja Resource Network (TReN) which resulted in: 6 HoCo trainers, 8 Housekeeping trainers, 2 Reception trainers and 2 Tour Guiding trainers. The Toraja Resource Network (TReN) has been set up under the umbrella of PHRI Toraja. TReN has been supported and coached to deliver the training programs and modules including the HoCo program and ToST. As a result, TReN conducted their first independent ToST Housekeeping training, and will continue to be coached to deliver the first independent HoCo cycle in 2017. PHRI Toraja is implementing HoCo with 5 hotels signed up to
participate. The HoCo Program runs over 5 months with the final result presentation to be held in January 2017. The ToST Program was implemented in Toraja with TReN for the occupation of Housekeeping. All in all, 14 participants were trained. TReN implemented the Housekeeping training independently in one CBT village.

Wakatobi

Two business associations in Wakatobi are supported; PHRI with 34 members and the WPDA (Wakatobi Professional Divers Association) with 15 dive operators as its members. Representatives of WPDA initiated a collaboration of associations from Wakatobi with PHRI and ASITA on provincial level. WPDA has finalized its legal status independently, financed by its members. The WPDA has conducted dive exploration; 12 dive sites in Binongko have been assessed & 5 dive sites in Wangi-Wangi. During media and tour operator familiarization trips, the WPDA members arranged the diving session. The members who own dive operators attended a business gathering after the tour operator familiarization trip to assess the cooperation between both parties.

The local resource network Walota has been initiated as an independent resource network with ToST trainers to improve the service quality of local tourism businesses. Under WaLoTa, 21 local resource people were trained to become local trainers: 7 Housekeeping trainers, 12 Good Kitchen Practice trainers and 2 Tour Guiding trainers. ToST was implemented for the occupations of Housekeeping, F&B Service and Good Kitchen Practice. In the field of Housekeeping, 10 participants, in the field of F&B Service, 14 participants, and in the field of Good Kitchen Practice a total of 28 participants could improve their skills. In addition, Walota implemented the Housekeeping training independently in Tomia.

In partnership with LSP Phinisi Makassar, some practical skill trainings have been conducted; F&B Production (29 participants), good kitchen practice (11 participants), F&B Service (14 participants). In addition, some local professionals have been certified for front office (10 participants), ticketing (7 participants), Food Production (32 participants), F & B Service (14 participants), Housekeeping (18 participants).

4.4 Community based Tourism

General

The Community Coaching (CoCo) program concept has been developed including 3 modules: (1) Community Organization, (2) Homestay Operations, (3) Local Products. A community organization module draft is available, with a first theme on how to internally organize communities and build committee structures conducive to receiving and providing services to tourists. The modules, Homestay Operations and are developed during the second semester of 2016 and the one for Local Products will be developed beginning of 2017.

Since for the MoT Homestay development will be a priority in 2017 the CoCo modules will be made available for MoT to be applied in other priority areas.

Flores

Since 2015, 5 villages are included in the CBT program, namely Bliransina (Sikka), Waturaka (Ende), Bena (Ngada), Belaraghi (Ngada), and Kampung Ujung Labuan Bajo (Manggarai Barat). In 2016, the village of Nggela was added to the program; whilst in the western, Golomeni village in Manggarai Timur District has been assessed.

Nggela: Is a traditional village with: a dancing group named Muru Nggela, 19 groups of Ikat wavers and 3 other groups (Mawar, Kai Pare Lesu Usu, Gemar) which are active and running. The population number is at 1097 (Male 510 and Female 587). The village has high tourism potential, offering both, culture and nature. The cultural attractions are: the traditional village, monthly ceremonies of Adat and Ikat weaving. The natural attractions include: the beach, hot springs, waterfalls and many more. Visitor numbers are increasing steadily and there is potential to develop an alternative way to the village by boat. The CBT concept has been socialized together with the Department of Tourism and the CBT organization which will be active beginning of 2017.

Waturaka There are 17 homestays available and until December 2016, more than 200 tourists came and stayed overnight in Waturaka Homestays. More than 500 visitors came in groups and individual visitors came for one day trekking, study visits, internship programs from universities, SMKs or for participating in an event. The board and staff of CBT, Kepala Desa, in coordination with the local government, created Peraturan Desa Desa Wisata and RPJMDes. Two sanggar have been created for traditional music and dancing, and the last Sanggar Mutu lo’o only for youth group. To improve the creativity for traditional music performance, the two sanggar are coached by sanggar bliransina. To improve the management of CBT, SC conducted finance management evaluations and
created monthly meetings. Promotion Brochures have been printed and distributed to businesses. This CBT is always invited for sharing the knowledge to PolTekPar Makassar, Saga Village and to other activities in District level

**Bliran Sina**: No more intervention in Bliran Sina. SC only supported in the finance management evaluation.

**Bena** community restructured the management team and improved their capacity through different trainings such as waste management, CBT, marketing and promotion, building a network, and practical work in preparing local foods. There are 18 active members integrated in LP2MB (Bena tourism management group) and two of them are assigned in the Bena Information Center to serve visitors in the first place. Since the beginning of 2016 the village apples a ticketing system and during the first semester in 2016 there were 8430 Tourists visiting the village.

**Belaragi** CBT management is active and started to coordinate issues like unifying the prize for overnight stays. English courses for local people have been implemented to improve tourism services. SWM program has been socialized. Overall, the number of visitors has increased.

**Tanjug Puting**

In the first semester of 2016, Tanjug Puting focused on CBT/pokdarwis (tourism awareness group) in Delang Sub-district, in particular the Lopus Village and Landau Kantu. The activity mostly focused on organizational management, surveys, potential tourism identification and socialization, tourism stakeholders, tour operator networking, and government support. The Tourism Awareness Group (Pokdarwis) of Lopus Village has been restructured with a new executive board. Lopus has started welcoming tourists from March 2016. The number of tourists visiting and staying overnight in the Lopus Village, as a tourism destination, has increased (35 tourists as per July 2016). The promotion tool of Delang Sub-district, Lamandau (particularly Lopus Village) is available and has been published in the BBTF 2016 as well. Until the second semester, the Lopus Village has received more tourists, domestic and international, thanks to the support of local tour operators from Pangkalan Bun and the efforts of the Lamandau government. Tourism attractions have been developed in the Lopus area and in other surroundings through the cooperation of the neighbouring villages, to create a synergy of tourism development.

**Toraja**

3 villages are included in the CBT program, namely; Sulora’ and Sesean Village in Toraja Utara and Buntu Burake in Tana Toraja. Currently, two tourism village working groups with annual activity plans have been established in Toraja Utara following the Village chief’s ruling. In Tana Toraja on the other hand, socialization has been applied to Kelurahan Buntu Burake. Four signboards were installed and various coordination and consultation meetings were held on village, sub-district, and district level to define each role in tourism village development. 13 local guides have been trained in English, one of them becoming a local guide for domestic and international tourists.

Potential tourism attractions in the CBT areas have been included in the Toraja brochure for 2015 and 2016. CBT villagers have been encouraged to improve their quality and service of homestays through Homestay Management and Hospitality Training. A trekking system at Sesean Mountain has been developed to reduce waste around the trekking area, this works by applying entrance tickets that will then be exchanged with a recycle bag for trekkers to bring back their waste. A temporary dump site will be prepared for the waste coming from the mountain. The trekkers may take the recycle bag home or return it to the gate officer.

**Wakatobi**

Since 2015, two CBTs, Kulati and Liya Togo are in the program and in 2016 Kaledupa CBT, Limbo Langge, has been added. There are 62 CBT members in those three villages.

Community awareness and involvement has significantly improved and the CBT Groups now have the capacity to manage their local resources. CBT Groups in Liya Togo (Keppooli) and in Kulati (Poassa Nuhada) have been officially assigned by village authorities to manage tourism development in their own village. Village authorities in Kulati initiated the establishment of BUMDes pariwisata (a formal body to manage tourism in Kulati village to be done by Poassa Nuhada as CBT group). They have been trained in for the planning, and it is expected that tourism is included in their village’s mid-term planning.

Development of tourist attractions in all CBTs supported by the project are now on-going with signage making and setting up (directional & interpretive signage). Village authority of Kulati assigned three people to be responsible for the daily village cleanliness. To prepare community for hosting visitors, guide and English trainings (in Kulati 10 person and Liya Togo 15 person) have been conducted, which enables the community to host both domestic and international visitors. For now, there are 3 English speaking guides in Kulati and 3 in Liya Togo who are able to guide international visitors. CBT Kulati was officially launched in September 2016. CBT of Liya Togo and Kulati conducted two workshops on partnership building. Some businesses provided inputs to CBTs on how to improve the products they offer to visitors. This partnership will be followed up with an agreement between CBTs and the...
interested businesses in 2017. Some outbound Tour Operators that were experiencing CBTs (during familiarization trip) were interested in selling CBT packages. 3 tourism businesses already sent a group of visitors to Liya Togo & Kulati.

To strengthen community readiness, a training for homestay management was conducted in CBT Kulati and the TIC in the village has been improved. Some representatives of the CBTs have been trained on social media and travel writing.

4.5 Locally Sourced Products

General
For all destinations, a workshop on Value Chain Analysis (VCA) was conducted, with the aim to also to improve market and network relations between stakeholders.

Flores
For Bajawa Coffee, a Value Chain Analysis was conducted to improve shortcomings and improve market or network relations between stakeholders. Coffee Bajawa increased their selling by participating in local and national exhibitions. UPH Papawiu (Kooperasi) earned IDR 46.398.000 in 2016, which is an increase of 25% compared to 2014. In 2016, Manggarai Coffee was added as a leading local product and drafting GI with a coverage area of 3 sub-districts of Manggarai which was being supported. The local Government of all 3 Manggarai districts were involved as well. Coffee Manggarai participated in local and national exhibitions, promoting its Geographical Indication, two producers are selling the products with new packaging.

The Bilransina group of Watublapi Village who is producing ikat from Sikka have improved their English and financial management skills. They were sharing their processing knowledge (natural dye) with the Ikat wavers in Bena. Naturally dyed scarfs which are produced by the village women group (PKK Desa Tiworiwu) are on high demand, resulting in a growing women’s group with currently more than 100 members (from an initial 22 members).

For East Flores, Ikat will be highlighted through an Ikat Trail as a new product. For Ikat Ende, a draft booklet is available. Data has been collected from various villages including, Ndona and Nggela but some images are still needed to complete the booklet. The Ikat Booklet and Ikat Trail should be finished in the first semester of 2017.

The Waturaka farmers produce organic strawberries with their own product label to promote its origin (Waturaka) and the fact that it is organic. They participated in exhibitions and could earn IDR 10.200.000 in 2016. The women group PKK in Labuan Bajo which come from the SW program, successfully produce products out of waste together with the communities. In 2016, they increased their sales through handicraft training, exhibitions and establishing a gallery to display and sell their products. They earned IDR 22.310.000 as a side income.

Tanjung Puting
The local product development is focused on kapuak (tree bark) and plaited handicrafts from the Landau Kantu, Lopus, and Hulu Jejabo village. During the first semester in 2016, the support was focused on organization, handicrafts identification, and design development to create local products as souvenirs. There are two models of kapuak based handicrafts which are agreed to be developed. During the second semester, other potential products, such as luha (babukung mask) and wood carving handicrafts should be developed, however they must be discussed first.

Toraja
Through a value chain analysis (VCA), three potential local products have been identified to be developed, including: coffee, weaving, and bamboo based handicrafts. The VCA training was conducted in May 2016, participants being local product producers and sellers in Toraja. As a result, some participants cooperated in the product development, for instance, tour operators supported cooperatives of coffee farmers to get simple facilities for coffee drying. 11 bamboo producers participated in a training to utilize bamboo as tourism souvenirs. The catalog of Toraja Local Product has also been prepared as a database and material for Toraja Guide Book with important information as well as to promote Toraja souvenirs to visitors.

Wakatobi
In 2016, WISATA supported 2 weaving groups in Kaleudupa for the development of traditional weaving that applies natural coloring, and for product diversification. 5 new products that are materially based on traditional weaving
clothes were developed. Partnership between souvenir producers, local outlets and businesses established will be strengthened in 2017. In addition, there are now two new handicrafts associations, Wasauleama in Kaledupa and Galampa Palaenga in Tomia. Tourism Office of Wakatobi has facilitated a series of trainings on local product development and assigned WISATA to facilitate the establishment of a Creative Industry Forum for Wakatobi.

### 4.6 Government Support and Pilot Projects

#### General

In all destinations the exit and sub-sector surveys have been conducted and the results disseminated to related government agencies. The reporting has been done by CTDS Bandung for the first time. It needs still a bit support to them for the result interpretation and to produce that in time. The development of the district tourism master plan (RIPPARDA) and local regulation planning (RANPERDA) is either in process or finalised. The FTKP/DMOs are also involved in tourism development planning in the destination level.

As part of the “10 New Bali”, the authorities of the two National Parks of Komodo and Wakatobi, are in cooperation with WWF Indonesia to develop a Master Tourism Plan including the “Least Acceptable Change” mechanism. WISATA supports the process in both destinations with data collection and SVF exercises.

The Solid waste management (SWM) program has now been initiated in Toraja and Tanjung Puting as well. The pilot activities in Labuan Bajo were successful and are used as examples for the other locations. The SWM initiatives have motivated local groups to take over activities and the communities involved have a high motivation to continue e.g. the success of the women group PKK with their SW products.

#### Flores

The local planning for RIPPARDA Ende, Ngada and RANPERDA Ende has been finalised. From all the supported local Governments the priority of Tourism and Environment has been raised and is now for Manggarai Barat priority 1, Ende priority 3, Sikka priority 3 and Flores Timur priority 3.

WISATA together with the DMO, supports local governments in drafting the RKPD (Work Plan of Local Government) 2017. In Sikka, BAPPEDA was advised to adjust their local plan and include Maumere Bay and Taman Wisata Alam Laut as a main destination in Sikka.

**Mitigating measures to improve environment and SWM:**

**Labuan Bajo:** The focus has been to strengthen the role of the stakeholders in the pilot areas of 6 RTs in Kampung Ujung which includes more than 500 families, 3 schools, a number of businesses operating in the areas (hotels and restaurants) as well as a women group (PKK) with 25 members. The community has taken an active role in implementing and promoting better waste management. The PKK women group is actively carrying out weekly clean up and has successfully managed to involve other communities as well as students. They are very active in creating crafts out of waste and have already participated in two local fairs where they could sell products worth IDR 14 and 22 million respectively. Now they are providing trainings to other groups of women and students, not only in Labuan Bajo but also for the communities in the national park. The pilot project community has strengthened their profile and successfully established partnership with a number of sponsors such as PLN, Bank Mandiri and the Ministry of Environment. WISATA will further support PKK with capacity building in terms of crafts manufacturing but also in terms of their knowledge on SWM practices.

The local Government was supported to develop a roadmap on SWM in 2012. Now, the new Wakil Bupati Ibu Maria, has realized how much has been done during the years, including our contribution for local legislation and the pilot program and she is feeling very positive about it. She has requested us all to use the roadmap as a reference.

**Ende & Moni:** The focus of SWM activities in the Moni area includes three villages; Koanara, Waturaka, and Woloara, with a total of 900 families. A working group/POKJA led by the government was formed in which all relevant stakeholders met and drafted a plan/ roadmap for immediate action including needs for infrastructures, definition of roles and general needs on short and long term basis. The three villages have responded positively with land being allocated for small sorting facilities. 24 bins have been distributed in the village of Woloara alone, and another 10 are being allocated to the village of Waturaka. Under the local POKDARWIS an active group for weekly cleaning and collecting non-organic waste has been formed (sampahmen). A 3-wheel motorbike cart has

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**Support local governments in establishing an enabling environment for the tourism industry in selected target destinations that include the mitigation of negative environmental and social impacts of tourism.**

- Supporting activities toward the drafting, approval and implementation of local legislation “PERDA Pariwisata”
- Mitigate environmental impact focusing on Solid Waste Management issues.
been donated in order to enable them to effectively collect the waste. Support for the draft and finalization of local regulation PERDES (peraturan desa) has been provided as well as for the process of defining needs, roles and action plans. Socialization of SWM, good practices and waste separation concerning recycling have been initiated and will continue in 2017.

PRI: The Plastic reduction Initiative (PRI) has been launched in collaboration with the DMO in Ende and in Bajawa, in both locations the socialization was attended by members of HPI, hotels and restaurants, and government officials (Parwisata, Bappeda, BLH). In both locations, the stakeholders have shown a positive response and up to 10 businesses have signed up. The DMO handles the initiative and showcases it in the various TICs. For Maumere, it is planned to socialize this initiative in September. In Labuan Bajo, the initiative has reached 32 participants (diving operators, hotels, and restaurants). The PKK group has embraced this initiative and made a full station available at their “gallery” with 3 dispensers. The use of dispensers with water filters has also been initiated (NAZAVA system), which allows the use of tap water. 4 schools in the pilot project area will be provided with those dispensers. The PRI initiative is also included in the HoCo training for hotels. Hotels which participated have adopted the practice as it is highly relevant to their commitment toward better in-house environmental practices.

**Tanjung Puting**

RIPPPDA of Kotawaringin Barat, Lamandau, & Seruyan are available, however they have not yet been endorsed by the local parliament. During the first semester, the activities focused on the solid waste management program and discussions with local government (including Lamandau & Seruyan District) to support workshops on tourism destination management.

In 2016 we have assessed the SWM situation in relation specifically to the tourism areas. Plans for activities that will be carried out in 2017 have been made. Tourism stakeholders have demonstrated their interest in having the PRI applied, initially at least to the “Klotok” and the CBT area. They are also willing to improve the disposal system in various crucial tourist spots including the Kumai harbour (Klotok harbour).

**Toraja**

An agreement and annual plan between WISATA and both governments has been signed. 7 regular meetings with the coordination team of Toraja Utara has been conducted. Both local governments socialized the KSPN (National Strategic Area for Tourism Development) master plan. Both districts already have RIPPPDA, and the development of RPJMD (midterm development planning) by Bappeda of both districts and tourism offices is in the process of the development of the code of conduct regarding tourism and environment issue.

Following an initial assessment on SWM done in 2015, further specific data has been collected in regards to selected sites. An assessment on the Solid Waste situation has been conducted and a program for SW pilot activities developed for two sites and one CBT for each regency (TT and TU). The plan has been presented to the government for approval and support. Work has started with the community managing “kete kesu” in TU with several planning meetings where all stakeholders contributed (from the site and local government) and in addition made links with local recyclers and the community.

PRI has been launched in September and more than 18 stakeholders have signed.

The annual exit survey and sub-sector survey has been conducted by the DMO Toraja together with local governments.

**Wakatobi**

The development of tourism regulations for the academic and legal documents of RIPPARDA have been finalized and have been approved by local parliament as Local Regulation (Perda). To improve accuracy on visitor data, a workshop to define variables for the collection of visitor data was held. Follow up activities have not yet been done by tourism office. Four coordination meetings among government agencies where held with FTKP as the coordination body.

A series of workshops, FGD and meetings on tourism development with all stakeholders at island level have been conducted. Through each IWG, approaches on raising community awareness towards tourism have been conducted. WISATA was actively involved by the Tourism Office as a resource person / key note speaker in strengthening Pokdarwis, especially about the institutional capacity building of Pokdarwis.

SWM does not have any activity in this destination yet due to its complex logistics and the presence of various NGOs focusing on environmental issues. Nevertheless, it has been agreed that the PRI is a relevant initiative with good chances of adoption by local stakeholders and tourists. Moreover, plans for the launching in 2017 have been made.
4.7 Vocational Education (SMKs)

**General**

Since 2016, there are 9 vocational school (SMK) in four destinations and 5 model schools under the Sister School Program (WISSPRO) to improve the school management quality, curricula implementation, teacher capacity building, preparation of student on the job training (development of internship pocket book), and school facility improvement. The target SMKs developed the curricula for local content in each destination. In the Teacher Internship Program (WITIP) 2016, 23 teachers participated compared to 14 teachers the year before. SMK strategic partners also increased from 7 to 14 companies namely Melia Bali Nusa Dua, Novotel Nusa Dua, Bali Dynasty Resort, Fairmont Resort Sanur Bali, Mercure Resort Sanur, Santika Siligita Nusa Dua Bali, Sheraton Kuta Bali, Asian Trails, Flores Trails, Pacific Worlds, Pacto Ltd, Asialink Holidays, AntaVaya, and Garuda Indonesia. Both programs aim to attract the tourism industry, and to be more actively involved in strengthening the relationships with tourism SMKs. This would lead to having better linkage for job placement and career development for SMK graduates as well as enhancing capacity building for SMK teachers. The WITIP program became very popular among the participating teachers. WITIP has been requested by Directorate PSMK Jakarta and SEAMEO (SouthEast Asia Minister of Education Organization) to be presented during their workshop in Malang on December 2016.

The internship pocket books developed based on cultural competence has been tried out in 4 (four) destinations as well as at model schools. This tool is in-line with K-13 content (Indonesia national curriculum for SMK) to prepare students prior to starting their on-the-job training. The pocket books are now finalized to be fully implemented by the schools in 2017. The director of PSMK in Jakarta has acknowledged the internship pocket books and recommended them to be used in a wider area to support SMK Pariwisata in Indonesia.

In 2016, WISATA developed a local content curriculum for the supported SMK in Flores which highlights the local culture of Manggarai Barat and English skills for Tourism. This is supported by SMK in Wakatobi and Tanjung Puting.

**Flores**

Since beginning of 2016 SMKN Jerebuu, a school close to the CBT villages in Ngada, has been added to the program. Now there are 4 schools including SMKN 1 Labuan Bajo, SMK Swakarsa Ruteng, SMK St. Thomas Maumere. The supports to SMK include capacity building for teachers, development of guideline and syllabus, technical assistance on library management, and Sister School Program. 2 SMKs in Sikka have participated in a workshop to develop local content syllabus. There is increasing number of student who visit the library in supported SMKs. SMK model like SMK Harapan Denpasar and SMK Negeri 3 Denpasar have provided examples to improve management and quality for SMK partners in Flores. An online reservation software ABACUS is already installed in 3 SMKs and 8 teachers from 4 SMKs have joined the training (ToT) of this online reservation software. WISATA facilitated two guest lectures delivered by tourism professionals to SMKs to provide insight about real condition in the business.

The Sister School Program (WISSPRO) inspired 2 targeted schools (SMK Swakarsa Ruteng and St. Thomas Maumere) to set up a business unit at school. And will run laundry service. SMK St. Thomas started to expand location of student internship program. This year they sent out 31 students to take internship in Labuan Bajo and Bali. SMKN 1 Labuan Bajo was appointed as Sekolah Rujukan (Reference School) for other SMKs in Manggarai Barat. Admission in 3 targeted schools increased over 75% than previous academic year. For example, SMK Swakarsa Ruteng has accepted 300 students in 2015. This figure raised to 525 students in 2016.

**Tanjung Puting**

During 2016, the activities focused on the sister school program between SMKN 1 Pangkalan Bun with SMKN 10 Surabaya (three times), development of student internship pocket books, development of English for tourism as local content which already on finalization process, supporting school library (SMKN 1 Pangkalan Bun won the library competition) and school laboratory for UPW, cooperation agreement with local business owners/tourism businesses. No Teacher joined in WITIP 2016 because of lack of tourism teacher in the targeted school. In order to add internship placement for tourism student, SMKN 1 Pangkalan Bun signed MoU (Memo of Understanding) with 3 local businesses, i.e. PT. Borneo Hijau Persada (2 students), PT. Bali Borneo (2 students), and Swiss-Bel Inn (3 students). FTKP Tanjung Puting and SC internships students supported guest teachers program, particularly in English for Tourism. English for Tourism module (tour and travel) has been revised completely. The teacher has
been integrating and applying the module into learning process since September 2016. Tourism laboratory for tour guiding has been installed and applied. FTKP Tanjung Puting was involved in designing interior of the laboratory. SMKN 1 Pangkalan Bun was appointed as Sekolah Rujukan (Reference School) for other SMKs in Kotawaringin Barat and Lamandau.

**Toraja**

In 2016, both SMKs in Toraja participated in the WISSPRO and the teacher internship program with 3 participants. In early 2016, WISATA together with model school (SMKN 8 Makassar) introduced the internship pocket book out through try out, and discussion. The business linkage facilitated by PHRI for on the job training and recruitment of SMK’s alumni has been strengthened and looks promising. For example, Misiliana hotel, Aras Cafe and Indra Hotel open their door for student’s internship. Some students were offered a job, too. An industrial visit to Misiliana Hotel has been conducted by 18 teachers. Kitchen facility has been improved with new equipment at SMK Eran Batu. PHRI already donated several items for school laboratories at SMKs. Meanwhile, the school utilizes the kitchen and mini hotel for practical training as well as to serve guests. Make-up room and laundry business unit will be realized in SMK Wirawisata this year.

At a Job Matching event with the model SMK in Makassar the target schools have been encouraged to create Career Center for graduates. WISATA also facilitating SMK Partner to gather database for their alumni/graduates to maintain the relation between school and alumni as well as to build network for new graduates so that they can get job offers easily.

SMK Wirawisata did change school management significantly. The head of foundation took over leadership of the school, while the school principal. Public interest to tourism program in SMK Wirawisata has increased as indicated and 4 more students enrolled in the program.

For the scholarship program 2 students from supported SMKs where selected to study at STP Bandung Destination Management (D4). The scholarship program was presented to education and tourism offices as well as to the Vice Regent of Tana Toraja. He wants to replicate the program and put it in RPJMD (Regional Mid Term Development Plan) as a reference.

**Wakatobi**

In 2016, 2 SMKs in Wakatobi have been supported: SMK 1 Wangi-Wangi which has 31 students with 4 tourism teachers and a new addition, SMK 1 Kaledupa which has 96 students and 2 tourism teachers.

The library at both schools have improved their book collection and layout. SMK 1 Kaledupa has no electric power during the day therefore they have a manual librarian training system. To implement the digital system for library management, a training on using SLIMS library management software has been conducted at SMK 1 Wangi-Wangi. A relevant teacher of both schools participated in the ToST (Tourism Skills training) program on Housekeeping skills. The teaching module for local content English for Tourism has been finalized and will be implemented in 2017.

For 2016 the 2 supported SMKs in Wakatobi collaborated with SMK 6 Makassar (new model school) and received support to improve school management, student management & new student enrollment, library management, internships for students, curriculum implementation and industry relationships. The internship guidelines and journal have been finalized for the students and parents. They have been introduced to partner and model schools, as well as to Tourism Offices of Wakatobi through Training of Trainer activities. SMK 1 Kaledupa has used the internship module as the guideline during their Internship Program in 2016.

Partnerships with tourism businesses (hotel) were initiated through PHRI Kendari. SMK 1 Kaledupa already acquired/signed MoU with 3 hotels in Kendari. Human Resource Manager of Swissbell Hotel, Kendari, has visited SMKs in Wakatobi to share his knowledge and motivate students. Four teachers have joined teacher internship programs in Bali (3 of them were financially supported by the Education Office of Wakatobi and 1 supported by WISATA).

Three graduates from SMKs in Wakatobi were selected to study in STP Bandung under the scholarship program; 2 students from SMK 1 Kaledupa and 1 student graduate of SMK 1 Wangi-Wangi.

**4.8 Higher Education**

Following the success in 2015 by developing the Destination Management Curriculum to support all Higher Education Institutions in Bali, Bandung and Makassar, WISATA continues to develop 10 (ten) modules of Destination Management for Professionals. These modules are dedicated for practitioners in destination management of DMOs, policy makers, government representatives, academics and professional associations. The 10 modules have been launched during a pre-event of GTCF/Global Tourism Care Forum on 18th November 2016
in STP Bandung. A pilot training had been successfully conducted in which 60 people attended from the four target destinations, as well as from Bandung, Jakarta and other areas in Indonesia. Further step will be taken by CTDS to carry out The Training of the Trainers and start promoting these modules in May 2017. With the strong role of CTDS and the support from professional trainers, the DM Module for Professional shall become one of the most important tools to enhance the quality of human resources for destination management.

In 2016 STP Nusa Dua Bali has successfully accomplished the destination field research in Labuan Bajo involving 28 (twenty-eight) students and 6 (six) lecturers. The research focused on the tourist perspective of Flores as a destination and the tourist’s willingness to pay at Taman Nasional Komodo. The result has been presented at the seminar and recommended to Pemda Kabupaten Manggarai Barat. In addition, STP Bali lectures also contributed to extending serial training for capacity building, focusing on hygiene and sanitation for all local food-stall sellers at Kampung Ujung, as well as to the women group of PKK who produce the re-cycled products in Labuan Bajo.

As part of an international partnership 2 (two) international events were carried out at STP Bandung and 1 (one) at STP Bali. The 12th Biennial Conference on Hospitality and Tourism Industry in Asia calls Asia Tourism Forum was hosted by STP Bandung, using “A New Approach of Wonderful Tourism” as the main theme of the event. There were 460 participants from 21 countries that attended this 3-day event. The pre-event of Global Tourism Care Forum held in November 2016 was participated by 80 people from Indonesia, Philippines and Thailand. In the meantime, FIT - Forum International for Tourism & Environment- was held on 2nd to 3rd of June 2016 at STP Nusa Dua Bali. FITe was initiated by the Alliance Francais to Indonesia and the MoT, Indonesia, as a platform for international dialogue on sustainable tourism for young people through video essay competition. The first FITe topic is Tourism and Sustainability: the future we want. The committee has received 130 videos from 34 different schools and universities. Two of STP Bandung students and a student of STP Bali won the FITe competition and received the award for having study tour in France. The 2nd FITe will be conducted in March 2017 at STP Bandung.

In 2016 several guest lectures were conducted at the HEI. Dr. Mark from the Hampton/University of Kent, presented the impact the growing tourism sector has on local businesses, to around 120 students and lecturers at STP Bali on 29th of April. A Sustainable Tourism Communication Course was presented by Xavier Font on May 10th. Prof. Hermanto of LIPI (Indonesian Research Institution) presented the qualitative research methodology to 32 lectures of STP Bali in December 2016.

In 2016, 5 volunteers of P.I.E.C.E.S supported Poltekpar Makassar. English classes as well as cultural exchanges between 2 institutions became the highlight of the visit. One of the results was to revive the PIMEC, The English Club of Poltekpar Makassar. After waiting for a long time, by the end of this year MoT appointed the new Director of Poltekpar Makassar who will officially start in January 2017.

The international partnership activities continued with a potential collaboration with Hochschule Luzern. During the first stage, a lecturer from HEIs in Indonesia and a lecturer from Hochschule Luzern may collaborate to advise on a student’s final paper and publish it together. This year STP Bandung has sent 2 students for an exchange period of 3 months to DHBW Loerrach. In the meantime WISATA has also supported 1 (one) lecture of STP Bandung to participate the international conference of UNESCO Geopark in the UK.

The role of CTDS of STP Bandung became a major focus in 2016, as most of HEIs products and activities include the SNAP software for the Exit Survey which is handled by CTDS. In addition to that, with the time line proposed from May 2017 onwards, CTDS should be ready to provide services for training and human resource capacity building focusing on the DM Module for Practitioners, which WISATA should be able to strengthen in facilitating CTDS with strategic support in 2017.

The WISATA scholarship program is running with 10 scholars from Flores, Tanjung Puting, Toraja and Wakatobi, who are now studying at Diploma 4 and Bachelor program of destination management at STP Bandung. Currently the manual and guideline procedure of scholarship is in progress and projected to be finalized in March 2017 for advocacy and promotional purposes. The scholarship program is one of the highlight programs of WISATA which can be offered to local governments or private sectors for sponsorship.
5 Sustainability

5.1 Measures to enhance project sustainability

To enhance sustainability of project interventions there are several measures underway or planned, depending on the interventions:

1. For the two Destinations Flores (Labuan Bajo) and Wakatobi which are part of the ten priority destinations with very high growth targets we will in cooperation with WWF support the local Governments (District and National Park) to do a carrying capacity study as base for their masterplan.

2. For Destination Management the critical issue is financing the tasks and running costs of the organisation. To implement tasks they need 3rd party financing either from the local Governments or companies through their CSR program. To cover their running costs they need some income either through service provision, management fee or sponsorship. To prepare the different destinations for that the following support is or will be provided:
   - For DMOs, like in Flores and Toraja, development of realistic Business Plans plus activity proposals to be submitted to local Governments and larger companies for their CSR program.
   - The FTKP in Wakatobi, where their board members act/work on a voluntary base, will be assigned and supported by the local Government as long as there is a function for them. Therefore they do not need a lot of additional funding.
   - For Island Working Group (in Wakatobi) members will work also on a voluntary base with a strong local ownership. Empower them with a networks, good tools to improve their island conditions and a good link to the district government will be build-up. Additional funding can be generated through their TIC where they sell services and local products.
   - For Tanjung Puting, strengthen the FTKP as a volunteering group of local business owners through the introduction of Strategic Visitor Flows. With this approach they can identify new destination products where they will have a direct interest and benefit. Therefore the organisation will be quite slim and their running costs low. Nevertheless a business plan will be developed where additional income options are defined, e.g. through their TIC.

3. Marketing and Promotion is one of the important tasks in Destination Management. To maintain certain level of promotion the following support or preparation has been or will be provided:
   - All destinations have their own branding Brand which is or will be protected with intellectual property rights. To strengthen these brands they are or shall be socialised among government agencies and private sector to apply it for their own promotion activity.
   - Electronic marketing tools like website, newsletter, apps, and social media are build up and handed over. They are not very costly and can even generate income through advertisements and booking engine. The project will train the assigned persons to regularly update the tools or link them to a local small business to do it for them (outsourcing).
   - Collaterals (catalogues, city maps etc.) can be financed through advertisements which generate additional income to cover operational costs. The DMO/FTKPs are supported to find local designers and printing companies (outsourcing).
   - Promotion activities like Fam Trips, national and international Trade Fairs can only be done if they are sponsored either by Governments through 3rd parties (Tour Operators, Airlines, MoT or local Governments). The DMO/FTKPs are supported to link them to the relevant departments of the MoT, prepare proposals for such events and coached to acquire such sponsorships or support.

4. In the target destination to make Service Quality Improvement SQI measures available in the long run the following support or preparation has been or will be provided
   - Make available to the DMO/FTKPs, and/or associations the different tools like Toolkits, skill training modules ToST, Hospitality Coaching Program HoCo, and Community Coaching Program CoCo
   - Capacity building for local organisation (DMO/FTKPs, association) in how to manage SQI programs
   - Supporting the DMO/FTKPs to building up local resource networks like the FReN (for Flores) or TReN (for Toraja) where members act as local trainers or consultants. Train them in the use of the SQI tools
   - Socialise and promote the SQI tools and the local Resource Network to the government and include it in DMO proposals to be submitted to potential sponsors
5. For **CBT** programs the communities are supported to build up their internal organisation and capacity, incl. how to handle financial aspects, development of tourism offers (products, attractions, homestay), how to receive guests and linking them to interested tour operators.

6. For **Solid Waste** issues the local governments are already quite sensitive like in Labuan Bajo where a roadmap on SWM was developed with the support of the project. This roadmap has to be used now by all parties involved as a reference. Other environmental issues are built in some training or coaching programs like HoCo.

7. For **Vocational School** improvements build-up a network/partnership with tourism industry within the destination directly through the schools and outside the destinations (Bali, Makassar etc) via the sister schools. This network shall be used for teacher-internship program, which will be promoted to the provincial government for financing as part of school improvement measures as well as for improving training quality through student internship, guest lecturer from the industry.

8. For **Higher Education Institutes**
   - Scholarship program for talented SMK graduates can be implemented by the STP Bandung. The project together with the DMO/FTKPs will promote this possibility to local and provincial Governments for sponsorship of youth from their region.
   - CTDS within STP Bandung shall act as a service provider for Destinations. The project supports them to develop services like data collection and assessments, training providers in Destination Management etc.

### 5.2 Exit strategy (if applicable)

**WISATA II** will gradually disengage from the supported destinations. In order to prove and improve the well-functioning of the promoted systems, **WISATA**'s interventions need to be driven back to the bare minimum, until it remains just in an observing and demand-based advising role. In order to attain a broader impact in the long run, local actors such as DMOs, associations, enterprises and support structures will be strengthened to operate independently.

As described in the Project report 2014-II the Flores part of the **WISATA** program will be the first to be completed. Basically it will phase-out in three steps:

1. Reduction of program presence in Flores by closing its Field Office in Labuan Bajo by June 2016.
2. Closing of project activities including Field Office in Ende by June 2017:
3. Remote monitoring by the program office Bali until End of June 2018:

Based on the recommendations of the MTR and to ensure a certain quality for financing proposals and implementation of DMO activities they will be back stopped till June 2018.

So far the DMO Flores is able to include many project initiated activities in their service program, e.g. Marketing & Promotion, Service Quality improvement with FReN.

For the three new destinations, which are within the MoT program, Swisscontact will develop a detailed implementing plan for the next 4 years including phasing out steps until mid of 2018. Based on the recommendations of the MTR, by mid-2017 Swisscontact will also reflect on whether or not a non-cost extension is necessary to complete project implementation successfully.

### 5.3 Status of exit strategy implementation

For Flores the project has reduced its engagement and team. The office in Labuan Bajo has been closed by June 2016 and only one PO is there at the Bappeda office. The Flores DMO is already able to execute many activities independent with only a backstoping through the project. There are still some development activities ongoing which will be handed over gradually. The all activities except for the vocational schools will be finalised till June 2017.
6 Risks

Risks have been analysed and a risk mitigation strategy forms part of the project. Most of the risks for economic development and well-being that were analysed are not in the direct influence of the project. The risks described in the table below are being monitored regularly.

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
<th>Actual situation monitored</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>6.1 Political risk</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to presidential elections in 2014 change of political context might lead to change in tourism policies, which affects project relevance</td>
<td>The project will flexibly respond to policy changes to the best degree possible</td>
<td>Medium / high</td>
<td>Ambitious visitor target increases the environment and social’s risk of the 10 destinations. Other organizations such as WWF-Indonesia pay high attention to environmental sustainability by supporting National Parks in Labuan Bajo and Wakatobi through creating proper NP-master plans to protect the zone selected for tourism activity. The Wisata Project is in close communication with WWF for mutual cooperation to create the destination best.</td>
</tr>
<tr>
<td>Security climate still affected by communal violence, mainly fuelled by Islamist radicals</td>
<td>In the past, the targeted destinations have not been affected by domestic violence but the project will closely monitor the domestic security climate and prepare a security response plan</td>
<td>Low / medium</td>
<td>Lately, national political tension increased due to massive anti-Ahok demonstrations, one of the candidate leaders closest to the Jakarta’s Governor election, whom allegedly degraded the Al-Quran. Two major demonstrations occurred on November 4th and December 2nd in Jakarta, involving thousands of demonstrators from different places in Indonesia, not only Jakarta. A heated debate on social media between pro and anti Ahok followers is increasing significantly. The case is now ongoing in the courts. No long after, four suspected terrorists were arrested on December 10th, 2016 in Bekasi (West Java) and Jakarta. The supposed Islamist militants were reportedly caught with 3 kg of bombs ready to explode, which was part of a planned suicide bomb attack on a security post at the State Palace in Jakarta. A woman, as the initiator of the suicide bombings and three men are now arrested and in police custody. In connection to that arrest, on December 21, 2016, the police managed to arrest others suspected terrorists in three different places, namely three in Tangerang (West Java), 1 person in Deli Serdang (North Sumatra) and 1 person in Payakumbuh (West Sumatra). Three people in Tanggerang were killed during the fight over their arrest. It was reported that the terrorists planned to blow up a bomb on Christmas Eve.</td>
</tr>
<tr>
<td><strong>6.2 Development Risk</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local stakeholders are hesitant to cooperate with the implementing agency and act out plans</td>
<td>Project approach and support will be transparently communicated towards stakeholders to avoid false expectations</td>
<td>Medium</td>
<td>For cases as seen in Labuan Bajo-Flores, which is known as a rapid growth destination, local businesses are expecting the WISATA project to solve any and all problems, including problems under government authority. This is seen in the data collection for the WISATA annual survey which local businesses now seem hesitant to provide information since they think it will not result to improvements.</td>
</tr>
<tr>
<td>Conflicts between stakeholders might jeopardize results</td>
<td>Based on the experience in Flores, attention will be paid to align all major</td>
<td>Medium</td>
<td>Conflict between stakeholders happen mostly because of competition and/or jealousy. At the moment there are no major issues of conflict but it is a delicate ground and the project handles activities in a sensitive and neutral way.</td>
</tr>
<tr>
<td>Risk Description</td>
<td>Mitigate measures</td>
<td>Importance of the risk</td>
<td>Actual situation monitored</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Personnel changes among supported institutions hinder ownership and the take-up of capacity building</td>
<td>For DMOs, WISATA II will primarily focus on institution building. Improving tourism education will broaden the range of specialists at hand. Partnerships between Swiss and Indonesian training institutions will ensure access to knowledge beyond the project scope</td>
<td>Medium</td>
<td>Personnel changes often happen within the governments agencies on all levels. The project continuously informs and involves new assigned government partners, but often it needs time to build up understanding and motivation.</td>
</tr>
<tr>
<td>Limitations on destination management hampers many key stakeholders</td>
<td>Limited district government's knowledge of destination development in district level creates separate destination managements and each stakeholder tends to create its own initiative</td>
<td>Medium</td>
<td>Destination management needs collective collaboration by all stakeholders. Some roles are handled purely by government and others are under cooperation of government and private sectors. The “silo effect” hinders the effectiveness of many destinations, individual stakeholders don’t understand that their collective presence would result in better destination performances. Some approaches are left behind such as destination research and planning, visitor management or destination leadership and coordination. The WISATA project is now in an ongoing process to assist the Centre of Tourism Destination Study of STP Bandung (Higher Education Institution in Bandung) by developing certain key topics of destination management through different modules. Once done the module is planned to be disseminated to various destination stakeholders.</td>
</tr>
<tr>
<td>Regional autonomy (district) hampers inter-district collaboration in tourism areas spanning over several districts (idem for cooperation between national park management/local authorities)</td>
<td>Besides working at the national level through MoT, WISATA II will ensure a close involvement of local governments and national parks from the beginning</td>
<td>Medium</td>
<td>Decentralization affects the work in the WISATA project to a medium degree. This is due to an overall decentralized political climate and also due to a geographically challenging situation. Indonesia is widely spread out and the project includes: includes 16 districts in 4 provinces. In addition, there are 4 national parks which are managed directly under the central Government with the Ministry of Forestry. This parallel government can create conflicts between a National Park authority and the local government, like in Wakatobi which is a district but also a National Park. Depends on the issues but for general destination aspects the projects collaborate and involve both authorities.</td>
</tr>
<tr>
<td>Financial sustainability prevents DMOs and tourism association to deliver services beyond the duration of the project</td>
<td>Clear business plan that includes a gradual phase out of support will be established. WISATA II will specifically support local institutions to develop regular revenue sources through service provision and membership fees, which decreases their dependence on government funding</td>
<td>High</td>
<td>Financial sustainability of the DMO/TKPs is a big challenge especially after the MoT program changed from an organisational structure to a volunteer based forum. Through this the DMOs do not get support from the governments and have to search for other sources. The most advanced project supported the operational unit of the DMO in Flores in developing its Business Plan and preparing activity proposals for the government and larger companies which have a CSR program. With the Government is seems quite difficult to get assignments except in Ende which is interested to</td>
</tr>
</tbody>
</table>
### Risk Description

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
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</tr>
</thead>
<tbody>
<tr>
<td>WISATA II</td>
<td></td>
<td></td>
<td>Mitigate measures</td>
</tr>
</tbody>
</table>

#### 6.3 Reputation Risk

SECO might be associated with negative phenomena (environmental damage) caused by tourism

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
<th>Actual situation monitored</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECO</td>
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</table>

As of the increased activity, the government focuses more on the issue of tourism, it requires the local SC WISATA team to put an increased effort into proper co-ordination and communication. As a base for cooperation the project develops together with the local government’s so called RKTs or yearly activity plans, which are signed and supported by the Bupatis of the districts and acknowledged by the provincial Governors.

With the new development plan of MoT to increase the visitor numbers to 20 Mio till 2019 and focusing on 10 priority destinations there is a high potential for negative environmental and social effects. Since 2 of these 10 priority regions are also project areas, there is a danger that such negative effects will be associated with the project and SECO/SC.

#### 6.4 Financial risks

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
<th>Actual situation monitored</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption, loss of funds or investments</td>
<td>Funds will be managed by Swisscontact, a long-term partner of SECO and subject to a half-yearly audit</td>
<td>Low</td>
<td>The project is enforcing accounting procedures including regular audits through Price Waterhouse Coopers Indonesia. Throughout the project phase these audits, including the last audit, have been very positive.</td>
</tr>
<tr>
<td>Indonesia is vulnerable to exchange rate volatility</td>
<td>The will closely monitor exchange rate changes to optimise funds</td>
<td>Medium</td>
<td>Within this year the exchange rate was quite stable between 13'000 and 14'000</td>
</tr>
</tbody>
</table>

#### 6.5 Environmental and social risks

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
<th>Actual situation monitored</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncontrolled development of destination may lead to environmental destruction and loss of identity</td>
<td>Supporting target destinations in mitigating negative environmental and social impacts of tourism is a key element of WISATA II’s approach</td>
<td>Medium / high</td>
<td>Solid waste is a major problem in all target destinations, especially in larger towns. Based on findings of an assessment in Labuan Bajo the project supported the implementation of a SWM system and the implementation of a pilot that measures how to improve the waste situation. Activities so far have been conducted in close contact with the local government leading to some practical results and a slow but steady increase of awareness regarding the waste situation. In two additional areas Bajawa and Moni, SW activities are duplicated. In the new destinations, Toraja and Tanjung Putting the SW situation was analysed and in Toraja activities have started based on the experiences from Flores.</td>
</tr>
</tbody>
</table>
### Risk Description

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Mitigate measures</th>
<th>Importance of the risk</th>
<th>Actual situation monitored</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor numbers might fall due to terrorism acts, natural disasters, economic crisis in key markets</td>
<td>Support provided by the project (especially communication and marketing) is even more important to mitigate effects of such external factors. While disasters and crises affect results at the impact level, they would only marginally affect the achievements of the outcomes</td>
<td>low / medium</td>
<td>Visitor numbers steadily increased over the last years except in Tanjung Puting where they experienced a decrease during the second semester caused by the bush fire. See annex</td>
</tr>
<tr>
<td>Accessibility of destinations deteriorates (e.g. flights, roads etc.)</td>
<td>The project has limited influence to improve the accessibility of a destination. Nevertheless, support to local stakeholders in lobbying the government to address infrastructure constraints (as in Flores) will be done</td>
<td>medium</td>
<td>Due to the efforts of the national program, many airports and their air connections have been improved substantially e.g. Flores, where all 3 main airports (Labuan Bajo, Ende and Maumere) are now served by Garuda and others. For Toraja the situation remains the same, with the main connection via road (8 hours’ drive). There are now twice a week flight connections but they are not so reliable. There are plans to build a new airport in Toraja and to improve air connection to Palopo. In Wakatobi the airport has improved with a new terminal and the runway will be extended. At the moment, the flight schedule from Makassar – Kendari - Wangi-Wangi remains the same, but there are plans to have a direct flight from Makassar in the future. For Tanjung Puting, the situation remains the same and no improvement of the airport is foreseen.</td>
</tr>
</tbody>
</table>

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As mentioned under reputation risk, the plan of this rapid growth might amplify a negative environmental and social impact. Therefore, the project will cooperate with WWF, which is involved in Carrying Capacity assessments for Wakatobi and Komodo national park. Especially Wakatobi came into attention where the leaving Bupati promised that the BOP will get 50'000 ha of land to be used for investments. This has already created protests among the local population. Fortunately, the situation has changed with the new Bupati and according to the local government the 50'000 ha are not valid anymore. They plan to start moderately by focusing on the small island of Hoga north of Kaledupa.
7 Institutional/Organizational Development and Human Resources

7.1 General Aspects

The project setup with a centralised program office in Sanur, Bali and a liaison office in Makassar, South Sulawesi to support the destination offices and cooperate with the higher education institute is still adequate and ensures coherent and coordinated program implementation.

With the program team including different professionals together with external local and international consultants ensure a smooth implementation applying latest approaches and tools adapted to the situation in Indonesia. See also organisational setup in Annex.

Each office held monthly team meetings and the extended management team including all field office managers and component managers meet quarterly for coordination and planning.

Once a year there is a team meeting to finalise the yearly planning of the following year combined with team building and capacity building measures for specific relevant topics.

7.2 Changes, challenges and mitigation

As one of the steps to phase out in Flores was to merge the management of both offices in Labuan Bajo and Ende under one Destination Office Manager and one Field Administration. By end of June the Field Office in Labuan Bajo was then physically closed. To maintain a certain presence Bappeda from the local government of Manggarai Barat offered WISATA a working place for one Program Officer. Also the Local Government offered a working place at Bappeda in Bajawa which optimises our support to the CBT villages in that region.

There are several changes in the team:

- Nadine Fiaux, our international MRM advisor has finalised her task by mid of 2016. She was not replaced and the Deputy Program Manager based in Makassar took over the responsibility for MRM.
- In the field Office in Toraja the PO for Marketing resigned and was replaced by Made Wiranatha Krisna Murti.
- In the field office in Tanjung Puting
  - the Administration resigned because of marriage and was replaced by Andy Kuswanto
  - the two POs resigned close to end of the year and have been replaced by Rudy Redhani and Soraya Ragiel.
- In Flores several contracts ended in
  - Labuan Bajo office the PO SME, the Admin, driver and night guard
  - Ende the field office manager was replaced with Porta Simpau, the PO for CBT continued as free lance.
## Finance

### 8.1 Tentative Local Budget spend vs. planned

<table>
<thead>
<tr>
<th>Expenses per cost units</th>
<th>13,200 Exchange Rate IDR - CHF</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pos</strong></td>
<td><strong>CHF</strong></td>
<td><strong>2016</strong></td>
<td><strong>Expenses</strong></td>
</tr>
<tr>
<td>International Expenses</td>
<td>472,554</td>
<td>442,400</td>
<td>106.8%</td>
</tr>
<tr>
<td>Comp 0 Office Operation</td>
<td>194,210</td>
<td>185,250</td>
<td>104.8%</td>
</tr>
<tr>
<td>Comp 1 Destination Development</td>
<td>933,204</td>
<td>1,135,233</td>
<td>82.2%</td>
</tr>
<tr>
<td>- International Volunteers</td>
<td>32,796</td>
<td>32,700</td>
<td>100.3%</td>
</tr>
<tr>
<td>- Local Consultants</td>
<td>411,555</td>
<td>461,633</td>
<td>89.2%</td>
</tr>
<tr>
<td>- International Travel and Accomodation</td>
<td>10,864</td>
<td>12,600</td>
<td>86.2%</td>
</tr>
<tr>
<td>- Local Travel and Accomodation</td>
<td>45,833</td>
<td>40,300</td>
<td>113.7%</td>
</tr>
<tr>
<td>O:1.1 Contribution to local Organisation</td>
<td>68,337</td>
<td>79,600</td>
<td>85.9%</td>
</tr>
<tr>
<td>O:1.2 EDM Development Marketing</td>
<td>174,167</td>
<td>205,300</td>
<td>84.8%</td>
</tr>
<tr>
<td>O:1.3 IDD SME Development</td>
<td>92,151</td>
<td>111,900</td>
<td>82.4%</td>
</tr>
<tr>
<td>O:1.4 IDD Develop CBT + Local Products</td>
<td>44,090</td>
<td>70,000</td>
<td>63.0%</td>
</tr>
<tr>
<td>O:5 IDD Improve Local Products</td>
<td>18,658</td>
<td>46,600</td>
<td>40.0%</td>
</tr>
<tr>
<td>O:1.5 IDD Support local Government</td>
<td>34,753</td>
<td>74,600</td>
<td>46.6%</td>
</tr>
<tr>
<td>Comp 2 Education and Training</td>
<td>189,872</td>
<td>220,900</td>
<td>86.0%</td>
</tr>
<tr>
<td>- National volunteers/students</td>
<td>5,540</td>
<td>5,500</td>
<td>100.7%</td>
</tr>
<tr>
<td>- Local Consultants</td>
<td>44,769</td>
<td>45,600</td>
<td>98.2%</td>
</tr>
<tr>
<td>- International Travel and Accomodation</td>
<td>3,870</td>
<td>4,700</td>
<td>82.3%</td>
</tr>
<tr>
<td>- Local Travel and Accomodation</td>
<td>3,991</td>
<td>4,500</td>
<td>88.7%</td>
</tr>
<tr>
<td>O:2.1 DM Diploma Program</td>
<td>57,086</td>
<td>55,700</td>
<td>102.5%</td>
</tr>
<tr>
<td>O:2.2 SMK Improvements</td>
<td>74,615</td>
<td>104,900</td>
<td>71.1%</td>
</tr>
<tr>
<td>Comp 3 Dissemination of Experiences</td>
<td>59,831</td>
<td>60,788</td>
<td>98.4%</td>
</tr>
<tr>
<td>Comp 4 Other Costs</td>
<td>55,538</td>
<td>62,600</td>
<td>88.7%</td>
</tr>
<tr>
<td><strong>Total local costs</strong></td>
<td>1,432,655</td>
<td>1,664,770</td>
<td>86.1%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,905,209</td>
<td>2,107,170</td>
<td>90.4%</td>
</tr>
</tbody>
</table>

### Expenses per Location:

| Part 1 International Expenses | 472,554 | 442,400 | 106.8% |
| Part 2 Local Expenses | 1,432,655 | 1,664,770 | 86.1% |
| 02 West Flores | 65,057 | 78,900 | 82.5% |
| 03 East Flores | 170,361 | 198,400 | 85.9% |
| 04 Program Office Bali | 576,255 | 608,150 | 94.8% |
| 05 Liaison Office South Sulawesi | 99,601 | 106,300 | 93.7% |
| 06 Toraja | 196,039 | 268,200 | 73.1% |
| 07 Wakatobi | 168,041 | 183,600 | 91.5% |
| 08 Tanjung Puting | 157,302 | 221,220 | 71.1% |
| **Total Expenses** | 1,905,209 | 2,107,170 | 90.4% |

A detailed financial report will be submitted to SECO separately.
8.2 Comments on Budget deviation

- **International Expenses**: with 106.8% higher spending
  - Intern. consultant for Educ. W. additional task for DM modules
  - contribution for WTF 2015 paid in 2016

- **West Flores**: with 82.5% lower average spending
  - Do to revitalisation of TMOs and TICs costs higher
  - SQI costs higher in 2nd semester
  - for CBT, Adat trail done, but costs lower than planned.
  - costs for local products much lower than planned
  - for SMKs overall costs lower than planned

- **Program Office Bali**: 94.8% spending close to budget
  - overall operational costs higher than planned
  - General costs for DMO support lower than planned
  - General Marketing costs lower than planned
  - development costs for SQ tools slightly higher
  - development costs for DM tools slightly higher
  - overall costs for SMK program lower than planned
  - = shifted costs from study tours to project documentation, to be used for dissemination and training purpose

- **Liaison Office South Sulawesi**: √ with 93.7% spending close to budget

- **East Flores**: with 85.9% slightly lower average spending
  - Do to revitalisation of TMOs and TICs costs higher
  - lower CBT costs, ikat trail postponed to 2017
  - SWM costs lower than planned

- **Toraja**: with 73.1% lower average spending
  - SQI trainings will started in September only
  - CBT and local products lower than planned
  - SWM activities just started

- **Wakatobi**: with 91.5% spending close to budget
  - CBT + local products on track, but costs a bit lower
  - no SWM activities so far, CC assessment in 2017

- **Tanjung Puting**: with 71.1% lower average spending
  - due to low availability of stakeholders DMO/FTKP, SQI, CBT and local product activities are behind plan
  - SWM activities not yet started
  - Teacher from SMK could not participate at WITIP

8.3 Efficiency and cost effectiveness

Tools and approaches are developed and produced by the component units (Destination Development, Destination Marketing and Education) at the program office. The introduction of the tools at the destinations is also supported and coached by these units. For this production costs are kept lower and the rolling out much faster. Lessons learned from on destination can in this way easily be transferred the other one.

A centralised HR and finance management at the program office with a decentralised cash management at the field offices ensures efficient administration and controlling. Procurements are done based on our regulations by lowest quotation out of three.

9 Lessons Learned

9.1 Difficulties, challenges and mitigation measures

Concerns, constraints and proposed actions / corrective measures

<table>
<thead>
<tr>
<th>Issues</th>
<th>Concerns, Constraints</th>
<th>Proposed actions /corrections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Government</td>
<td>Communication and cooperation with MoT for the FTKP program is difficult and unpredictable since information about their activities is hardly available and persons in charge hard to reach.</td>
<td>A Program Officer for Government Relation to MoT will be hired. This PO will be the contact person to meet MoT representatives on a regular base from all three relevant departments Destination Development, Marketing and Institutional development</td>
</tr>
<tr>
<td></td>
<td>Targets in priority destinations under the national program are unrealistic high and have the potential for negative impacts</td>
<td>In cooperation with WWF support the government with Carrying Capacity study for Komodo National Park and Wakatobi. In addition implement in two pilot areas (Toraja and Kelimutu) the new national standards for Sustainable Tourism Destinations</td>
</tr>
<tr>
<td></td>
<td>Curriculum for Destination Management has to be approved by the MoT and Ministry of Higher Education – but this is a lengthy process</td>
<td>Lobbying with the person in charge from the Ministry together with STP Bandung and Bali</td>
</tr>
<tr>
<td>Issues</td>
<td>Concerns, Constraints</td>
<td>Proposed actions /corrections</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Vocational approaches and tools have a high potential to be recognised or even applied on a broader scale.</td>
<td>Presenting/socialising the SMK program to the Ministry of Education, directorate for Vocational Education</td>
<td></td>
</tr>
<tr>
<td>Provincial Governments</td>
<td>Involvement of the provincial Government becomes more and more important since they have their own development program to be synchronised and they become in charge for the vocational schools in the destinations.</td>
<td>Continues updating the different Dinas (Tourism, Education) on Provincial level about the program and using synergies to share with other destinations in the province e.g. practitioner handbook.</td>
</tr>
<tr>
<td>Provincial Governments</td>
<td>Since the beginning of 2017 SMKs we be under the provincial government. Up till now there is no formal contact with the Dinas Pendidikan on this level.</td>
<td>Presenting/socialising the education program for SMK to the provincial Dinas at the same time as the RKTs</td>
</tr>
<tr>
<td>District Governments</td>
<td>Cooperation with local Governments is in general good. For next year a new RKT (local plan as base for an agreement) has to be prepared and signed which might be a lengthy process again.</td>
<td>Feeding in informational bout the renewal of the RRKT as soon as possible.</td>
</tr>
<tr>
<td>District Governments</td>
<td>Very limited support from the district governments to the DMO/FTKPs</td>
<td>Continues lobbying and promoting the DMO/FTKPs to the local Government. Support the DMOs to prepare and present tangible proposals to the local Government.</td>
</tr>
<tr>
<td>Knowledge transfer</td>
<td>For knowledge sharing the DMO club meeting of MoT seems not to be held anymore.</td>
<td>The project together with the MoT PICs will work out a common plan on how to feed in all the approaches and tools into the MoT program</td>
</tr>
</tbody>
</table>

### 9.2 Issues for policy dialogue

The Indonesian Government set Tourism on a high priority with a number of projects to be implemented. Beside the Destination Management project with the now 26 FTKPs (previously DMOs) there started other activities which are partially overlapping.

National Tourism Development Plan with ambitious targets to get 20 Mio international visitors until 2019 MoT is focusing on 10 priority destinations including Labuan Bajo (Flores) and Wakatobi and will introduce Badan Otoritas Pariwisata (BOT) in each of that destinations. The cooperation and/or coexistence between the BOP and FTKP/DMO is not yet so obvious and needs to be clarified.

Cooperation with other programs of MoT like the Sustainable Tourism Destination where standards have been developed and 20 regions already have been be designated as pilot projects for, including Wakatobi. The project will pilot the implementation of this new standards in two regions (Toraja and Kelimutu) area. The results of the implementation and its process learnings will be shared with the MoT.

Financial sustainability of the DMOs resp. FTKPs is a critical issue since there is not government contribution possible so far. This needs to be clarified with MoT and could be done in relation to a think tank event.

### 9.3 Important findings from MTR

The mid-term review has been done in the second quarter of 2016. The MTR worked out and proposed project adjustments until the end of the project phase. Below are some important MTR Recommended:

- A review of the Logframe is recommended considering the current policy developments in the tourism sector in Indonesia.
  - The LogFrame has been revised and approved by SECO. It will be the base for all future implementations
- Review the cooperation with MoT to get to a feasible cooperation mode.
  - A meeting between SECO and he Deputy Minister for Destination Development took place and as a consequence the person in charge from MoT has been changed back to Pak Frans Teguh
- Project interventions in Flores have to be followed-up. At least regular data collection and visits to monitor the development of the DMO and the CBT programs will be necessary.
This has been initiated and included in the exit strategy where after June 2017 two POs will be in charge to backstop DMO activities done for 3rd parties

- Some of the “new” destinations will need further support after the end of WISATA II.
  - Until June 2017 the project will prepare an input paper including follow-up options and exit scenario

- DMO related outcomes need revision. Looking at roles, functions and services that need to be continued and handed over.
  - The LogFrame has been adapted accordingly and changed from organisation to function for Destination Management (Output 1.1) and Service Quality Improvements (Output 1.3)

- Support carrying capacity assessments to support private sector and local governments with needed data to produce regulations accommodating environmental, social and cultural aspects.
  - For Wakatobi and Labuan Bajo the project cooperates with WWF Indonesia since they already started with this activity.

- For the cooperation between schools (SMKs) and the private sector a comprehensive concept is needed if systemic impact shall be achieved
  - The SMK concept has been developed but with a certain delay. It will be socialised to the provincial Dinas Pendidikan, responsible for the SMKs as well as to the Ministry of Education

## 10 Conclusions

The project in 2016 had quite ambitions target, especially with the development of new tool, like HoCo, ToST, DM Modules and the newest one CoCo for capacity building of the different stakeholder groups. With building up local resource networks LReN capacity in the destinations is now available to provide such capacity building services in the future. The coming year will be used to consolidate this structures and offers. In addition all this tools will be socialise to the local Governments, in order that they can include such activities in their budget.

With the ambitious targets of the Ministry of Tourism to get 20 Mio international visitors till 2019, which is nearly double of 2015, a solid destination management involving private sector and communities becomes even more important but also challenging, which underlines the relevance if the project. Special attention from the project side is needed for Wakatobi and Labuan Bajo in Flores since they are part of the 10 priority destinations. Now Toraja seems to be in the radar to be included in the priority destinations as well.

So far the local DMOs or FTKPs are still very fragile and with the many projects of the Ministry and changing approaches, like from DMO to FTKP and now BOP, the adaption of the project from Destination Management Organisations to Destination Management Functions is the right step and gives the project more flexibility to work with motivated stakeholders, involving the right people. With the application of the Strategic Visitor Flow methodology businesses are more directly involved and motivate stakeholder will be part of destination management.

Financing of the operational costs of DMO /FTKP remains a challenge and the project needs to further support the DMO/FTKPs to prepare realistic but also attractive proposal for Government support and Private sector sponsorship.

## Annexes

- Annex 1: WISATA II – Program Organisation
- Annex 2: Destination Summaries
Annex 1: WISATA II – Program Organization

WISATA II
Program Manager
Ruedi Nuetzi

Program Bali
PO Manager
Danik Suardhani

Program Sulawesi
Deputy PM / MRM
Ferry Sabarn

Toraja
FO Manager
Ni Nyoman Anna

Wakatobi
FO Manager
Asri Kasim

Tanjung Puting
DO Manager
Dwi S. Widodo

Flores
DO Manager
Poto Simpau

Destination Develop TA and CM
Christin Laschinger

Marketing Support
Comp. Manager
Yvone Patty

Education & Training
Comp. Manager
Mercya Soesanto

Core Management
Ext. Management
Team Members
Intern, Advisor
ST Consultant
Vacant Position

Annex 2:
Destination Summary - Flores per 31.12.2016

### Destination Data

#### Total Population

<table>
<thead>
<tr>
<th>District</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>District 1 (West Manggarai)</td>
<td>251,689</td>
</tr>
<tr>
<td>District 2 (Manggarai)</td>
<td>319,607</td>
</tr>
<tr>
<td>District 3 (East Manggarai)</td>
<td>272,514</td>
</tr>
<tr>
<td>District 4 (Ngada)</td>
<td>154,693</td>
</tr>
<tr>
<td>District 5 (Nagekeo)</td>
<td>139,577</td>
</tr>
<tr>
<td>District 6 (Ende)</td>
<td>269,724</td>
</tr>
<tr>
<td>District 7 (Sikka)</td>
<td>313,509</td>
</tr>
<tr>
<td>District 8 (East Flores)</td>
<td>246,994</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,968,307</td>
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</tbody>
</table>

#### Total number of businesses

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>425</td>
</tr>
<tr>
<td>Restaurant</td>
<td>106</td>
</tr>
<tr>
<td>Tour Operator</td>
<td>23</td>
</tr>
<tr>
<td>Dive Operator</td>
<td>130</td>
</tr>
<tr>
<td>Art and craft businesses</td>
<td>99</td>
</tr>
<tr>
<td>Tour Guides</td>
<td>150</td>
</tr>
<tr>
<td>Boat Operator</td>
<td>123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,056</td>
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</table>

#### Total number of visitor arrivals (2016)

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>95,912</td>
</tr>
<tr>
<td>International</td>
<td>81,518</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>177,430</td>
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</table>

### Destination Performance 2016 difference

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>national visitors</td>
<td>95,912</td>
<td>37.9%</td>
</tr>
<tr>
<td>International visitors</td>
<td>81,518</td>
<td>4.4%</td>
</tr>
<tr>
<td>stay</td>
<td>6.28</td>
<td>14.0%</td>
</tr>
<tr>
<td>spending</td>
<td>117.95</td>
<td>20.9%</td>
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<tr>
<td>performance</td>
<td>60,384,076</td>
<td>43.9%</td>
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</tbody>
</table>

### Specific Beneficiaries Per Intervention Area

#### DMO

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total members (indirect)</td>
<td>41</td>
</tr>
<tr>
<td>Active members (direct)</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total income achieved (IDR)</strong></td>
<td>297,526,000</td>
</tr>
</tbody>
</table>

#### CBT

<table>
<thead>
<tr>
<th>Gender</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>1,034</td>
</tr>
<tr>
<td>Female</td>
<td>1,176</td>
</tr>
<tr>
<td><strong>Total indirect</strong></td>
<td>2,210</td>
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</tbody>
</table>

#### Local Products

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>55</td>
</tr>
<tr>
<td>Female</td>
<td>98</td>
</tr>
<tr>
<td><strong>Total direct</strong></td>
<td>153</td>
</tr>
<tr>
<td><strong>Total income achieved (IDR)</strong></td>
<td>358,600,000</td>
</tr>
</tbody>
</table>

### Associations

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>51</td>
</tr>
<tr>
<td>Female</td>
<td>133</td>
</tr>
<tr>
<td><strong>Total indirect</strong></td>
<td>1,256</td>
</tr>
</tbody>
</table>

### SMK

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>134</td>
</tr>
<tr>
<td>Female</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total direct</strong></td>
<td>196</td>
</tr>
<tr>
<td><strong>Total income achieved (IDR)</strong></td>
<td>263,558,000</td>
</tr>
</tbody>
</table>

### % Change since

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with attractions</td>
<td>-</td>
<td>49</td>
<td>43</td>
<td>49</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with accomodations</td>
<td>41</td>
<td>54</td>
<td>51</td>
<td>57</td>
<td>16%</td>
<td>3%</td>
</tr>
<tr>
<td>Satisfaction with restaurants</td>
<td>37</td>
<td>49</td>
<td>50</td>
<td>46</td>
<td>-9%</td>
<td>-3%</td>
</tr>
<tr>
<td>Satisfaction with tour operators</td>
<td>51</td>
<td>69</td>
<td>79</td>
<td>60</td>
<td>9%</td>
<td>-9%</td>
</tr>
<tr>
<td>Satisfaction with dive operators</td>
<td>55</td>
<td>86</td>
<td>88</td>
<td>88</td>
<td>33%</td>
<td>2%</td>
</tr>
<tr>
<td>Satisfaction with tour guide</td>
<td>82</td>
<td>78</td>
<td>76</td>
<td>88</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Satisfaction with transportations</td>
<td>70</td>
<td>53</td>
<td>50</td>
<td>56</td>
<td>-14%</td>
<td>3%</td>
</tr>
<tr>
<td>Satisfaction with excursions boat</td>
<td>39</td>
<td>52</td>
<td>53</td>
<td>66</td>
<td>27%</td>
<td>14%</td>
</tr>
<tr>
<td>Satisfaction with airlines</td>
<td>45</td>
<td>71</td>
<td>71</td>
<td>72</td>
<td>27%</td>
<td>1%</td>
</tr>
<tr>
<td>Overall satisfactions</td>
<td>53</td>
<td>63</td>
<td>64</td>
<td>66</td>
<td>13%</td>
<td>3%</td>
</tr>
</tbody>
</table>
**Destination Summary - Tanjung Puting**

**Destination Data**

- **Total Population**
  - District 1 - Kotawaringin Barat: 261,200
  - District 2 - Lamandau: 70,090
  - District 3 - Seruyan: 8,429
  - **Total**: 339,719

- **Total number of businesses**
  - Accommodation - Kotawaringin Barat: 66
  - Restaurant - Kotawaringin Barat: 51
  - Tour Operator - Kotawaringin Barat: 12
  - Dive Operator - Kotawaringin Barat: 0
  - Art and craft businesses - Kotawaringin Barat: 13
  - Tour Guides - Kotawaringin Barat: 92
  - Boat Operator (Kelotok) - Kotawaringin Barat: 46
  - Tourist Cook (Kelotok) - Kotawaringin Barat: 54
  - **Total**: 334

- **Total number of visitor arrivals (2016)**
  - Domestic (TP National Park): 21,702
  - International (TP National Park): 8,581
  - **Total**: 30,283

### Destination Performance 2016

- **National visitors**: 5,174 (100.8%)
- **International visitors**: 8,581 (-14.8%)
- **Stay**: 3.32 (0.6%)
- **(USD) spending**: 161.84 (92.2%)
- **(USD) performance**: 4,610,647 (64.7%)

**Specific Beneficiaries Per Intervention Area**

**DMO**
- Total members (indirect): 10
- Active members (direct): 0
- Total income achieved (IDR): 34,200,000

**CBT**
- Indirect
  - Male: 455
  - Female: 354
- Total indirect: 809
  - Direct
  - Male: 22
  - Female: 8
- Total direct: 30
- Total income achieved (IDR): 15,000,000

**Local Products**
- Total number of members of supported cooperation’s (indirect): 809
- Total number of supported producers (direct): 30
- Total income achieved (IDR): 15,000,000

**Associations**
- Total number of supported associations: 2
- Total members/businesses supported: 171
- Total income achieved (IDR): 171

**SMK**
- Total number of supported SMKs: 1
- Total number of students & teachers (indirect): 599
- Total number of students enrolled in tourism programs (direct): 59
- Total number of supported teachers (direct): 2
- Total number of additional indirect beneficiaries: 2,080
- Total number of direct beneficiaries: 307
- Total income achieved (IDR): 49,200,000

---

**Category (Average of very good + Good)**

<table>
<thead>
<tr>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>% change since 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>58</td>
<td>68</td>
<td>83</td>
<td>23%</td>
</tr>
<tr>
<td>57</td>
<td>61</td>
<td>80</td>
<td>22%</td>
</tr>
<tr>
<td>72</td>
<td>76</td>
<td>88</td>
<td>16%</td>
</tr>
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<td>53</td>
<td>59</td>
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<td>18%</td>
</tr>
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<td>86</td>
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<td>51</td>
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<td>19%</td>
</tr>
<tr>
<td>75</td>
<td>77</td>
<td>88</td>
<td>13%</td>
</tr>
</tbody>
</table>

---

**Overall satisfactions**: 88 (13%)

---

**WISATA II - Progress Report 01.01. – 31.12.2016**
### Destination Summary - Toraja

#### Destination Data

<table>
<thead>
<tr>
<th>Total Population</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tana Toraja</td>
<td>228,984</td>
</tr>
<tr>
<td>Toraja Utara</td>
<td>225,516</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>454,500</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Total number of businesses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>54</td>
</tr>
<tr>
<td>Restaurant</td>
<td>54</td>
</tr>
<tr>
<td>Tour Operator</td>
<td>6</td>
</tr>
<tr>
<td>Dive Operator</td>
<td>0</td>
</tr>
<tr>
<td>Art and craft businesses</td>
<td>N/A</td>
</tr>
<tr>
<td>Tour Guides</td>
<td>150</td>
</tr>
<tr>
<td>Bus Operator</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>279</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total number of visitor arrivals (2016)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>286,669</td>
</tr>
<tr>
<td>International</td>
<td>32,763</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>319,432</strong></td>
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#### Specific Beneficiaries Per Intervention Area

<table>
<thead>
<tr>
<th>DMO</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total members (indirect)</td>
<td>41</td>
</tr>
<tr>
<td>Active members (direct)</td>
<td>30</td>
</tr>
<tr>
<td>Total income achieved (IDR)</td>
<td><strong>102,765,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CBT</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>19,541</td>
</tr>
<tr>
<td>Female</td>
<td>19,054</td>
</tr>
<tr>
<td>Total indirect</td>
<td><strong>38,595</strong></td>
</tr>
<tr>
<td>Direct</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>33</td>
</tr>
<tr>
<td>Female</td>
<td>13</td>
</tr>
<tr>
<td>Total direct</td>
<td><strong>46</strong></td>
</tr>
<tr>
<td>Total income achieved (IDR)</td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

#### Local Products

<table>
<thead>
<tr>
<th>Total number of members of supported cooperation (indirect)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>7,230</td>
</tr>
<tr>
<td>Female</td>
<td>6,959</td>
</tr>
<tr>
<td>Total indirect</td>
<td><strong>14,189</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total number of supported producers (direct)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>11</td>
</tr>
<tr>
<td>Female</td>
<td>0</td>
</tr>
<tr>
<td>Total direct</td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total income achieved (IDR)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total indirect</td>
<td><strong>0</strong></td>
</tr>
<tr>
<td>Total direct</td>
<td><strong>263</strong></td>
</tr>
<tr>
<td>Total income achieved (IDR)</td>
<td><strong>263</strong></td>
</tr>
</tbody>
</table>

#### Destination performance

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>difference</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>national visitors</td>
<td>87,462</td>
<td>22.3%</td>
<td></td>
</tr>
<tr>
<td>International visitors</td>
<td>43,575</td>
<td>6.1%</td>
<td></td>
</tr>
<tr>
<td>stay</td>
<td>4.20</td>
<td>-10.6%</td>
<td></td>
</tr>
<tr>
<td>(USD) spending</td>
<td>67.40</td>
<td>64.0%</td>
<td></td>
</tr>
<tr>
<td>(USD) performance</td>
<td>12,335,211</td>
<td>55.5%</td>
<td></td>
</tr>
</tbody>
</table>

#### Category satisfaction

<table>
<thead>
<tr>
<th>(Average of very good + Good)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2014</th>
<th>change since 2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with attractions</td>
<td>49</td>
<td>56</td>
<td>48</td>
<td>49</td>
<td>-1%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with accommodation</td>
<td>58</td>
<td>61</td>
<td>77</td>
<td>58</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with restaurants</td>
<td>60</td>
<td>76</td>
<td>63</td>
<td>60</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with tour operators</td>
<td>67</td>
<td>92</td>
<td>92</td>
<td>67</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with tour guides</td>
<td>74</td>
<td>84</td>
<td>85</td>
<td>74</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with transportations</td>
<td>69</td>
<td>72</td>
<td>47</td>
<td>69</td>
<td>-22%</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with airlines</td>
<td>71</td>
<td>79</td>
<td>78</td>
<td>71</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td><strong>Overall satisfactions</strong></td>
<td>57</td>
<td>66</td>
<td>67</td>
<td>57</td>
<td>9.8%</td>
<td></td>
</tr>
</tbody>
</table>

## Destination Summary - Wakatobi

### Destination Data

<table>
<thead>
<tr>
<th>Total Population</th>
<th>95,712</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wakatobi</td>
<td>95,712</td>
</tr>
<tr>
<td>Total</td>
<td>95,712</td>
</tr>
</tbody>
</table>

### Total number of businesses

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>46</td>
</tr>
<tr>
<td>Restaurant</td>
<td>25</td>
</tr>
<tr>
<td>Tour Operator</td>
<td>0</td>
</tr>
<tr>
<td>Dive Operator</td>
<td>17</td>
</tr>
<tr>
<td>Art and craft businesses</td>
<td>4</td>
</tr>
<tr>
<td>Tour Guides</td>
<td>37</td>
</tr>
<tr>
<td>Boat Operator (Kelotok)</td>
<td>38</td>
</tr>
<tr>
<td>Total</td>
<td>167</td>
</tr>
</tbody>
</table>

### Total number of visitor arrivals (2016)

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>14,560</td>
</tr>
<tr>
<td>International</td>
<td>7,820</td>
</tr>
<tr>
<td>Total</td>
<td>22,380</td>
</tr>
</tbody>
</table>

### Specific Beneficiaries Per Intervention Area

<table>
<thead>
<tr>
<th>Intervention Area</th>
<th>Total indirect (IDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTKP + IWG</td>
<td>10,187</td>
</tr>
<tr>
<td>CBT</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>4,804</td>
</tr>
<tr>
<td>Female</td>
<td>5,383</td>
</tr>
<tr>
<td>Total</td>
<td>10,187</td>
</tr>
</tbody>
</table>

### Destination Performance 2016

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>national visitors</td>
<td>14,560</td>
<td>27.7%</td>
</tr>
<tr>
<td>International visitors</td>
<td>7,820</td>
<td>18.0%</td>
</tr>
<tr>
<td>stay</td>
<td>6.75</td>
<td>3.8%</td>
</tr>
<tr>
<td>(USD) spending</td>
<td>105.23</td>
<td>79.3%</td>
</tr>
<tr>
<td>(USD) performance</td>
<td>5,554,566</td>
<td>119.7%</td>
</tr>
</tbody>
</table>

### Category

(Average of very good + good) 2014 2015 2016 % change since 2014

| Satisfaction with attractions | 44     | 61     | 59     | 15%     |
| Satisfaction with accommodation - resort | 54     | 72     | 71     | 17%     |
| Satisfaction with accommodation - hotels | 54     | 69     | 71     | 17%     |
| Satisfaction with accommodation - homestay | 54     | 71     | 71     | 17%     |
| Satisfaction with restaurants    | 53     | 63     | 54     | 1%      |
| Satisfaction with dive operator | 77     | 91     | 78     | 1%      |
| Satisfaction with transportations| 64     | 69     | 66     | 2%      |
| Satisfaction with airlines       | 63     | 60     | 61     | -2%     |
| Overall satisfactions            | 65     | 72     | 67     | 2%      |

### Traveler satisfaction

WISATA
Tourism Development for Selected Destinations in Indonesia
Swiss NPO-Code: The structure and management of Swisscontact conforms to the Corporate Governance Regulations for Non profit Organisations in Switzerland (Swiss NPO-Code) issued by the presidents of large relief organisations. An audit conducted of behalf of the organisation showed that the principles of the Swiss NPO-Code are adhered to. ZEWO Seal of approval: Swisscontact was awarded the Seal of Approval from ZEWO. It is awarded to non-profit organisations for the conscientious handling of money entrusted to them, proves appropriate, economical, and effective allocation of donations and stands for transparent and trustworthy organisations with functioning control structures that uphold ethics in the procurement of funds and communication. Swisscontact is regularly audited on the adherence to these criteria. (Source: ZEWO)

Société Générale de Surveillance (SGS): Swisscontact has been awarded the Certificate of the International Inspection Agency Société Générale de Surveillance (SGS) within the NGO Benchmarking Program.

January 2017