

EVALUATING REGIONAL ABSORPTIVE CAPACITY IN THE IMPLEMENTATION OF SUPER PRIORITY TOURISM DESTINATION (DPSP) POLICY

Ivan Ramadhan¹, Raniasa Putra², Djunaidi³

Universitas Sriwijaya / Master of Public Administration

E-mail: Ivanramadhan.ir@gmail.com

Received: 22/04/2026 | Revised : 01/05/2026 | Accepted: 15/05/2026 | Published :26/05/2026

Abstract

Abstract This study evaluates the absorptive capacity of local governments in responding to the Super Priority Tourism Destinations (DPSP) policy in Indonesia. While the central government has massively intervened through infrastructure investment and institutional engineering, the realization of tourism economic growth remains hampered by local bottlenecks. Utilizing a qualitative descriptive approach through systematic literature and document review, this research analyzes the implementation of DPSP across five targeted regions using the Realistic Evaluation framework and the Policy Capacity theory. The analysis reveals that the top-down mechanism fails to operate optimally due to the deficit in local policy capacity. Analytically, local governments face delays in synchronizing spatial planning and derivative regulations. Operationally, local fiscal constraints result in inadequate secondary infrastructure and basic utilities. Politically, sectoral ego and jurisdictional conflicts between local leaders and the Tourism Authority Board hinder the realization of collaborative governance, alienating local community participation. The study concludes that infrastructure-driven tourism development must be preceded by capacity-driven interventions. It is highly recommended that the central government establish an asymmetrical funding scheme and systematic capacity-building programs to strengthen the analytical, operational, and political capacities of local bureaucracies.

Keywords: absorptive capacity, collaborative governance, policy capacity, realistic evaluation, tourism policy

INTRODUCTION

The tourism sector has transformed into one of the main pillars pioneering macro-economic growth and a globally recognized instrument for poverty alleviation (World Travel & Tourism Council, 2024). As a resource-based industry, tourism is no longer viewed narrowly as a recreational activity but operates as an engine for regional economic growth through massive and unique multiplier effects (Ritchie & Crouch, 2003). In Indonesia, this sector plays a crucial role as the largest foreign exchange contributor; however, national tourism performance over decades has experienced hyper-centralization and extreme spatial inequality (Wibowo & Hariadi, 2024). As shown in Figure 1, Bali Province still dominates absolutely with 5,281,529 international tourist visits in 2024, a stark contrast to other potential regions such as West Nusa Tenggara, which only recorded 585,292 visits (Statistics Indonesia, 2024). This condition indicates the fragility of national tourism resilience, which is highly vulnerable to external shocks (Maiti, 2023).

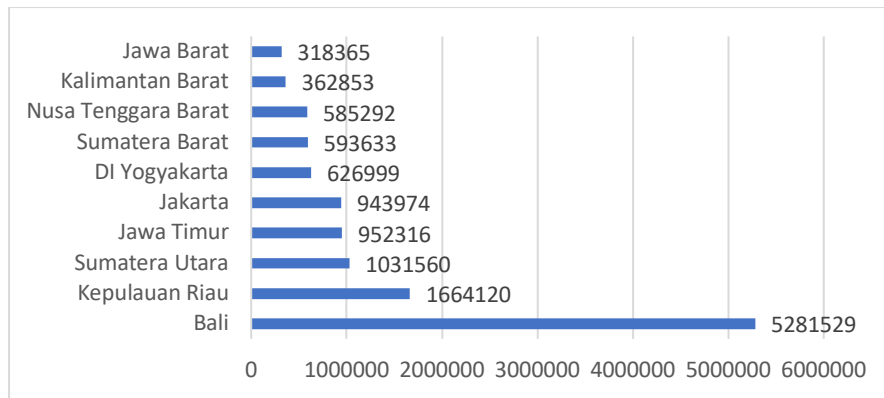


Figure 1: Provinces with the Highest Number of Foreign Tourist Visits, 2024

Responding to this acute disparity, the Government of the Republic of Indonesia implemented macro-scale strategic policy interventions by designating five Super Priority Tourism Destinations (DPSP) as national strategic projects (Presidential Regulation No. 18 of 2020). This policy is not merely an administrative nomenclature but a form of developmental engineering through massive injections of state capital expenditure. Infrastructure investment realization through the Ministry of Public Works and Public Housing (PUPR) is recorded to exceed IDR 18.9 trillion specifically for these five areas throughout the 2020-2024 period (Ministry of PUPR, 2024). This intervention is exclusively directed at creating "New Balis" by strengthening accessibility and amenities to transform regional potential into centers of inclusive wealth creation (Alcalá-Ordóñez et al., 2024).

However, the success of large-scale top-down interventions heavily depends on the complex interaction between policy instruments (mechanism) and local capacity conditions (context) (Pawson & Tilley, 1997). Macro-physical infrastructure improvements have unexpectedly proven insufficient to significantly boost tourism growth if internal governance obstacles at the local level are not properly addressed (Wardana et al., 2025). The implementation of DPSP in various regions has been empirically hampered by slow local government institutional adaptation, high sectoral egos, and minimal involvement of local communities (Toruan et al., 2025; Patadjenu et al., 2023). This gap underscores the urgency of regional "Absorptive Capacity"—namely the ability of the bureaucratic ecosystem and local governance to absorb central investment spillovers to avoid economic leakage out of the region (Holzner, 2011).

Weaknesses in bureaucratic operational capacity at the local level, such as delays in drafting derivative regulations and managerial inefficiencies, serve as primary determinants that reduce the effectiveness of this strategic project (Howlett et al., 2015). The evaluation of DPSP policy cannot be reduced solely to measuring administrative outputs like high budget absorption but must focus on the extent to which the intervention triggers policy outcomes supported by local governance readiness (Dunn, 2017). Referring to the Policy Capacity framework, local government absorptive capacity must be evaluated through analytical, operational, and political dimensions to determine the factors for policy success on the ground (Wu et al., 2015). Therefore, this article aims to critically evaluate how regional policy capacity dimensions serve as an absolute prerequisite for the effective implementation of macro DPSP policies in Indonesia.

LITERATURE REVIEW

Contemporary public policy evaluation has shifted from mere administrative output measurement toward assessments of more comprehensive impact estimations (Dunn, 2017). In public administration discourse, evaluation no longer assumes that a macro intervention will produce uniform impacts across all target regions (Anderson, 2015). This study relies on the Realistic Evaluation framework (Figure 2), which postulates that policy outcomes are the product of central intervention instruments (Mechanism) interacting conditionally with local environmental prerequisite characteristics (Context) (Pawson & Tilley, 1997). The mechanism in the Super Priority Tourism Destination (DPSP) policy is represented through the institutional engineering of authority boards and the injection of infrastructure capital expenditure (Presidential Regulation No. 18 of 2020). However, the success of such mechanisms is theoretically determined by the Context dimension, which operates not merely as a geographical background but as a decisive factor that supports or inhibits program progress (Pawson & Tilley, 1997).

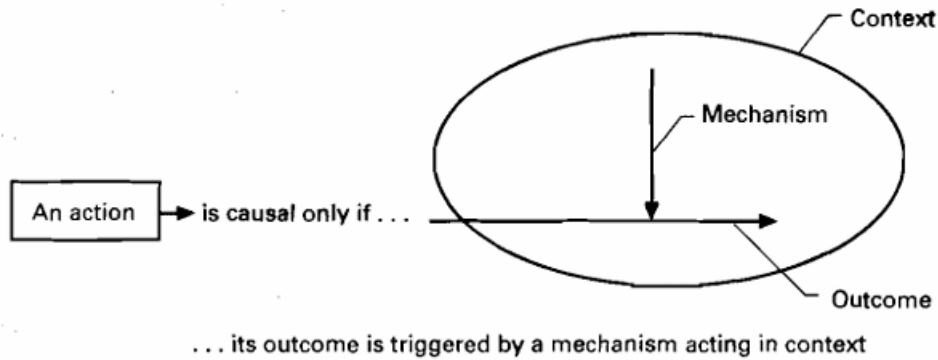


Figure 2: Realistic Evaluation Framework (Pawson & Tilley, 1997)

To fully dissect the dimension of regional readiness context, this study adopts the Policy Capacity framework conceptualized by Wu, Ramesh, Howlett, and Fritzen (2015) as can be seen in Figure 3. The absorptive capacity of local governments in absorbing DPSP policies is evaluated through three core capacity pillars. First, Analytical Capacity refers to the technocratic competence of the local bureaucracy in absorbing information, conducting evidence-based analysis, and drafting derivative spatial planning coherent with the central vision (Wu et al., 2015). Without precise analytical capacity, local governments fail to provide secondary legal foundations and remain passive observers of the grand development designs formulated by central authorities (Howlett et al., 2015).

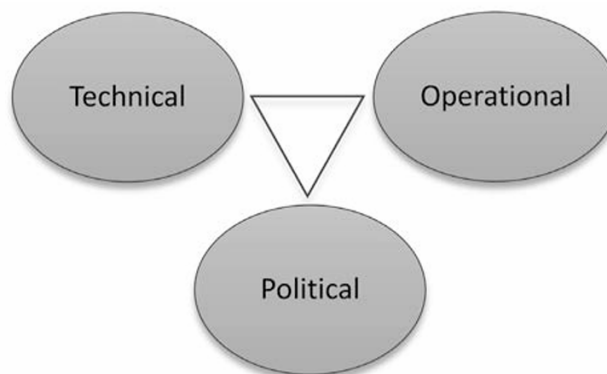


Figure 2: Policy Capacity Framework (Wu et al., 2015)

Second, Operational Capacity focuses on the availability of managerial resources, the efficiency of matching fund (APBD) execution, and the bureaucracy's ability to establish managerial synergy with cross-sectoral management entities (Howlett et al., 2015). Fragility in this dimension has been proven to trigger inequality, where central funding fail to be balanced by the provision of basic utilities and secondary infrastructure at the local level (Wibowo & Hariadi, 2024). Third, Political Capacity focuses on the bargaining power of local elites and bureaucracies in building consensus, moderating diverse interests, and mobilizing community engagement (Wu et al., 2015). Weak political capacity triggers authority fragmentation and inter-jurisdictional sectoral ego, which delegitimizes the creation of genuine collaborative governance in destination areas (Adamy & Wiradharma, 2024; Toruan et al., 2025). Comprehensively, the interaction of these three capacity dimensions determines the extent to which top-down interventions can be optimally institutionalized into inclusive economic growth in the region (Dunn, 2017).

METHOD

This study employs a qualitative descriptive approach with a library research design and strategic document analysis to dissect the complexities of bureaucratic governance that cannot be fully captured through single statistical metrics (Creswell & Poth, 2018; Yin, 2018). The evaluation focus is specifically directed at the implementation dynamics of the Super Priority Tourism Destination (DPSP) policy governance across five target regions: Lake Toba, Borobudur Temple, Mandalika, Labuan Bajo, and Likupang (Presidential Regulation No. 18 of 2020). Primary data were extracted from official central and local government documents, regulations establishing Tourism Authority Boards, and a synthesis of previous empirical journal literature analyzing collaborative governance realities in these

EVALUATING REGIONAL ABSORPTIVE CAPACITY IN THE IMPLEMENTATION OF SUPER PRIORITY TOURISM DESTINATION (DPSP) POLICY

Ivan Ramadhan et al

five DPSP areas (Adamy & Wiradharma, 2024; Toruan et al., 2025; Patadjenu et al., 2023) Data processing and analysis techniques adopt an interactive thematic analysis model consisting of data condensation, structured data display, and prescriptive conclusion drawing (Miles, Huberman, & Saldaña, 2014). The reduced derivative data were subsequently categorized and deductively analyzed using the Realistic Evaluation framework to measure the interaction between central intervention and regional conditions (Pawson & Tilley, 1997). This evaluation framework was then cross-referenced with the three dimensions of Policy Capacity theory—comprising analytical, operational, and political capacities of local government apparatus—to evaluate the root causes of failure or success in DPSP policy implementation at the local level (Wu et al., 2015).

RESULTS AND DISCUSSION

The central government's intervention in the Super Priority Tourism Destination (DPSP) project is realized through a massive mobilization of financial resources. By the second quarter of 2022, the total realization of tourism sector investment across the five DPSPs had exceeded US\$ 487.3 million. This capital structure is dominated by Foreign Direct Investment (FDI) at 53% and Domestic Direct Investment (DDI) at 47%. The details of investment flows in each DPSP area can be seen in Table 1.

Table 1. Realization of Tourism Sector Investment in 5 DPSPs (Accumulated up to 2022)

Super Priority Destination	Investment Realization (US\$)	Description
Mandalika	184.8 million	The largest investment portion among the 5 DPSPs.
Labuan Bajo	172.4 million	Supported by various direct investment promotion forums.
Likupang	71.5 million	Includes the development of a Special Economic Zone (KEK).
Danau Toba	46.6 million	Part of the total 5 DPSP investment (US\$ 487.3 million).
Borobudur	12.0 million	The majority of total investment is contributed by FDI (53%).

This investment injection is followed by capital expenditure from the Ministry of Public Works and Public Housing (PUPR), which positions the DPSP as a major project within the 2020-2024 National Medium-Term Development Plan (RPJMN). This central infrastructure support (Mechanism) is concretely executed through physical projects in various buffer zones, as summarized in Table 2.

Table 2. Forms of PUPR Infrastructure Support in DPSP Areas

DPSP Location	Forms of Physical Infrastructure Support
Danau Toba	- Construction of Sidikalang Landfill (TPA); - Construction of residential facilities supporting the tourism area.
Borobudur	- Construction of flood control infrastructure in the Yogyakarta International Airport area; - Kali Progo suspension bridge.
Mandalika	- Development of three-gili tourism; - Upgrade of Pengingat Landfill; - Special housing in West Sumbawa.
Labuan Bajo	- Geometric improvement of Wae Kelambu access road; - Construction of coastal protection infrastructure on Rinca Island.
Likupang	- Construction of Likupang river flood control structures; - Quality improvement of self-help housing.

The aggressiveness of this physical development is accompanied by institutional engineering through the establishment of Tourism Authority Boards (BODT, BOB, BPOLBF) and the assignment of the state-owned enterprise ITDC, which possess authoritative jurisdiction. However, this central intervention maneuver (Mechanism) violently collides with the disparity of governance capacity at the regional level (Context). One of the roots of this governance obstacle stems from the vast administrative jurisdictions encompassed within a single DPSP area, as shown in Table 3.

Table 3. Administrative Jurisdictional Coverage of Super Priority Tourism Destinations

Tourism Destination	Administrative Coverage (Regencies/Cities)
Danau Toba	North Tapanuli, Samosir, Simalungun, Dairi, Toba, Humbang Hasundutan, Pakpak Bharat, Karo (8 Regencies).
Borobudur-Yogyakarta-Prambanan	Magelang, Klaten, Sleman, Bantul, Yogyakarta City (4 Regencies, 1 City).
Lombok-Gili Tramenan	Central Lombok, North Lombok, West Lombok, East Lombok, Mataram City (4 Regencies, 1 City).
Labuan Bajo-Flores	Bima, West Manggarai, Manggarai, East Manggarai, Ngada, Nagekeo, Ende, Sikka, East Flores, Alor, Lembata (11 Regencies).
Manado-Likupang	North Minahasa, Minahasa, Manado City, Tomohon City, Bitung City (2 Regencies, 3 Cities).

Furthermore, the aggressiveness of this central intervention also collides with the disparity of governance capacity at the regional level. There are three real gaps occurring in the DPSP target areas. First, the regency government in the Likupang area experiences severe delays in drafting the Detailed Spatial Plan (RDTR) and derivative regulations that are synchronized with the Authority Board's masterplan, creating operational licensing confusion at the site level (Adamy & Wiradharma, 2024; Patadjenu et al., 2023). Second, the injection of trillions of rupiahs in central investment is not balanced by the availability of proportional matching funds from the Regional Revenue and Expenditure Budget (APBD) to build basic residential utilities around the core tourism areas (Wibowo & Hariadi, 2024). Third, in the Lake Toba and Labuan Bajo areas, sectoral egos between Regional Apparatus Organizations (OPD) and between regencies continue to occur. Stakeholder communication is held hostage by sentiments of administrative territorial control, while local community engagement in the tourism supply chain operates superficially (Toruan et al., 2025; Patadjenu et al., 2023).

Table 4. Synthesis of Evaluative Findings on DPSP Implementation Capacity

Capacity Dimension	Mechanism (Central Government Intervention)	Context (Regional Condition)	Outcome (Implementation Performance)
Analytical Capacity	Strategic Masterplan and central regulation (Perpres DPSP).	Delays in synchronizing Detailed Spatial Plans (RDTR) and regional regulations (Likupang).	Ineffective. Disconnect between central planning and regional legal umbrellas.
Operational Capacity	Trillions of rupiahs in APBN investment for macro-infrastructure.	Lack of regional matching funds (APBD) and basic utility support (Borobudur & Mandalika).	Sub-optimal. Physical infrastructure is built, but basic residential support is neglected.
Political Capacity	Establishment of Authority Boards (BODT, BPOLBF, etc.) and ITDC.	Sectoral egos and multi-jurisdictional fragmentation (Lake Toba & Labuan Bajo).	Fragmented. Overlapping authority and pseudo-collaborative governance.

Based on the Realistic Evaluation framework (Pawson & Tilley, 1997) and Policy Capacity (Wu et al., 2015) that can be seen in Table 4, the establishment of the Authority Board and the injection of the State Budget (APBN) are positioned as the Mechanism, while the capacity of the regional bureaucracy constitutes the Context. The delay in synchronizing the RDTR and derivative regulations at the regency level is an absolute manifestation of the weak analytical capacity of the regional bureaucracy (Howlett et al., 2015). The local bureaucracy genuinely lacks strategic planners capable of translating the speed of central work into regional legal products, meaning central interventions are often hindered by the absence of a secondary legal umbrella at the local level. The lack of matching funds (APBD) and basic utilities represents a deficit in operational capacity. When the central government successfully builds macro-physical infrastructure, regional governments fail to keep pace with the management of buffer utilities due to limited fiscal and managerial space (Howlett et al., 2015). This condition affirms the postulate that no matter how

strong a policy instrument is, its efficiency will be reduced if injected into organizational governance that lacks operational resilience (Pawson & Tilley, 1997).

The failure to mitigate sectoral egos, overlapping authorities between the regent and the Authority Board, and the minimal participation of local communities indicate a paralysis of political capacity. Regional governments fail to moderate interests and build cross-actor consensus (Toruan et al., 2025). This illusion of collaborative governance creates a gaping distance between the grandeur of macro tourism projects and the reality of local community welfare. Theoretically, the DPSP policy does not operate deterministically; without parallel intervention from the central government to provide assistance (capacity building) to accelerate the analytical, operational, and political capacities of regional apparatuses, the DPSP policy risks leaving behind only physical buildings devoid of inclusive governance (Dunn, 2017).

CONCLUSION

The evaluation of the Super Priority Tourism Destination (DPSP) policy implementation proves that institutional engineering and massive investment injections from the central government do not automatically transform the regional economy without being supported by local readiness prerequisites. Empirically, the DPSP buffer zones experience a deficit in "Absorptive Capacity," which disrupts the effectiveness of the regional tourism governance transformation. Analytically, the delay in RDTR synchronization at the regency level hinders regional spatial integration. Operationally, limited managerial carrying capacity and narrow regional fiscal space cause the provision of secondary infrastructure to lag behind central macro-infrastructure. Politically, sectoral egos and authority fragmentation trigger an illusion of collaborative governance that alienates this project from the active participation of local communities. The central government needs to shift the development paradigm from an approach purely centered on physical infrastructure to governance capacity-based interventions. It is necessary to initiate systematic technocratic assistance programs for local government apparatuses to accelerate the drafting of derivative regulations. Furthermore, the establishment of asymmetrical funding schemes, such as a tourism-specific Regional Incentive Fund (DID), is urgently needed to patch the regional fiscal gap in providing basic public utilities. Finally, political capacity must be strengthened through the institutionalization of cross-sectoral communication forums with strict regulatory instruments to unravel overlapping jurisdictions, ensuring that the DPSP operates as an inclusive development instrument.

REFERENCES

- Adamy, Z., & Wiradharma, G. (2024). Implementasi Kebijakan Peraturan Pemerintah Daerah Terkait Pengembangan Destinasi Pariwisata Super Prioritas. *Mendapo: Journal of Administration Law*, 5(3), 329-347.
- Alcalá-Ordóñez, A., Brida, J. G., & Cárdenas-García, P. J. (2024). Has the tourism-led growth hypothesis been confirmed? Evidence from an updated literature review. *Current Issues in Tourism*, 27(22), 3571–3607.
- Anderson, J. E. (2015). *Public policy-making* (8th ed.). Cengage Learning.
- Statistics Indonesia. (2024). *Foreign Tourist Visits by Province*. BPS.
- Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). SAGE Publications.
- Dunn, W. N. (2017). *Public policy analysis: An integrated approach* (6th ed.). Routledge.
- Holzner, M. (2011). Tourism and economic development: The beach disease?. *Tourism Management*, 32(4), 922-933.
- Howlett, M., Ramesh, M., & Wu, X. (2015). Understanding the persistence of policy failures: The role of politics, governance and uncertainty. *Public Policy and Administration*, 30(3-4), 209-220.
- Kementerian Pekerjaan Umum dan Perumahan Rakyat (PUPR). (2024). *Laporan Kinerja Pembangunan Infrastruktur Kawasan Strategis Pariwisata Nasional 2020-2024*. Jakarta.
- Maiti, A. (2023). Impact of COVID-19 on individual income in tourism and hospitality industry in India: A difference-in-differences approach. *Tourism Economics*, 29(7), 1790–1811.
- Patadjenu, S., Silitonga, M. S., & Asropi (2023). Tata Kelola Kolaboratif Pengembangan Pariwisata Likupang Kabupaten Minahasa Utara. *Jurnal Kepariwisata Indonesia*, 17(1), 23-48.
- Pawson, R., & Tilley, N. (1997). *Realistic evaluation*. SAGE Publications.
- Peraturan Presiden Republik Indonesia Nomor 18 Tahun 2020 tentang Rencana Pembangunan Jangka Menengah Nasional Tahun 2020-2024.
- Ritchie, J. R. B., & Crouch, G. I. (2003). *The competitive destination: A sustainable tourism perspective*. CABI Publishing.

EVALUATING REGIONAL ABSORPTIVE CAPACITY IN THE IMPLEMENTATION OF SUPER PRIORITY TOURISM DESTINATION (DPSP) POLICY

Ivan Ramadhan et al

- Toruan, L. R. R. M., Wiyati, E. K., & Meliala, Y. H. (2025). Komunikasi pemangku kepentingan melalui koordinasi dalam pengembangan pariwisata Danau Toba, Sumatera Utara. *Jurnal Communio: Jurnal Jurusan Ilmu Komunikasi*, 14(1), 59–74.
- Wardana, W. W., Haryanto, T., Jamil, I. R., Ismail, N. A., Heriqbaldi, U., Correa, E., Rohmah, W. N., & Ajija, S. R. (2025). Does improved accessibility translate into tourism growth? A difference-in-differences analysis of bridge infrastructure in Indonesia. *Annals of Tourism Research Empirical Insights*, 6, Article 100189.
- Wibowo, J. M., & Hariadi, S. (2024). Indonesia Sustainable Tourism Resilience in the COVID 19 Pandemic Era: Case Study of Five Indonesian Super-Priority Destinations. *Millennial Asia*, 15(2), 236–258.
- World Travel & Tourism Council. (2024). Travel & Tourism Economic Impact 2024. https://researchhub.wttc.org/product/world-economic-impact-report?_gl=1*1tu7vtz*_ga*ODc0Mzc0NzQ5LjE3MzkxNjc5NjE.*_ga_JM5GLX6V1W*MTczOTE2Nzk2Mi4xLjAuMTczOTE2OTU2Mi4wLjAuMA..*_gcl_au*MzE1NTA4NjA4LjE3MzkxNjg4NzM
- Wu, X., Ramesh, M., Howlett, M., & Fritzen, S. A. (2015). *The public policy primer: Managing the policy process* (2nd ed.). Routledge.
- Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). SAGE Publications.