



INDONESIA TOURISM DEVELOPMENT PROJECT

LAKE TOBA, LOMBOK, DAN BOROBUDUR

Monday, September 10, 2018



REGIONAL INFRASTRUCTURE DEVELOPMENT AGENCY
MINISTRY OF PUBLIC WORKS AND HOUSING



OUTLINE

- 1. TEAM COORDINATION**
- 2. GENERAL INFORMATION ON ITDP**
- 3. PROGRESS 3 ITMP AND PMS**
- 4. DETAILED INFORMATION ITMP
BOROBUDUR PROGRESS**
- 5. PROJECT OPERATIONAL MANUAL
(POM) PROGRESS**

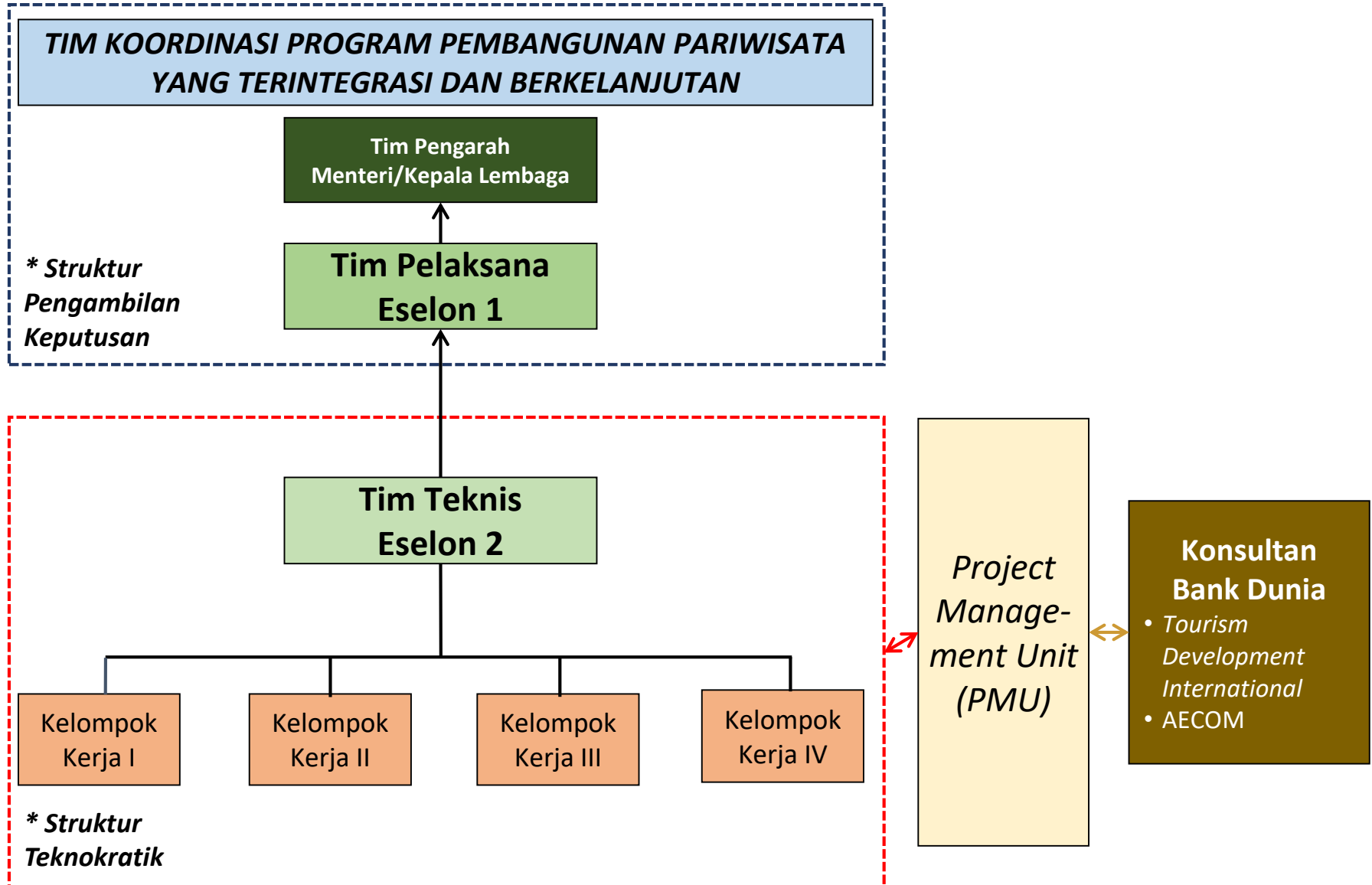


1

**COORDINATION TEAM
FOR INTEGRATED AND SUSTAINABLE
TOURISM DEVELOPMENT PROGRAM**

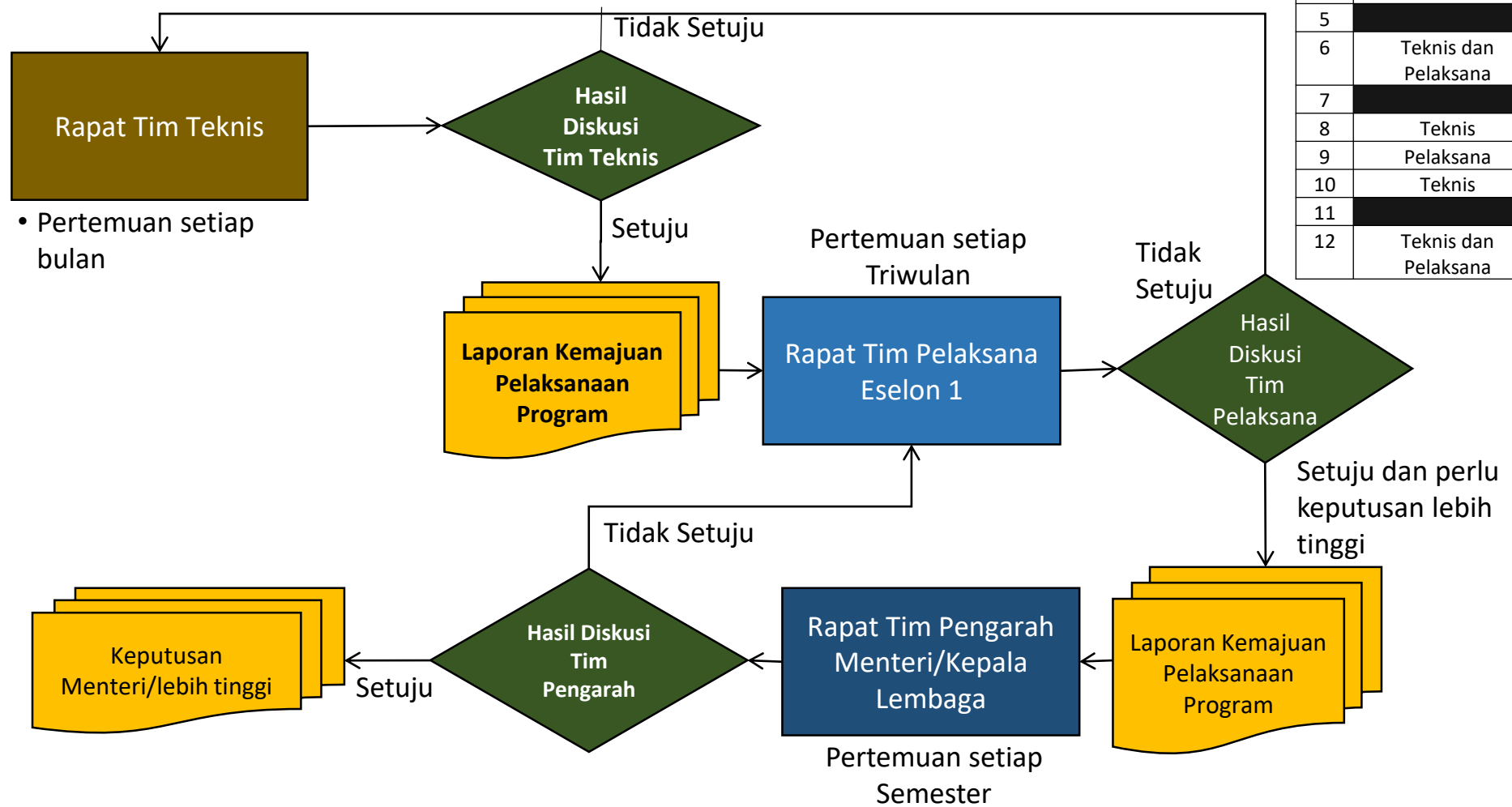
*Keputusan Menteri PPN/
Kepala Bappenas
Nomor 86/M.PPN/HK/06/2018*

KONSEP STRUKTUR KELEMBAGAAN TIM KOORDINASI PROGRAM PEMBANGUNAN PARIWISATA YANG TERINTEGRASI DAN BERKELANJUTAN



KONSEP MEKANISME KELEMBAGAAN TIM KOORDINASI PROGRAM PEMBANGUNAN PARIWISATA YANG TERINTEGRASI DAN BERKELANJUTAN

Bulan	Tim
1	
2	Teknis
3	Pelaksana
4	Teknis
5	
6	Teknis dan Pelaksana
7	
8	Teknis
9	Pelaksana
10	Teknis
11	
12	Teknis dan Pelaksana



The background is a scenic photograph of a volcanic landscape. A large, dark, jagged mountain peak dominates the upper left. Below it, a vibrant turquoise lake is nestled in a valley. The surrounding terrain is rocky and sparsely vegetated. In the foreground, some green pine-like trees are visible. Overlaid on this image are several geometric elements: a large dark blue diamond with a yellow border in the center, a smaller yellow-outlined diamond to its left containing the number '2', and several white diagonal lines crossing the scene.

2

**GENERAL
INFORMATION
ON ITDP**

FOUR KEY CONSTRAINTS TO UNLOCKING TOURISM DEVELOPMENT IN INDONESIA

Weak coordination and implementation capabilities for tourism development and monitoring and preservation of assets

- **Poor coordination** among ministries/agencies, central-local and public-private coordination and weak implementation capabilities for integrated tourism destination development in general, and for monitoring and preservation of natural and cultural assets in particular
- Given that **Indonesia is highly decentralized**, destination-level coordination mechanisms and implementation capabilities while critical remain weak or absent
- Potential for **unintended negative consequences on natural resources and cultural assets** as a result of tourism development

Continued poor access and quality of infrastructure and services for citizens, visitors and businesses

- **Indonesia ranks in bottom half on number of tourism competitiveness indicators** that relate to access and quality of infrastructure and services (e.g., wastewater treatment and waste management, drinking water and sanitation, hotel rooms, and roads)
- **Carrying capacity gaps** mainly due to **limited infrastructure and services** being provided for citizens, with visitor demand only accounting for a fraction of total needs—now and in the foreseeable future
- **Coordinated development issues:** Ministry of Tourism responsible for tourism development, but not infrastructure development

Outside of Bali, limited tourism workforce skills and private-sector tourism services and facilities

- To meet visitor growth projections, an estimated **13,600 additional tourism staff by 2021** are needed in the three destinations
- Indonesia's tourism **enabling environment performing below average** on seven of the ten pillars ranking it 36th out of 46 countries surveyed
- "Quality of general **human resources**" (rank 45th) and levels of "**customer service**" (rank 41st) raise concerns for industry's ability to become competitive
- Challenges and constraints relating to the uptake of tourism standards exist, as well as **absence of results measurement systems** to monitor and evaluate

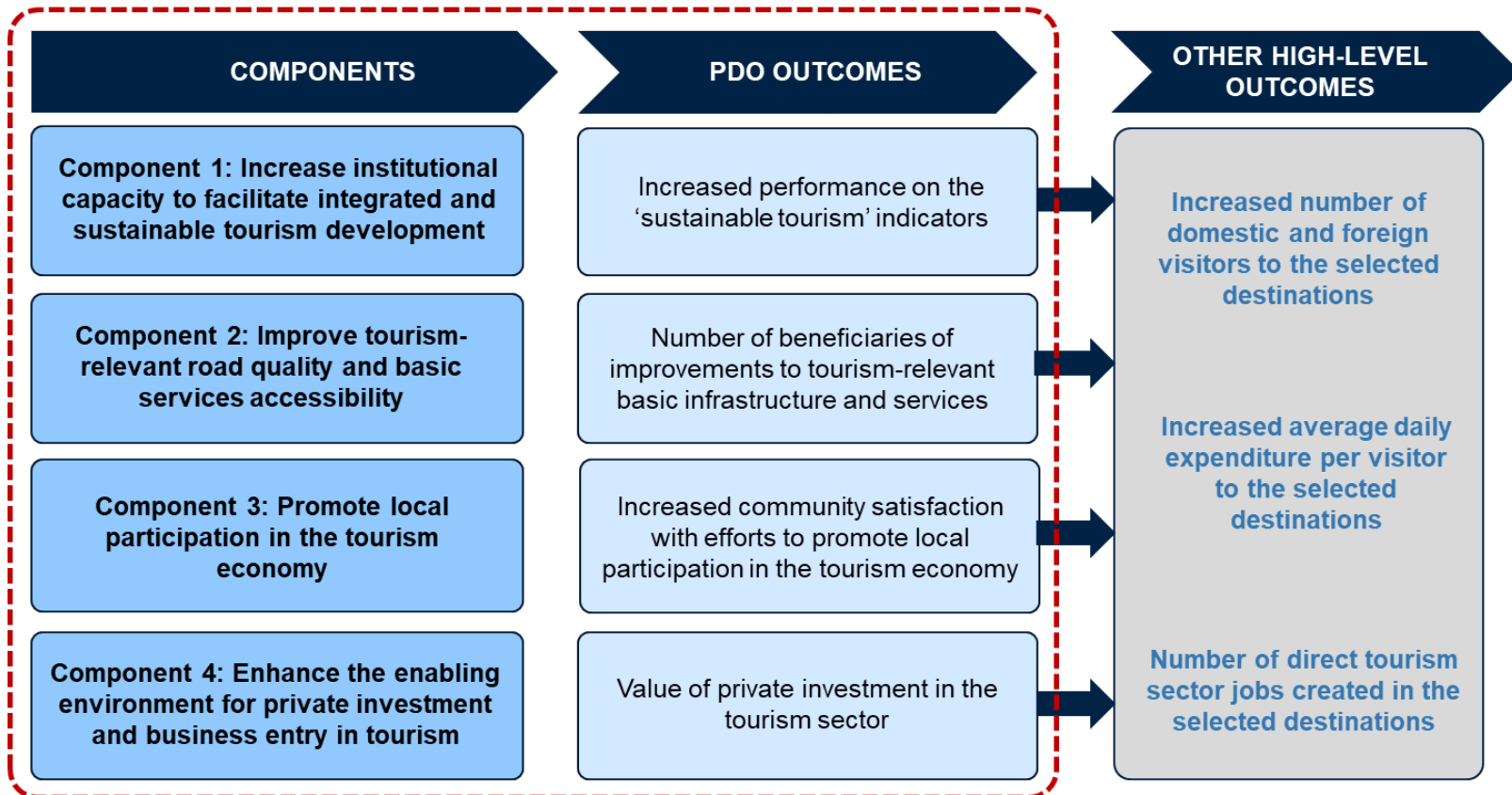
Weak enabling environment for private investment and business entry

- **Investment climate bottlenecks**, including high number of days to obtain licenses and permits to open a tourism businesses
- **Regulatory complexity** and unpredictability, especially at subnational level
- **Lack of clarity on special economic zones** and government programs
- Past investment promotion strategies in Indonesia have failed to address tourism investment promotion in a strategic and integrated way
- **Poor investment promotion** can result in information asymmetries, a burden of bureaucratic procedures and constrained FDI flows

THE PROJECT CONSISTS OF 4 INTEGRATED COMPONENTS, WHICH TOGETHER OVERCOME KEY CONSTRAINTS TO UNLOCKING TOURISM

- **Project Development Objective:** to improve the quality of, and access to, tourism-relevant basic infrastructure and services, strengthen local economy linkages to tourism, and attract private investment in selected tourism destinations in Indonesia
- **Components, PDO Indicators, and Higher-level Outcomes:**

Results within Project scope and time horizon





DETAILS OF PROJECT COMPONENTS

PROJECT COMPONENTS

1: Increase institutional capacity to facilitate integrated and sustainable tourism development

Integrated planning and coordination

Monitoring of sustainable tourism

2: Improve tourism-relevant road quality and basic services accessibility

Roads: Routine and periodic maintenance

Roads: Betterment and rehabilitation

Non-motorized traffic facilities

Tourism specific infrastructure

Piped water supply

Solid waste management

Waste water management and sanitation

DEDs and FSs (including safeguards instruments)

3: Promote local participation in the tourism economy

Skill development

Firm capabilities

Community engagement

4: Enhance the enabling environment for private investment and business entry in tourism

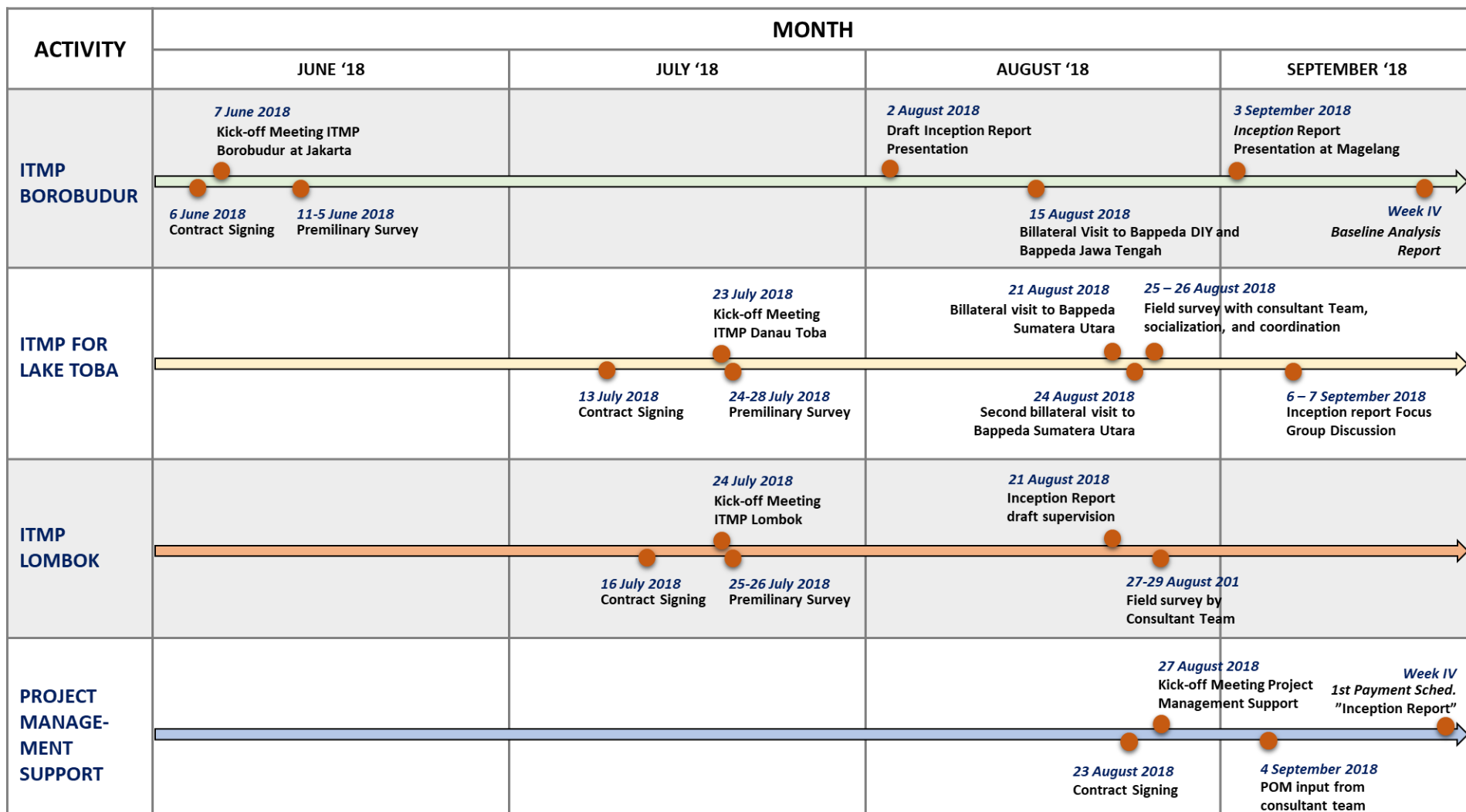
Investment planning



3

**PROGRESS OF 3 ITMP
AND PROJECT
MANAGEMENT
SUPPORT**

PROGRESS OF 3 INTEGRATED TOURISM MASTER PLAN (ITMP) & PROJECT MANAGEMENT SUPPORT (PMS)



PROGRESS OF 3 ITMP AND PMS

ACTIVITY	MONTH									
	OCTOBER '18	NOVEMBER '18	DECEMBER '18	JANUARY '19	FEBRUARY '19	MARCH '19	APRIL '19	MAY '19	JUNE '19	JULY '19
ITMP BOROBUDUR				Week IV Overall Development Plan		Week III Capacity building program	Week IV Phased Infrastructure and Services Plan		Week I Final Report	
	Week IV Growth projection and development scenarios					Week I Detailed development plan for priority key areas	Week III Phased Tourism Development Plan	Week III Draft Final Report		
ITMP FOR LAKE TOBA		Week IV Interim Report		Week IV Formulation of Urgent 2018 infrastructure and services investments program			Week IV Urban design guidelines for New Key Tourism Area	Week III Detailed development plan for priority key areas		Week II Final Report
		Week II Baseline Analysis Report	Week IV Priority key tourism area concept			Week IV Detailed Planning Formulation		Week I Draft Final Report	Week I Detailed institutional development program	
ITMP LOMBOK		Week II Baseline Analysis Report		Week III Regional Strategic Diagram		Week IV Detailed Development Plan for Priority Key Areas			Week III Tourism, integrated infrastructure and service and building capacity development program	
	Week I Program of Urgent Investment Report		Week III Growth Projection and Development Scenarios		Week II Overall Development Plan			Week II Urban Design Guidelines		Week II Final Integrated Tourism Master Plan
PROJECT MANAGEMENT SUPPORT				Week I Web-GIS Management Information System			Week IV 3 rd Payment Sched.			Week IV Annual Project Financial Reports
		Week I Interim Financial Report (IFR)		Week IV 2 nd Payment Sched.					Week IV 4 th Payment Sched.	



4

**DETAILED
INFORMATION:
ITMP BOROBUDUR
PROGRESS**

ACTIVITIES	SCOPE OF WORK							
	A	B	C	D	E	F	G	H
	Analysis of the institutional and legal, regulatory and policy framework	Analysis of demand and opportunities for tourism destination area development	Analysis of baseline conditions of spatial plans, infrastructure gaps and visitor attractions and facilities	Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constrains	Preparation of growth projections and development scenarios	Detailing of the preferred development scenario	Formulation of the integrated tourism master plan (including a Visitor Management Plan for Borobudur Temple Complex)	Ensure active stakeholder engagement
	Inception report Presentation & discussion Date: Sept 3, 2018							
	Baseline analysis Sched.: Oct 8,2018							
	Growth Scenario: major findings Sched.: Oct 29, 2018							
	Dev. Scenario: for physical aspect focused on dev. & landuse plan scenario Sched.: Nov 12, 2018							
	Workshop on investment: To improve FDI in tourism Sched.: Dec 17, 2018							
	Dev. Plan, facilities & accommodation tourism Sched.: Jan 21, 2019							
	Dicussion for: •Key priority area •Mng. plan for Borobudur Sched.: Mar 4, 2019							
	Insitutional capacity development Sched.: Apr 2, 2019							

Status: Early September 2018

An aerial photograph of a tropical coastline. On the left, the deep blue ocean transitions into shallow turquoise water near a sandy beach. Several boats are visible in the water, including a large white motorboat and several smaller wooden boats. The beach is lined with lush green trees and vegetation. To the right of the beach, a town or village is built on a hillside, featuring numerous small houses with colorful roofs and some larger buildings. In the background, more hills and a clear blue sky are visible. Overlaid on the image are two large, dark blue diamond shapes with yellow borders. The first diamond, on the left, contains the number '5'. The second, larger diamond, on the right, contains the text 'DETAILED INFORMATION: PROJECT OPERATIONAL MANUAL (POM) PROGRESS'. White diagonal lines intersect the diamonds and the background image.

5

**DETAILED
INFORMATION:
PROJECT
OPERATIONAL
MANUAL (POM)
PROGRESS**

PROJECT MANAGEMENT MANUAL (PMM)

NO	CHAPTER	STATUS	PENDING MATTER
1	Introduction	Done	
2	Project Description	Done	
3	Institutional Arrangement for ITDP	Done	Regulation of Minister of Public Works and Housing as the basis for ITDP institutional arrangement is still on progress.
4	Financial Management	Done	Required inputs from PMS financial expert to improve the applicability of this chapter.
5	Procurement	Done	<ul style="list-style-type: none"> a. Required clarification on electronic procurement process b. On process compiling all forms for procurement
6	Environmental and Social Safeguard	On Progress	Required further discussion with World Bank Environmental and Social Safeguard Expert regarding expected information for this chapter
7	Monitoring and Evaluation	Done	
8	Archiving	Done	
9	Modification to General Condition	Done	

Status: Early September 2018

NO	CHAPTER	STATUS	PENDING MATTER
1	Project Description	Done	
2	Project Components	Done	Required substantial contribution from other implementing agencies, especially from the Ministry of Tourism and The Investment Coordinating Board
3	Result Framework	Done	
4	Project Cost and Financing	Done	
5	Project Institutional Arrangements	Done	
6	Project Implementation		
7	Implementation Arrangement	Done	
8	Environmental and Social Safeguard	On Progress	Required further discussion with World Bank Environmental and Social Safeguard Expert regarding expected information for this chapter



THANK YOU



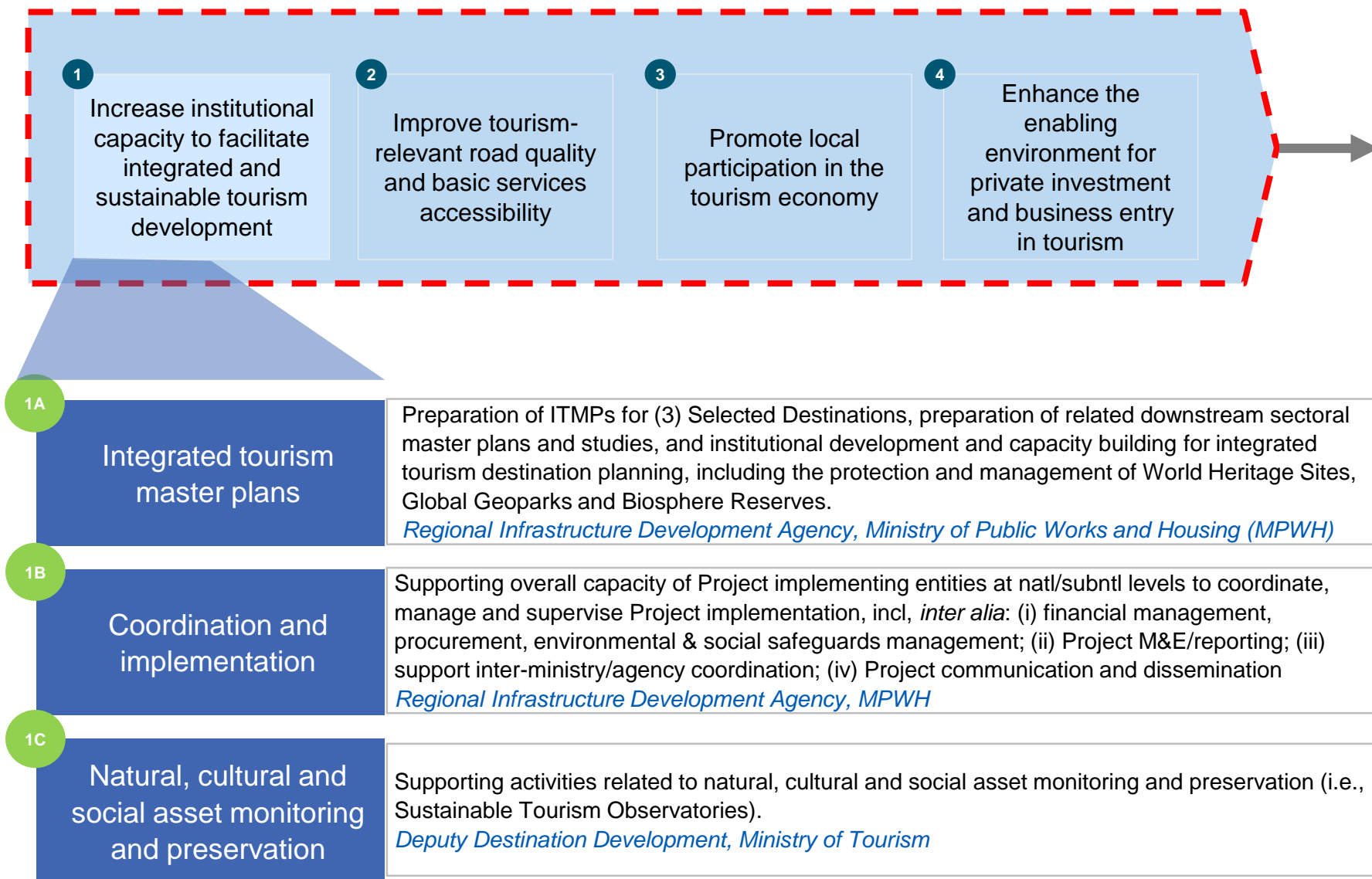
**REGIONAL INFRASTRUCTURE DEVELOPMENT AGENCY
MINISTRY OF PUBLIC WORKS AND HOUSING**



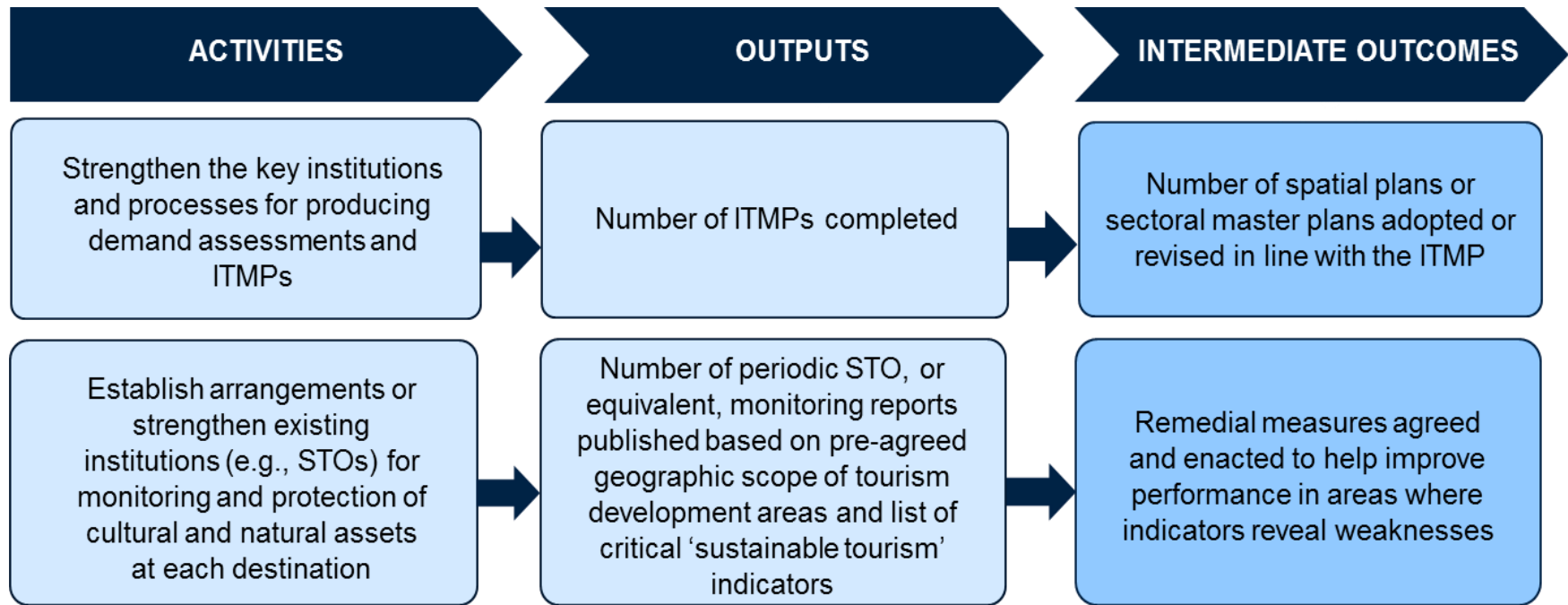
ATTACHMENT 1: DETAILED INFORMATION ON ITDP PROJECT COMPONENT

DETAILED INFORMATION ON ITDP PROJECT COMPONENT

COMPONENT 1: IMPROVE CAPACITY FOR INTEGRATED AND SUSTAINABLE TOURISM



COMPONENT 1: RESULTS CHAIN



DETAILED INFORMATION ON ITDP PROJECT COMPONENT

COMPONENT 2: IMPROVE TOURISM-RELEVANT ROAD QUALITY AND BASIC SERVICES ACCESSIBILITY



2A

Road infrastructure

construction, widening, improvement, reconstruction, rehabilitation, betterment and maintenance of the tourism-relevant roads including bridges

2B

Tourism services and infrastructure

construction and improvement of pedestrian and non-motorized traffic facilities, development and improvement of parks and greenery and the construction and improvement of subnational facilities for public transport

2C

Basic services and infrastructure

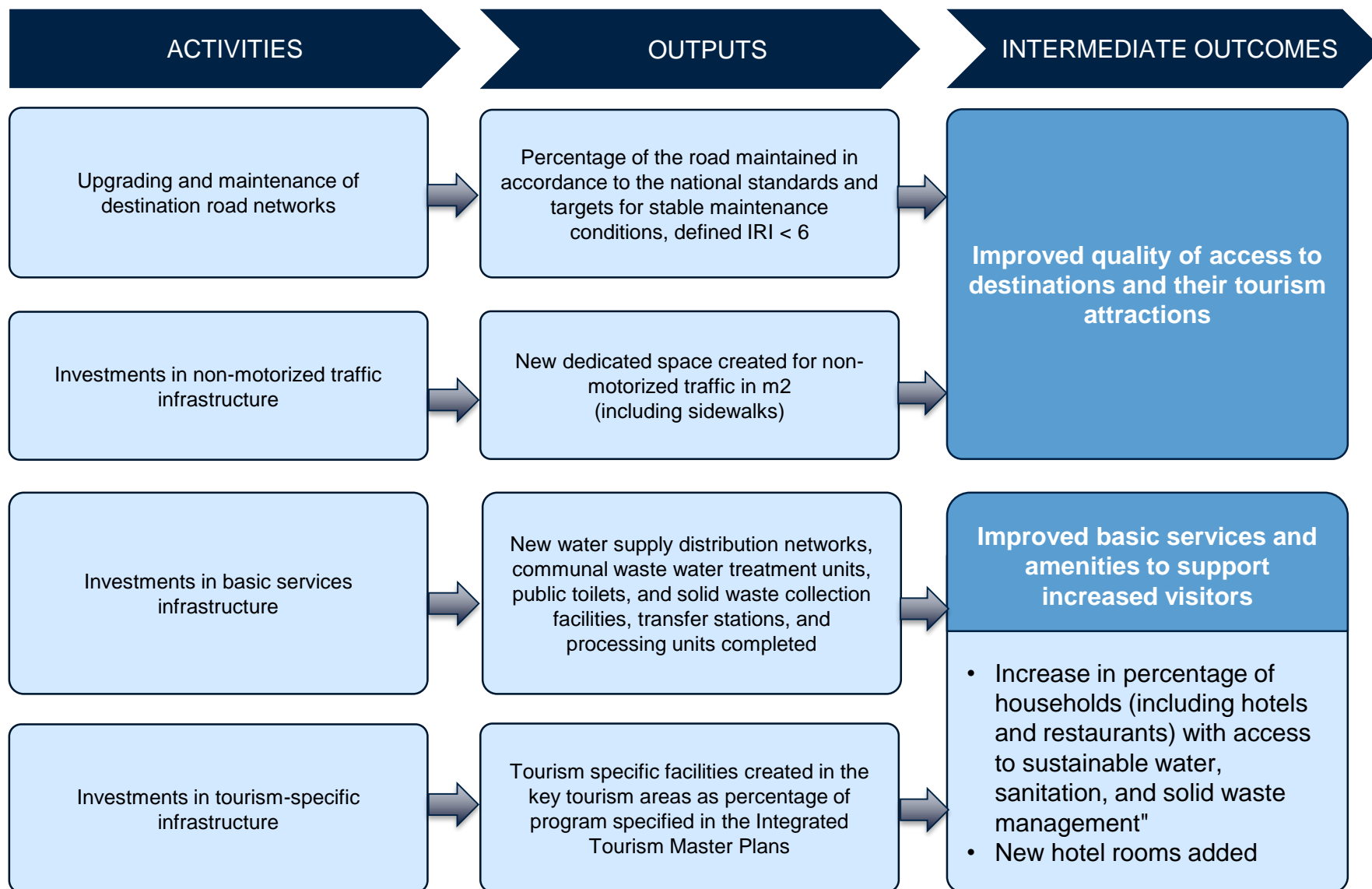
construction, upgrade, rehabilitation, and expansion of infrastructure for water supply, sanitation, wastewater management and solid waste management including provision of supporting facilities, consultant services and equipment such as garbage collection trucks to support these

2D

Civil works studies and designs

carrying out feasibility studies and detailed engineering designs and provision of management and supervision consultants' services required for civil works under this Part.

COMPONENT 2: RESULTS CHAIN



DETAILED INFORMATION ON ITDP PROJECT COMPONENT

COMPONENT 3: PROMOTE LOCAL PARTICIPATION IN THE TOURISM ECONOMY



Ministry of Tourism
Deputy for Institutional Development and Tourism Industry

3A

Competency-based vocational training and accreditation

Provision of relevant and high-quality competency based training (CBT) and the strengthening of the certification system of the tourism sector in the Selected Destinations through *inter alia*: (i) developing competency-based standards, qualification frameworks and related curriculum packages; (ii) training of trainers, teachers and assessors for improved delivery of CBT and developing related guidance materials; (iii) provision of technical assistance for TVET institutions to align with private sector demands including provision of required TVET equipment; (iv) provision of training (including life-long learning) and certification; (v) holding bi-annual tourism skill development forums

3B

Technical assistance to firms

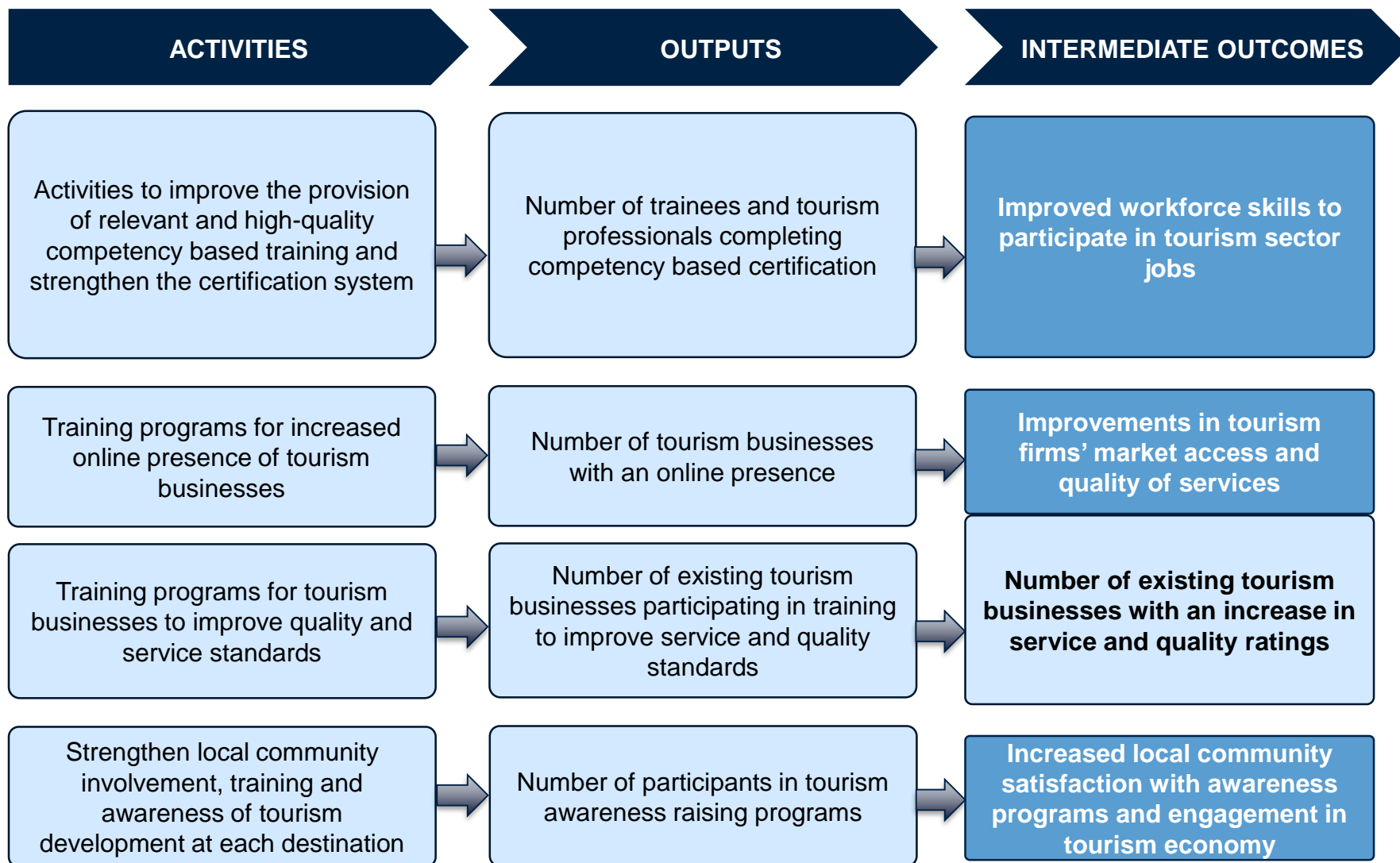
Assisting local tourism firms to improve online presence and quality of service standards through *inter alia*: monitoring, evaluating and providing training to improve online presence and service and quality standards of local tourism firms, including acquisition of travel website data to design related policies and programs

3C

Community awareness

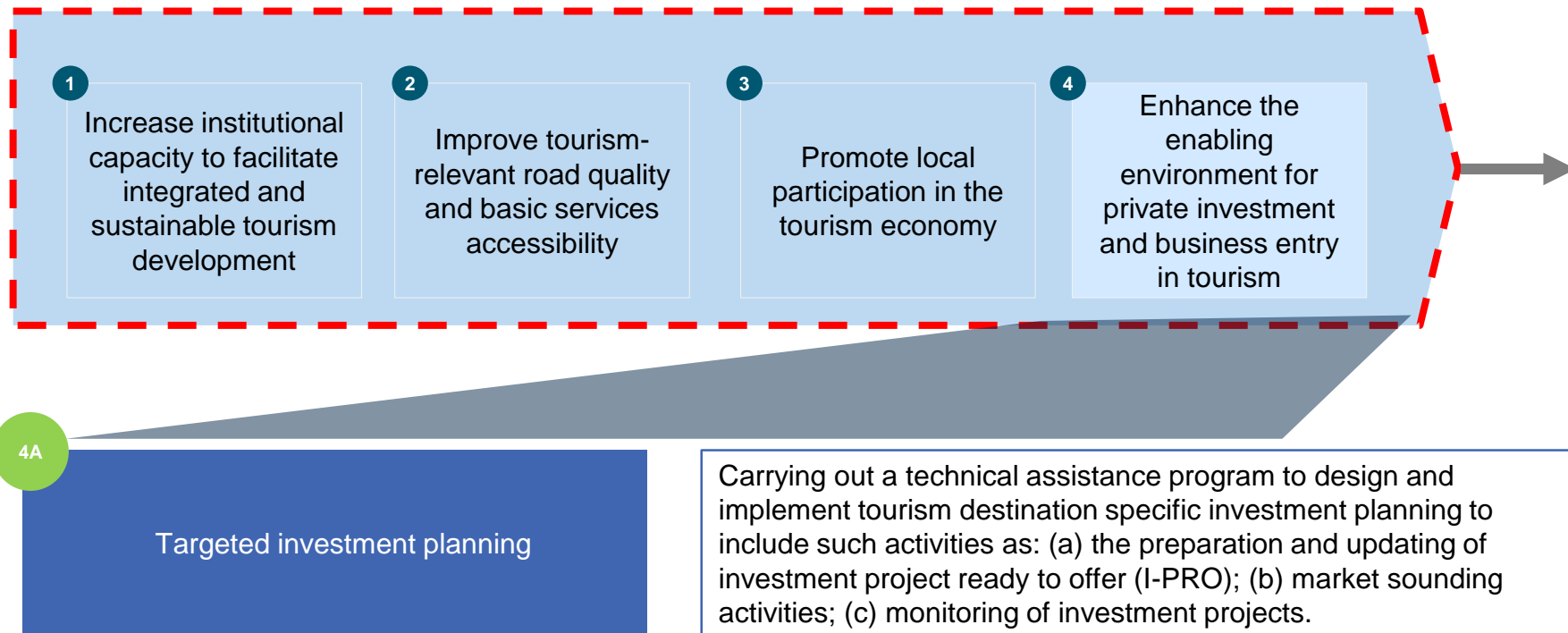
Re-designing, implementation, and monitoring of Ministry of Tourism's community awareness and engagement program (*Sadar Wisata*) through *inter alia*: (i) support to increase the number of community participants in the Selected Destinations; (ii) redesign, using international best practice, *Sadar Wisata* program to be more focused on, and effective in, empowering communities in Selected Destinations to participate in tourism; and (iii) carrying out community satisfaction surveys.

COMPONENT 3: RESULTS CHAIN



DETAILED INFORMATION ON ITDP PROJECT COMPONENT

COMPONENT 4: ENHANCE ENABLING ENVIRONMENT FOR PRIVATE INVESTMENT AND BUSINESS ENTRY



Component 4: Results Chain



The background of the slide is a scenic landscape featuring a range of green, forested mountains under a bright blue sky with scattered white clouds. In the lower right corner, a portion of a blue ocean with white surf is visible. Overlaid on this background are several geometric design elements: a large dark blue diamond shape on the right side containing the title, a smaller dark blue diamond on the left containing a logo, and several thin white diagonal lines that intersect across the slide.

ATTACHMENT 2: DETAILED INFORMATION ON ITMP



ITMP: DETAILED SCOPE OF WORK (1)

SCOPE OF WORK	DETAILS
A. Analysis of the institutional and legal, regulatory and policy framework	<ul style="list-style-type: none"> • Identification of the planning authority/authorities within the destination for the various components; e.g. land use, transport, utilities, and visitor management to main World Heritage Sites (WHSs). • Identification of all stakeholders and collaboration arrangements between them to develop the tourism program; e.g. governments, SOEs, private sector, communities, and nongovernmental organizations (NGOs). • Evaluation of the regulatory framework within which planning implementation will occur. • Review and evaluation of relevant existing spatial and sectoral development plans (including plans for national parks, if applicable), including all regulatory instruments and associated policy documents currently in place to guide and control development.
B. Analysis of demand and opportunities for tourism destination area development	<ul style="list-style-type: none"> • Assemble and review information on population (including ethnic minorities, vulnerable groups, Indigenous Peoples (IPs)) and employment growth trends, including temporary residents (visitors) and in-migration of job seekers. • Assemble and review information on all areas of potential economic growth, such as agricultural production, fisheries, food processing, commercial enterprises, industry, and services including tourism and travel, to identify and assess the linkages between the various sectors of the economy affecting, and affected by, tourism development in the tourism destination area. • Assemble and review information on domestic and foreign visitors and related accommodation, facilities, and attractions, past visitor trends and projected growth, and related demand for new tourism enterprises and services with particular emphasis on the Market Analysis and Demand Assessment study commissioned by the World Bank Group under a separate contract (http://bpiw.pu.go.id/uploads/20170302_Borobudur_Market_and_Demand_Assessment.pdf). • Assemble and review information (i.e. from the Market Analysis and Demand Assessment study) on capabilities and skills of local businesses, especially local firms and communities to play an active role in, and benefit from, accelerated tourism development.

ITMP: DETAILED SCOPE OF WORK (2)

SCOPE OF WORK	DETAILS
C. Analysis of baseline conditions of spatial plans, infrastructure gaps and visitor attractions and facilities	C1. Spatial Planning Baseline Data Analysis: C2. Infrastructure and service provision baseline data analysis
D. Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constrains	The Consultant therefore will collect and interpret the relevant baseline data and develop maps and reports of challenges, opportunities, and constraints for environmentally and socially sustainable growth and for the various types of tourism facilities and supporting infrastructure. Potential environmental and social impacts and risks of tourism development in general, and of the proposed infrastructure development and other activities specified in the Master Plan, will be assessed.
E. Preparation of growth projections and development scenarios	E.1. Prepare growth projections and dedicated planning standards E.2. Prepare and discuss alternative spatial development scenarioS. E.3. Preparation of a GIS-based spatial decision-making support system
F. Detailing of the preferred development scenario	F.1 Preparation of an overall development plan for the entire tourism destination area based on the preferred development scenario using GIS maps. F.2 Preparation of detailed development plans for priority key tourism areas
G. Formulation of the integrated tourism master plan (including a Visitor Management Plan for Borobudur Temple Complex	G.1 Prepare a phased tourism development plan G.2 Prepare a phased integrated infrastructure and services development plan G.3 Prepare a program of urgent 2018 infrastructure and services investments G.4 Prepare an institutional development program G.5 Prepare a capacity building program
H. Ensure active stakeholder engagement	Pro-active outreach and public presentations are essential to engage the private sector, local communities, local governments, and related central government institutions. Building on the initial stakeholder mapping and based on the Stakeholder Engagement Plan (as part of the Inception Report), through regular consultations with government institutions and other stakeholders, the Consultant should seek feedback and consensus on all intermediate and final deliverables.