



*Empowered lives.  
Resilient nations.*

# ASSESSMENT OF DEVELOPMENT RESULTS **TIMOR-LESTE**

EVALUATION OF UNDP CONTRIBUTION



HUMAN DEVELOPMENT effectiveness COORDINATION  
efficiency COORDINATION AND PARTNERSHIP sus  
NATIONAL OWNERSHIP relevance MANAGING FO  
sustainability MANAGING FOR RESULTS responsiveness  
DEVELOPMENT responsiveness NATIONAL OWNER  
NATIONAL OWNERSHIP effectiveness COORDINATION  
efficiency COORDINATION AND PARTNERSHIP sus  
NATIONAL OWNERSHIP relevance MANAGING FO  
sustainability MANAGING FOR RESULTS responsiveness  
HUMAN DEVELOPMENT effectiveness COORDINATION





*Empowered lives.  
Resilient nations.*

# ASSESSMENT OF DEVELOPMENT RESULTS **TIMOR-LESTE** EVALUATION OF UNDP CONTRIBUTION

The Management Response for this evaluation can be accessed here:  
<http://erc.undp.org/evaluationadmin/managerresponse/view.html?evaluationid=7233>

## REPORTS PUBLISHED UNDER THE ADR SERIES

Afghanistan	Ethiopia	Papua New Guinea
Angola	Georgia	Paraguay
Argentina	Ghana	Peru
Bangladesh	Guatemala	The Philippines
Barbados and OECS	Guyana	Rwanda
Benin	Honduras	Senegal
Bhutan	India	Serbia
Bosnia and Herzegovina	Indonesia	Seychelles
Botswana	Jamaica	Somalia
Brazil	Jordan	Sri Lanka
Bulgaria	Kenya	Sudan
Burkina Faso	Lao PDR	Syrian Arab Republic
Cambodia	Liberia	Tajikistan
Chile	Libya	Thailand
China	Malawi	Timor-Leste
Colombia	Maldives	Tunisia
Croatia	Moldova	Turkey
Democratic Republic of Congo	Mongolia	Uganda
Republic of the Congo	Montenegro	Ukraine
Costa Rica	Mozambique	United Arab Emirates
Côte d'Ivoire	Nepal	Uzbekistan
Djibouti	Nicaragua	Viet Nam
Ecuador	Niger	Yemen
Egypt	Nigeria	Zambia
El Salvador	Pacific Islands	

### ASSESSMENT OF DEVELOPMENT RESULTS: TIMOR-LESTE

---

Copyright © UNDP 2014, all rights reserved.

e-ISBN: 978-92-1-056807-4

Manufactured in the United States of America.

Printed on recycled paper.

The analysis and recommendations of this report do not necessarily reflect the views of the United Nations Development Programme, its Executive Board or the United Nations Member States. This is an independent publication by UNDP Independent Evaluation Office.

**Copy editing:** Jeffery Stern (Suazion, Inc.)

**Graphic design:** Laurie Douglas Graphic Design (lauriedouglas.com)

**Printer:** Automated Graphics System

**Cover photos:** UNDP Timor-Leste and Vijayalakshmi Vadivelu (IEO, UNDP)

# ACKNOWLEDGEMENTS

The Independent Evaluation Office of the United Nations Development Programme (UNDP) would like to thank all those who contributed to this evaluation. The evaluation team, led by Vijayalakshmi Vadivelu from the Independent Evaluation Office, consisted of S.V. Divvaakar (governance and poverty reduction), Norma Kriger (Justice Sector), and Lee Risby (environment).

We extend our thanks to the stakeholders and partners of UNDP Timor-Leste, including members of the government, civil society, the international development community, the United Nations family, the United Nations Integrated Mission in Timor-Leste and members of the communities that the evaluation team consulted. We extend our sincere thanks to H.E. Emilia Pires, Minister of Finance, the Government of the Democratic Republic of Timor-Leste and Helder Lopes, Resident Economic Policy Advisor, Ministry of Finance.

We wish to acknowledge the invaluable assistance of UNDP management and staff in Timor-Leste. The cooperation of Knut Ostby, the United Nations Resident Coordinator and UNDP Resident Representative and Noura Hamladji, UNDP Country Director a.i. is acknowledged with thanks. We also appreciate the cooperation received from Finn Reske-Nielsen (former UN Resident Coordinator and UNDP

Resident Representative and Deputy Special Representative of the Secretary General), Mikiko Tanaka (former UNDP Country Director), Rui Gomez and other staff of UNDP Timor-Leste. We would also like to thank the UNDP Regional Bureau for the Asia and the Pacific, in particular Haoliang Xu, Director, Nicholas Rosellini, Deputy Director and Vineet Bhatia, Chief of South East Asia and Pacific Division for their valuable support and contributions to the Assessment of Development Results process.

To assess the overlapping areas of environment and energy projects, the Independent Evaluation Office of UNDP collaborated with the Global Environment Facility (GEF) Independent Evaluation Office. We wish to thank Rob Van den Berg, Director of the GEF Independent Evaluation Office, and Carlo Carugi, Senior Evaluation Officer, GEF Independent Evaluation Office.

The quality enhancement and administrative support provided by the Independent Evaluation Office of UNDP was critical to the evaluation. Juha Uitto and Michael Reynolds reviewed draft reports and provided quality assurance. Michael Craft and Anna Dall'Oca conducted initial research for the evaluation. Sonam Choetsho and Michelle Sy provided administrative support. Sasha Jahic managed the publication of the report.



# FOREWORD

It gives me great pleasure to present this Assessment of Development Results (ADR) for the Democratic Republic of Timor-Leste, a country-level evaluation. In line with the practice of the Independent Evaluation Office of the United Nations Development Programme (UNDP), consultations were held to discuss the draft evaluation report with key national and international partners in a stakeholder workshop held in Dili. Feedback obtained from that workshop and observations from the government have informed this final report.

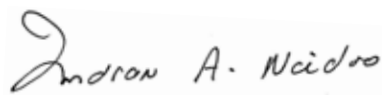
The evaluation analysed UNDP's roles in and contributions to development results in Timor-Leste between 2004 and mid-2011. The ADR covers the period after independence, when Timor-Leste has made significant achievements in simultaneously addressing the challenges of peacebuilding, state-building and development. This is also a period when the country faced civil conflict. Government strategies and policies aimed to accelerate stability and development and made strong commitments to democratic institutions and strengthening governance. UNDP had the challenging task of providing peacebuilding and state-building support to Timor-Leste during these formative years.

The evaluation found that UNDP contributions were important to addressing the key national priorities of peace- and state-building in Timor-Leste. UNDP support was responsive to the government's efforts to simultaneously address the challenges of consolidating stability and transitioning to development. UNDP made relevant contributions to different phases of building national institutions and capacities. During the

two programme periods (2003–2008 and 2009–2013), UNDP supported the UN missions in Timor-Leste. UNDP's strategy of focusing on immediate needs in building key governance institutions during the initial phase of peacebuilding proved to be the right approach. However, the later phases of institutional strengthening, particularly after 2007, needed a more robust approach and a long-term strategy.

The current context of Timor-Leste is significantly different from the two earlier UNDP programmes. In order for UNDP to retain its programmatic relevance, the evaluation recommends that UNDP adapts its strategy to address the changed context of significant economic growth and progress in establishing key institutions and policy frameworks—but with continuing development and capacity challenges. A positive aspect of UNDP contributions in the past two programmes in Timor-Leste is significant national ownership. UNDP is well-placed to consolidate its earlier contributions and play a more substantive role in strengthening national institutions in Timor-Leste.

Issues discussed in the context of the UNDP programme in Timor-Leste have wider relevance to programming in post-conflict and transition contexts. I hope that this evaluation will be found useful to UNDP and, more broadly, by all development practitioners.



Indran Naidoo  
Director  
Independent Evaluation Office of UNDP





# CONTENTS

<b>Abbreviations and Acronyms</b>	<b>lx</b>
<b>Executive Summary</b>	<b>xi</b>
<b>Chapter 1. Introduction</b>	<b>1</b>
1.1 Objective and Scope of the Evaluation	1
1.2 Methodology	1
1.3 Data Collection	3
1.4 Process	4
<b>Chapter 2. National Context</b>	<b>5</b>
2.1 National Strategies and Priorities	5
2.2 Economy	7
2.3 Governance	11
2.4 Poverty Reduction, Millennium Development Goals and Human Development	12
2.5 Mandate of Peacekeeping Missions	17
2.6 International Cooperation	18
<b>Chapter 3. UNDP's Response</b>	<b>21</b>
3.1 UNDP Country Programme 2003–2008	21
3.2 UNDP Country Programme 2009–2013	23
3.3 Key Areas of Support	23
3.4 Non-Programme Activities	25
3.5 Country Programme Structure and Budget	26
<b>Chapter 4. UNDP's Contribution to Development Results</b>	<b>29</b>
4.1 Governance: Strengthening National Institutions	29
4.2 Poverty Reduction and Environment	59
4.3 Crisis Prevention and Recovery	70
<b>Chapter 5. UNDP's Strategic Positioning</b>	<b>83</b>
5.1 Interface with the Security Council Mandate	83
5.2 Strategic Relevance	84
5.3 Coordination	85
5.4 Programme Management	86
<b>Chapter 6. Conclusions and Recommendations</b>	<b>89</b>
6.1 Conclusions	89
6.2 Recommendations	94

## Annexes

Annex 1. Terms of Reference	101
Annex 2. Projects Selected for ADR Analysis	111
Annex 3. Evaluation Criteria and Questions	113
Annex 4. Key Stakeholders of the Programme and Geographical Location of the Projects	115
Annex 5. Documents Reviewed	121
Annex 6. People Consulted	127

## Tables

Table 1. Evaluation Criteria and Questions	2
Table 2. National Priorities from 2008 to 2011	7
Table 3. Timor-Leste: Economic Indicators, 2007–2011	8
Table 4. Non-oil GDP Growth	8
Table 5. Labour Force Participation	9
Table 6. Human Development Index for the Period 2005–2012	12
Table 7. Progress on Achieving MDGs	13
Table 8. Country Programme Budget 2004–2013	26
Table 9. Financial Delivery	26
Table 10. Financial Delivery Across Programme Areas	27
Table 11. Support to Strengthening Parliamentary Democracy	30
Table 12. Laws Passed from 2009–2011	32
Table 13. Support to Elections and Strengthening Electoral Process	35
Table 14. Support to Strengthening Civil Services	39
Table 15. Support to Provedoria	45
Table 16. Support to Local Governance	49
Table 17. Justice Sector Support Programmes	55
Table 18. Projects Implemented in the Area of Poverty Reduction, 2003–2013	60
Table 19. Support to Energy and Environment	68
Table 20. Social Reintegration and Cohesion Programme	71
Table 21. Support to Security Sector	76
Table 22. Support to Disaster Risk Management	80

## Figures

Figure 1. Official Development Assistance to State Budget	19
---	----

## Boxes

Box 1. UN Security Council Mandates in Timor-Leste	17
Box 2. UNDP Country Programme Outline, 2003–2008: Key Outcomes	22
Box 3. UNDP Country Programme Action Plan 2009–2013: Key Outcomes	23
Box 4. Policy Guidelines and Frameworks Supported by UNDP	50
Box 5. Achievement of INFUSE, COMPASIS and Conditional Cash Transfers Projects	64
Box 6. Poverty Reduction Projects in 2009–2013	66

# ABBREVIATIONS AND ACRONYMS

ADR	Assessment of Development Results
AusAID	Australian Agency for International Development
CNE	National Electoral Commission of Timor-Leste (Comissão Nacional de Eleições)
COMPASIS	Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery
CPAP	Country Programme Action Plan
CSC	Civil Services Commission of Timor-Leste
DPBSC	Department of Peace-Building and Social Cohesion, Ministry of Social Solidarity of Timor-Leste
F-FDTL	Falintil-Defence Force of Timor-Leste
GDP	Gross domestic product
GIS	Geographical Information System
GNI	Gross national income
HDI	Human Development Index
INFUSE	Inclusive Finance for Underserved Economy
ISF	International Stabilisation Force
MDGs	Millennium Development Goals
MSATM	Ministry of State Administration and Territorial Management of Timor-Leste
NCSA	National Capacity Self-Assessment
NDI	National Defense Institute
NGO	Non-governmental organization
NHDR	National Human Development Report
NPP	National Priorities Plan
OECD	Organisation for Economic Co-operation and Development
PNTL	National Police of Timor-Leste
REDD	Reduced Emissions from Deforestation and Forest Degradation
STAE	Technical Secretariat for Electoral Administration of Timor-Leste (Secretariado Técnico de Administração Eleitoral)
TRAC	Target for Resource Assignment from the Core (of UNDP)
UN	United Nations
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNFCCC	United Nations Framework Convention on Climate Change

UNICEF	United Nations Children’s Fund
UNMIT	United Nations Integrated Mission in Timor-Leste
UNOPS	United Nations Office for Project Services
UNOTIL	United Nations Office in Timor-Leste
UNPOL	United Nations Police
UNTAET	United Nations Transitional Administration in East Timor
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
USAID	United States Agency for International Development

# EXECUTIVE SUMMARY

In 2011, the Independent Evaluation Office of the United Nations Development Programme (UNDP) conducted an independent country-level evaluation in Timor-Leste. This Assessment of Development Results (ADR) analysed UNDP's roles and contributions to development results in the Democratic Republic of Timor-Leste between 2004 and mid-2011. This period includes the previous (2003–2008) and the ongoing (2009–2013) UNDP country programmes. This was the first ADR conducted in Timor-Leste, taking place towards the end of the current 2008–2013 UNDP programming cycle. The ADR assessed the effectiveness of the UNDP strategy to achieve development results by facilitating and leveraging national efforts in the areas of sustainable peace, transition and state-building.

The ADR covered a particularly important time period for Timor-Leste. As one of the youngest countries, the past decade has been a period of consolidating stability and building national institutions, while at the same time dealing with civil unrest. When the first government of the Democratic Republic of Timor-Leste was established on 20 May 2002, the development challenges before it were enormous. Four centuries of Portuguese colonialism, two and a half decades of Indonesian occupation and a violent transition from Indonesian rule in September 1999 had left the country devastated and its people living in extreme poverty. Seventy percent of Timor-Leste's economic infrastructure (e.g. housing stock, public buildings and utilities), 80 percent of its schools, and virtually all medical facilities were destroyed. The extensive devastation to homes and farms and the demolition of infrastructure throughout the country added to the complexity of peace- and state-building. In addition to the government's persistent efforts, United Nations (UN) support under several different mandates (e.g. peacekeeping, supporting

capacity-building efforts to strengthen the security and justice sectors and ensuring the provision of humanitarian and reconstruction assistance) contributed to state-building.

UNDP's organizational and programmatic positioning in Timor-Leste during the two country programmes assessed was determined by the post-conflict context and the priorities as expressed by the government and the Security Council mandate. UNDP programme areas overlapped with several priority areas of the UN Mission. Interface with the United Nations Integrated Mission in Timor-Leste (UNMIT), therefore, has been a factor in UNDP contributions to development results. Given UNDP's organizational expertise and mandate to support state-building and reducing poverty, UNDP is often in a key position in peacebuilding, transition and development contexts. This Executive Summary examines how UNDP positioned itself to respond to the post-conflict needs in peacebuilding and state-building and how the interface with UNMIT shaped UNDP programme responses. The analysis largely pertains to UNDP's interface with UNMIT.

## KEY FINDINGS

During the two country programmes, UNDP support has been responsive to government efforts to simultaneously address the challenges of consolidation of stability and transition to development. UNDP contributions were relevant in different phases of building national institutions and capacities. UNDP programmes have been responsive to national development plans and strategies and have focused on government-identified priorities. In terms of alignment with national development priorities, UNDP support was found to be responsive, and the government particularly appreciated the flexibil-

ity of UNDP support. In the governance area, UNDP's neutrality and programme support without a political agenda was positively perceived. Key findings include:

**The UNDP governance programme has been coherent and well-strategized and has addressed needs across the range of Timor-Leste's national institutions (legislative, judicial and executive). The design of both country programmes reveals a consistent and logically sequenced portfolio of activities, successively building on earlier projects. UNDP has established continued engagement with parliamentary institutions, the judiciary and civil services (including district administration) through the provision of professional expertise under various projects. UNDP support contributes to UNMIT priorities in the area of governance.**

Effective partnerships with counterpart institutions, continued engagement with beneficiary institutions spanning two programme cycles, and a high degree of national ownership of the interventions contributed to the outcomes. Interviews with government representatives point to important contributions in the areas of electoral cycle support, the justice sector, local governance and setting up the Provedoria for Human Rights and Justice (Provedoria) and the Civil Service Commission. Strong synergies with UNMIT have maximized UNDP contributions in areas such as support to elections, and there have been several illustrations of field-level cooperation, including resource-sharing and joint implementation. The presence and involvement of UNMIT in all the key governance institutions provided UNDP with significant entry points and the convening power to efficiently implement its programmes.

UNDP support to strengthening parliamentary institutions has been important. UNDP successfully enabled the Parliament to perform its legislative, oversight and representative functions. The technical and advisory services UNDP provided were critical in filling capacity gaps in the functioning of the Parliament. The legal and

technical support provided by UNDP in enabling the functioning of the Members of Parliament, the Parliament Standing Committees and the Office of the President. Similar support to Members of Parliament in exercising their oversight function has contributed to ensuring government accountability.

Notwithstanding the enormous challenges in creating adequate human resource capacities in a number of specialist areas (e.g. legal, economic and financial analysis, parliamentary procedures), UNDP support lacked a clear strategy for building a cadre of trained personnel.

UNDP contributions have been significant in establishing state institutions for conducting free and fair elections. By 2012, the Technical Secretariat for Electoral Administration and the National Electoral Commission capacities had been sufficiently strengthened to independently conduct credible and transparent elections, and political parties were participating more effectively in electoral processes. Because of its long-term engagement in the country, UNDP was uniquely positioned to support the conduct of elections and electoral process. UNDP's neutrality and its organizational expertise in the area were widely acknowledged by the government and other stakeholders. Although both UNMIT and UNDP have specific mandates and roles in providing electoral support, the electoral support programme in Timor-Leste stands out as a unique best practice within the context of an integrated mission.

Notwithstanding these successes, some challenges remain to be addressed. Voter education, election monitoring infrastructure and the enforcement powers of the National Electoral Commission in the conduct of elections remain areas for further improvement and hold the key to transparency and accountability.

UNDP has remained involved continuously and provided substantial support to the evolution of the civil services in Timor-Leste. The enabling legal and regulatory framework for the institu-

tions are in place, and over time territorial issues around the primacy of the Civil Services Commission on matters relating to public administration, human resource development and performance assessments are likely to get resolved.

The UNDP programme evolved from providing human resource-oriented support (until 2004) to institutional strengthening. There has been increased national ownership of the civil service reforms and capacity development initiatives, and subsequent allocation of government resources to meet staffing expenditures. Institutional arrangements and the authority of institutions for an effective civil service are evolving.

The staffing support provided to government institutions by UNDP and other international agencies resulted in huge disparities in the remuneration structures of temporary national and international staff and the permanent civil service national staff. With these differences being as much as double in the initial stages, there was a greater supply of national experts for advisory and temporary positions, which created an artificial scarcity of people for permanent jobs. This was resolved to some extent through significant pay scale revisions and the mass recruitment and regularization of posts across the board.

The Provedoria has achieved its initial milestones, serving as a functional ombudsman institution undertaking investigative, monitoring and mentoring roles for the promotion and protection of human rights. It has exercised its mandate and demonstrated its authority most visibly in the investigation of the 2006 crisis. UNDP support to Provedoria was important. Sustained support is needed to consolidate the Provedoria's authority. Challenges include the lack of a mandatory minimum level of budgetary support to perform its responsibilities and the absence of a system of automatic funds appropriations, its limited role in resolving human rights violation cases through conciliation and other means, and overlapping mandate in some areas with the anti-corruption commission.

The UNDP-United Nations Capital Development Fund local development programme (UNDP-UNCDF) made progress in participatory local development, although challenges remain in creating a constitutional structure for local government. A favourable environment for decentralization provided further impetus to UNDP-UNCDF efforts in this area. Despite important progress, Timor-Leste is in the early stages of decentralization and there is a long way to go to achieve decentralized governance. Scaling up the participatory local development model and thereby contributing to policy formulation for the decentralization model in Timor-Leste was the most successful component of the local governance initiative. Government contributions to scaling up participatory local development across all districts resulted in the project delivering to more than its target of eight districts. Government measures to harmonize the multiple procedures and modalities operating in the districts are another indicator of the pilots' success.

The Local Governance Support Programme has created mechanisms for enabling greater citizen participation in prioritizing proposals for local development. However, progress towards creating the legal framework and constitutional structure of local government faced challenges and constrained programme activities to strengthen local institutions. These constraints were beyond the UNDP-UNCDF scope of work; the government wanted to wait until after the 2012 elections to pursue decentralization reform.

Informed participation of the community in local development initiatives is at an early stage. Despite improvements in local administrations' capacities to manage local development funds (particularly local planning, budgeting, procurement, implementation of small-scale infrastructure and monitoring), human resource capacity constraints remain a major challenge. While the continuation of UNDP-UNCDF's local governance initiatives will depend on the adoption of the other municipality laws, more sustained efforts are needed to develop local government capacities to function without programme support.

The UNDP Programme has improved the justice sector's capacities, which is significant considering that the institutions were newly built post-independence. Sustained efforts are needed to develop an autonomous national justice sector that functions without international personnel. Challenges remain in the low human resource base, the need to learn Portuguese and the lack of basic infrastructure. The formal justice system is inaccessible logistically and financially to most Timorese, while the informal justice system is often in conflict with human rights laws and practices.

The justice sector still relies heavily on international actors for policy advice, planning, drafting laws and training legal professionals. Government representatives harbour considerable resentment regarding the slow progress in increasing the number of nationals in judicial institutions. At present, there is no structured approach to phasing out international experts. While there are ongoing efforts to sustain capacity gains, dependence on international actors will continue for the foreseeable future. The need for international actors performing advisory and line functions may even increase, given the Justice Sector Programme goals to create new judicial districts, to extend the judicial structure by creating new courts (for example, a Supreme Court), and the likelihood of periodic study-abroad missions for national justice sector actors (currently, public defenders go to Brazil). However, national stakeholders expressed frustration with the presence of international staff, even as they also recognised their contributions.

UNDP engagement lacked strategic focus in the latter phase of support to civil services, particularly in the second programme cycle. Reduced donor support for Timor-Leste and an increasing trend of donors providing assistance directly to the government may impact UNDP's ability to raise resources for governance support. Therefore, UNDP's interventions will need to demonstrate both a clear strategic intent in addressing the key governance priorities and value-for-money in an increasingly competitive environment for the provision of technical support/services. There

have been efforts to streamline support to the Secretariat of the Parliament to further build parliamentary administration capacities and systems.

**UNDP support to poverty reduction varied during the two programmes assessed; UNDP contributions to Millennium Development Goal (MDG) policy support and recovery needs were more effective. Overall, the scale and scope of the UNDP poverty reduction programme was not commensurate with the challenges of addressing multidimensional poverty in Timor-Leste. The micro-level activities did not demonstrate viable options for government programmes.**

The enormity of Timor-Leste's post-conflict recovery, reconstruction and human development needs and weak national institutional capacities necessitated an equally massive scale and scope of interventions in poverty reduction and sustainable livelihoods. Most of Timor-Leste's physical infrastructure was damaged or destroyed, and food security and livelihoods were threatened in some parts of the country. The approach development agencies, including UNDP, took in Timor-Leste was to align with national strategies to first meet the immediate recovery and livelihood priorities before addressing long-term issues of sustainable livelihood and community development.

UNDP support to poverty reduction strategies and policies and the stabilization of livelihoods and community development had different levels of engagement, ranging from support to strengthening institutional capacities to large-scale but one-off recovery and reconstruction projects, to more modest activities such as a fund management role. The recovery and reconstruction projects addressed the specific needs of post-conflict recovery and reconstruction and community development.

UNDP's contributions have been important to the preparation of national development strategies and to the development of institutional capacities to promote MDG-oriented policies. Several UNDP projects supported studies for poverty assessments, MDG reports and National



Human Development Reports (NHDR). These studies also provided support for evidence-based and MDG-oriented development planning, with a specific focus on multidimensional poverty. The government passed a decree law for a National Community Development Programme in 2012, which largely focused on community infrastructure projects to be directly managed by villages. UNDP/UNCDF contributed to programme designs with the experience from the Local Development Programme (Integrated District Development Plan), shifting focus towards district (municipality) development plans and investment funds.

The projects on income and employment generation, microfinance and skills training opened opportunities for poor households. However, contributions to improving the conditions of economically poor households, particularly in crisis-affected districts were limited because of the limited scale of interventions. The funds were spread too thinly, with the result that the duration of support was not long enough to create a substantive change in households' income. The severity of the need was a justification for national programmes, though a more comprehensive approach involving support to policy and implementation was either lacking or not followed through sufficiently.

**UNDP support has assisted Timor-Leste to develop initial human capacities, raise the profile of environmental issues and establish national priorities, particularly in climate change adaptation. This in itself was important, given the post-conflict context.**

The UNDP environment and energy programme has been quite modest, with its primary emphasis being on supporting Timor-Leste's fulfilment of obligations to the Conventions, and in this respect it has been broadly successful. Furthermore, UNDP has played an important role in helping the government determine key environmental priorities, which are relevant to national development priorities (e.g., climate change adaptation). Many significant challenges

remain, such as developing practical measures to improve land management, to reduce slash and burn agriculture and to improve the central-, district- and community-level capacities in environment management.

**In response to the 2006 crisis, UNDP's contributions have been important to the return of internally displaced persons, community dialogue and mediation. However, UNDP had limitations in promoting linkages between recovery and addressing the underlying causes of conflict outlined in the national recovery strategy.**

UNDP support to internally displaced persons' return, relocation and reintegration was relevant to the government's National Recovery Strategy (2007), with special emphasis on the trust-building pillar. ADR findings indicate that UNDP's early recovery projects, for their size and scope, contributed to a degree of stability and facilitated the internally displaced persons' return, relocation, reintegration and reconciliation with receiving communities. These initiatives were largely in humanitarian mode and designed as one-off projects, limiting linkages with long-term livelihood support for sustainable results.

**A more strategic engagement with the integrated mission maximized synergies and has been mutually beneficial for UNDP and UNMIT.**

Although UNDP did not have a defined strategy to engage with the UN missions (including UNMIT), the partnership with UNMIT was considered by many informed observers as mutually beneficial. The scope and depth of this partnership varied across programme areas. Programme areas such as election support, human rights, support to Provedoria and security sector reforms had strong engagement with UNMIT. In the security and human rights sectors, UNDP engagement did not involve substantive contributions and were largely limited to contributing financial resources or fund management. The UN Resident Coordinator, who was also the Deputy Special Representative of the Secretary-General, was a key link between the integrated

mission and the UN country team, and this in many ways contributed to the coherence of the UN response.

UNDP has been a constructive partner in supporting the UNMIT mandate. The experience of the integrated mission in Timor-Leste has demonstrated that strengthening relations between security, peacekeeping and development will enhance its contributions to development results.

**Typical of post-conflict response, UNDP played an important role in facilitating the implementation of donor programmes and in-fund administration. While UNDP was perceived as having credible, transparent and accountable finance procedures, the timeliness of UNDP procedures was an issue. Complex programme management and administrative procedures are impediments to effective programming. The reputation of UNDP is at risk because delays in executing its fiduciary responsibility are impacting programme implementation.**

Delivering on its fiduciary responsibilities while meeting important deadlines in a post-conflict context has been a challenge for UNDP. Cumbersome UNDP procurement and staff recruitment procedures have often resulted in service delays. Several government representatives mentioned that procurement is a major limitation of UNDP, which is often an impediment to programme effectiveness. There were significant delays across programme areas in procurement and recruitment. Government and donors specifically mentioned that UNDP administrative procedures were a factor in delaying programme implementation. These procedures were also a source of frustration for some UN agencies for which UNDP administered funds. In the security sector reform programme, there were several delays in programme implementation mainly due to procurement. Delays in recruiting a programme manager for the crisis prevention and recovery portfolio slowed the progress of some initiatives. Recently, corporate-level measures have been taken to simplify procurement, although challenges continue in recruitment procedures.

## CONCLUSIONS

Conclusion 1: UNDP contributions have been important in addressing the key national priorities of peace- and state-building in Timor-Leste. The support provided by UNDP has been responsive to government' efforts to simultaneously address the challenges of consolidating stability and transitioning to development. UNDP has made relevant contributions to different phases of building national institutions and capacities. During the two programme periods, UNDP supported the UN missions in Timor-Leste.

Conclusion 2: The flexibility in interpreting the concept of integration enabled UNMIT to adapt to the country context. The UNDP programme played a central role in supporting UNMIT and has consistently addressed the highest priority areas of the UNMIT mandate. The complementary mandates of UNDP and UNMIT in the area of state-building and peacebuilding contributed to synergies in programming and a natural partnership. Partnership with UNMIT in electoral support and strengthening capacities of national institutions enhanced contribution to peacebuilding results.

Conclusion 3: UNDP's contributions in the area of governance have been substantial— in the provision of specialist technical expertise along with human resource support to key government institutions. This has been critical for the functioning of these institutions and an important structural requirement in Timor-Leste consolidating stability and peace, and transitioning to development. UNDP strategy to focus on pressing capacity issues in the early phase of institution formation was appropriate. Sustained efforts are needed to support sector-specific capacity development strategies and a systematic approach to strengthening institutional and human capacities in Timor-Leste.

Conclusion 4: The scope of UNDP's activities in the area of poverty reduction was limited and did not adequately respond to the evolving chal-

allenges in Timor-Leste. The outcomes of recovery support could have been further enhanced if income-generation activities were linked to long-term sustainable livelihood efforts.

Conclusion 5: Understanding the linkages between poverty reduction/livelihood and environmental management is key to facilitating a comprehensive approach to environmental and energy management in Timor-Leste. UNDP support has assisted Timor-Leste in developing initial human capacities, raising the profile of environmental issues and establishing national priorities, particularly in climate change adaptation.

Conclusion 6: UNDP's contributions to Timor-Leste's efforts to return internally displaced persons and community dialogue and mediation have been important. While the incremental approach facilitated speedy recovery and return, UNDP efforts were not adequate in promoting linkages between recovery and addressing the underlying causes of conflict outlined in the national recovery strategy.

Conclusion 7: The UNDP approach to providing short-term technical and human resource support was appropriate given the context of nascent institutions and the challenges in human resource and absorption capacities. An important dimension of UNDP support to strengthening human resource capacities is strong national ownership and engagement, and the government is keen to continue these efforts until capacities are adequately strengthened. Lack of coordination in the technical assistance that donor agencies provided to ministries and government organizations undermined a systematic approach to national capacity development.

Conclusion 8: UNDP was not able to find a balance between the fund management and substantive roles it played in Timor-Leste, resulting in UNDP conceding its programmatic role in areas such as poverty reduction to other agencies.

## RECOMMENDATIONS

The current context of Timor-Leste is significantly different from the time of the two earlier UNDP programmes. In order to retain its programmatic relevance, UNDP has to adapt its strategy to address the changed context of significant economic growth and progress in establishing key institutions and policy frameworks—but with continuing development and capacity challenges. The national government is now more forthcoming in filling funding gaps, which in many ways enables more focused development assistance. With donors moving towards bilateral execution modalities and the government emphasis on budget support, it is more likely that the programme funding pattern will be different compared to the past decade.

A positive aspect of UNDP contributions in the last two programme cycles in Timor-Leste is significant national ownership. UNDP is well-placed to play a more substantive role in strengthening national institutions, consolidating earlier contributions. The following recommendations emphasize the need for a capacity development strategy for UNDP, a more substantive focus on limited but key areas of governance and systematic support to reducing poverty and inequality.

Recommendation 1: UNDP programmes should provide the right balance of demonstration projects and policy support. As a new nation, Timor-Leste is keen to accelerate development and address short-term needs as part of long-term institutional strengthening, and the UNDP programme should reflect these aspirations. Developing strategic partnerships for institutional and human resource capacity development; and identifying areas where its support would complement ongoing development efforts are central to UNDP's contribution to development results in Timor-Leste.

Recommendation 2: UNDP should prioritize support to government policy and programming to address poverty, inequality and unemployment. This approach should facilitate the government's

inclusive growth agenda, should take into account the need to bridge rural-urban disparities and should generate employment in the non-oil segment of the economy. UNDP should make explicit linkages between programme assumptions and processes and how interventions contribute to efforts that provide opportunities for the poor in an oil-based economy.

Recommendation 3: Based on its long-term engagement in the governance sector, UNDP is strongly positioned to play a larger role in systematically developing human resource and institutional capacities. In the forthcoming programme, UNDP should be more selective about the programmes in the governance sector and the role the agency plays.

With the UNMIT withdrawal, UNDP should define the roles it can play in coordination and should more proactively engage in facilitating the coordination of human and institutional capacity development and sector working groups that are relevant to UNDP programming.

Recommendation 4: UNDP should promote poverty-environment linkages. To improve the continuity of specific initiatives and reduce the administrative burden of national institutions, UNDP should adopt a programmatic approach to the environment portfolio.

Recommendation 5: Now that the building blocks of institutions are in place, UNDP should move away from the semi-humanitarian mode of peace- and state-building, which placed emphasis on substituting human resources, to a more strategic approach of strengthening institutions and human resource capacities. This shift should be made during the remaining period of the ongoing programme, in order to form a strong base for the forthcoming programme cycle.

Recommendation 6: The level and extent to which UNDP is prepared to take on various responsibilities following UNMIT's withdrawal needs a clear strategy. While consolidating the progress made in key areas of support so far, UNDP should have a deliberate approach to deciding on focus areas, as it may not be efficient to take on the full range of UNMIT activities that fall within UNDP's purview.

Recommendation 7: For effective programmes on poverty reduction and local governance, UNDP should strengthen its presence at the district level.

Recommendation 8: Gender equality is central to achieving peacebuilding and national development results, and a core UNDP programming principle. UNDP should further strengthen its commitment to promote gender equality and women's empowerment, particularly as it relates to access to development resources and justice in the Timorese context. Leveraging the enabling national environment, UNDP should take a systematic approach to integrating gender equality and women's empowerment as a key dimension in its programmes.

Recommendation 9: For more efficient programming, UNDP should review programme management and develop an appropriate strategy to adhere to the principles of New Deal that includes mutual accountability and the use of country systems.

Recommendation 10: UNDP should strengthen its own technical and advisory capacity to provide timely short-term advice to the government and to better engage with development partners. UNDP should take specific measures to strengthen results-based monitoring, particularly for programmes at the district and sub-district level. There should be adequate monitoring and oversight of district activities.

## Chapter 1

# INTRODUCTION

### 1.1 OBJECTIVE AND SCOPE OF THE EVALUATION

The Independent Evaluation Office of the United Nations Development Program (UNDP) conducts country evaluations called “Assessments of Development Results (ADRs)” to capture and demonstrate evaluative evidence of UNDP’s contributions to development results at the country level, as well as the effectiveness of UNDP’s strategy in facilitating and leveraging national effort for achieving development results. The purpose of an ADR is to:

- Provide substantive support to the Administrator’s accountability function in reporting to the Executive Board;
- Support greater UNDP accountability to national stakeholders and partners in the programme country;
- Serve as a means of quality assurance for UNDP interventions at the country level, and;
- Contribute to learning at corporate, regional and country levels.

ADRs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy.<sup>1</sup> The Independent Evaluation Office is independent of UNDP management, headed by a Director who reports to the UNDP Executive Board through the UNDP Administrator. The responsibility of the Independent Evaluation Office is two-fold: (a) to provide the Executive Board with valid and credible information from evaluations for corporate

accountability, decision-making and improvement; and (b) to enhance the independence, credibility and utility of the evaluation function and its coherence, harmonization and alignment in support of United Nations reform and national ownership. Based on the principle of national ownership, Independent Evaluation Office seeks to conduct ADRs in collaboration with national governments.

The ADR in Timor-Leste was conducted in early 2012, near the end of the 2009–2013 UNDP programme cycle, with a view to contributing to the preparation of the new UNDP country programme and the UNDP component of the forthcoming United Nations Development Assistance Framework. The evaluation also included the 2003–2008 country programme.

### 1.2 METHODOLOGY

The ADR assesses UNDP contributions to national efforts that addressed development challenges, encompassing peace- and state-building. The evaluation examines key results, specifically outcomes (anticipated and unanticipated, positive and negative), and covers UNDP assistance funded from both core and non-core resources. The evaluation has two main components: an analysis of UNDP contributions to development results through its programme outcomes and a review of the strategies UNDP has adopted (see Annex 1 for the ADR terms of reference). For each component, the evaluation has used a set of evaluation criteria and a set of questions that are fundamental to assessing contributions to development results (see Table 1).

---

1 See UNDP Evaluation Policy: [www.undp.org/eo/documents/Evaluation-Policy.pdf](http://www.undp.org/eo/documents/Evaluation-Policy.pdf). The ADRs are also conducted in adherence to the Norms and the Standards and the ethical Code of Conduct established by the United Nations Evaluation Group ([www.uneval.org](http://www.uneval.org)).

**Table 1. Evaluation Criteria and Questions**

Evaluation Criteria	Definition
Relevance	Relevance of UNDP's projects, outputs and outcomes to the most significant changes taking place in Timor-Leste during the period in question, including key economic and political changes and national priorities stated in Timor-Leste's national plans.
Effectiveness	Effectiveness of UNDP interventions in achieving stated goals. Did the UNDP programme accomplish its intended objectives and planned results? What are UNDP's contributions to strengthening national capacities?
Efficiency	Efficiency of UNDP's interventions in terms of the human and financial resources used in programme implementation.
Sustainability	Programme design to enhance sustainability of the results to which UNDP contributes. Did UNDP appropriately respond to capacity needs (institutional and human) at the national and sub-national levels?

The analysis of UNDP contributions to Timor-Leste's development results was based on UNDP programme activities, seeking results indicators within programme and project design. Project and outcome analysis was the basis for evaluating contributions to results. In the two country programmes assessed, the portfolio comprised 56 projects, a large majority of which were implemented during two programme periods, 2003 to 2008 and 2009 to 2013. The programme was subsequently extended to 2014.<sup>2</sup> The United Nations Country Team and the Government of the Democratic Republic of Timor-Leste decided to extend the United Nations Development Assistance Framework and agency programmes for one year to allow time for assessments and dialogue with stakeholders in preparing the next programme cycle, in view of national elections and the closure of the United Nations Integrated Mission in Timor-Leste (UNMIT) at the end of 2012.<sup>3</sup>

The positioning and strategies of UNDP were analysed from the perspectives of the organization's mandate and from the country's development, post-conflict transition, and state-building needs and priorities, including those agreed upon and those that emerged.<sup>4</sup> The ADR addressed

significant cross-cutting factors important to UNDP's contributions to development results, which include human rights, gender equality, capacity development, South-South cooperation, partnership for development, and coordination of UN and other development assistance. The evaluation assessed UNDP's positioning within the context and framework of UNMIT, including its mission strategy, management structure, and the key instruments and processes that had implications for UNDP programming. The evaluation also examined the lessons learned from the interface between UNMIT and UNDP, including how UNMIT impacted UNDP programme results and how programme results affected UNMIT.

**Collaboration with GEF Evaluation Office:**

In accordance with the agreement between the UNDP and GEF evaluation offices to collaborate while conducting parallel evaluations in a country, GEF and UNDP environment programmes in Timor-Leste were assessed jointly. There was considerable overlap of GEF and UNDP environment and energy projects, and the UNDP environment programme in Timor-Leste was funded mainly by GEF. The collaboration, therefore, reduced multiple assessments

2 Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services, Second regular session 2013, DP/2013/44.

3 Ibid.

4 For the UNDP Strategic Plan, see [www.undp.org/execbrd/pdf/dp07-43Rev1.pdf](http://www.undp.org/execbrd/pdf/dp07-43Rev1.pdf).

and the burden on the national stakeholders. The ADR benefitted from the detailed analysis of the environment portfolio and the assessment of synergies between UNDP and GEF environment projects. On the other hand, ADR analysis of post-conflict statebuilding and institution development in Timor-Leste, and ADR assessments of UNDP poverty and governance programmes and Country Office programme management informed the GEF evaluation and provided a broader perspective to the environment sector assessment.

### 1.3 DATA COLLECTION

The evaluation team based its conclusions on the triangulation of evidence from primary and secondary sources, including a desk review of documentation and the information and data collected during interviews with key informants. While collecting evaluative evidence to identify UNDP contributions, the evaluation team applied the following approach:

- Understand the nature of UNDP interventions (what did the interventions do exactly?) and document the nature of ‘value addition’ by UNDP interventions (e.g. technical skills and expertise, conceptual frameworks and methods that were not present before);
- Apply the ‘before and after’ criterion (what was the situation that prevailed before the UNDP intervention and how has it since changed?) and check through interviews and documentary evidence for alternative explanations; and
- To the extent feasible, collect counterfactual evidence, i.e. the situation without UNDP intervention.

Projects that were included for detailed assessment are presented in the Annex 2. Because some UNDP projects that contributed to an outcome or long-term development objective took place at different stages of implementation or were concluded at different periods, it was not always possible to determine these projects’

contribution to results. In such cases, the evaluation team documented observable progress and tried to ascertain the possibility of achieving the intended outcome given the programme design and measures in place.

Triangulation was used to ensure that empirical evidence collected from one source was validated by at least two other sources. For example, documentation in reports was validated by interviews or surveys. Where information was only available from consultations, the evaluation team sought to corroborate opinions expressed and information given by posing the same questions to more than one interviewee.

To prepare for the ADR, the Independent Evaluation Office identified an initial list of background and programme-related documents and then made the documents available to the evaluation team via an ADR Web portal. During the main mission, the evaluation team collected additional country-specific documentation. Secondary data reviewed included:

- Background documents on the national context (including cross-cutting and sectoral plans and policies prepared by the government), documents prepared by international partners during the period under review and documents prepared by UN system agencies;
- Project documents for completed, ongoing or proposed UNDP projects, including preparatory phase documents;
- The majority of available project progress reports;
- The majority of project outputs, strategic plans, and policy and legislative proposals; and
- Evaluations conducted by the Country Office and UNDP donors.

A full list of key documents reviewed (including decentralized evaluations) is provided in Annex 5. Evaluations in the areas of governance, the judiciary, and crisis prevention and recovery provided additional data. The data from the project and

programme evaluations carried out by the Country Office was of reasonable quality, and the evaluation team triangulated these evaluations' evidence and conclusions.

Criteria for selecting projects for in-depth analysis included:

- Ensuring coverage of all programme areas and outcomes as outlined in the UNDP country programmes;
- Covering all the programme components that involve policy and institutional support and are located in Dili;
- Covering projects located in districts with low human development indicators and those most affected by conflict; and
- Projects concluded by 2008.

The evaluation team visited Ainaro, Baucau, Ermera, Liquica and Manatuto to review projects implemented in these districts. Criteria for selecting districts for field visits included:

- Presence of areas with UNDP programmes targeting more than one thematic area;
- The degree to which the district was affected by crisis; and
- Level of human development.

Because field visits occurred during the onset of the monsoon season, logistics prevented visits to the most under-developed districts. The field visit could not be postponed, as the evaluation had to be conducted before preparations for the upcoming national elections commenced. Consultations were held with 150 stakeholders in Dili and the districts of Ainaro, Baucau, Ermera, Liquica and Manatuto (see Annex 6). The focus of consultations with UNDP Timor-Leste in Dili and UNMIT ranged from specific projects to non-project interventions and a wide range of country-specific development topics. Consultations with government officials, non-governmental

organizations and the private sector focused almost exclusively on specific interventions.

## 1.4 PROCESS

The evaluation process comprised three main phases. The first, preparation phase, included the development of the terms of reference and the evaluation design. The preparatory mission to Dili led to the outlining of the evaluation design and the preparation of the inception report. This was followed by the selection of the evaluation team, which comprised three professionals and an Independent Evaluation Office Manager. Though efforts were made to constitute a national evaluation reference group comprised of government and other key stakeholders, this could not be achieved due to the short time-frame of the evaluation.

The second phase comprised data collection and analysis. The evaluation matrix guided data collection. Assessing programmes' outcomes allowed the evaluation team to identify linkages among outcomes, the overall development context and UNDP contributions to national development results. After a preliminary analysis of the data collected, the evaluation team provided initial observations and findings to the Country Office.

The third phase comprised further analysis and preparation of the evaluation report. Independent Evaluation Office experts reviewed the evaluation report. The final report took into account comments received from the government, the UNDP Regional Bureau for Asia and the Pacific, the UNDP Country Office, and the discussions at the stakeholder workshop in Dili where the draft report was shared. This ADR was scheduled to be presented to the UNDP Executive Board in September 2014.

Chapter 2 discusses the peacebuilding, state-building and development contexts to which the UNDP Timor-Leste programme responded.



## Chapter 2

# NATIONAL CONTEXT

For Timor-Leste, one of world's youngest countries, the past decade has been a period of consolidating stability and building national institutions, while at the same time dealing with civil unrest. When the first government of the Democratic Republic of Timor-Leste was established after the restoration of independence on 20 May 2002, the development challenges before it were enormous. Four centuries of Portuguese colonialism, two and a half decades of Indonesian occupation and a violent transition from Indonesian rule in September 1999 had left the country devastated and its people living in extreme poverty. Seventy percent of Timor-Leste's economic infrastructure (such as housing stock, public buildings and utilities), 80 percent of schools and virtually all medical facilities were destroyed.<sup>5</sup> The extensive devastation of homes, farms and infrastructure throughout the country added to the complexity of peacebuilding and state-building. In addition to the governments' persistent efforts, the United Nations provided support under several different mandates, such as peacekeeping, capacity-building efforts to strengthen the security and justice sectors, and humanitarian and reconstruction support that contributed to state-building.<sup>6</sup>

Timor-Leste adopted a constitution that provides for a democratic, pluralistic society and enshrines fundamental rights and freedoms. The 2007 presidential and parliamentary elections were held in a free and fair manner, as were the elections of 2012. Despite recurring internal strife in 2006 and 2007, there has

been steady progress in the consolidation of peace and stability, and consistent efforts have been made to strengthen key state institutions. Timor-Leste's social and economic policies have focused on poverty reduction to address the nation's basic needs, and on security and stability. A growing economy, boosted by petroleum resources, has contributed to the prospects of nation-building. In 2007, rapidly expanding income from offshore petroleum resources lifted Timor-Leste past the threshold for lower middle-income countries.

### 2.1 NATIONAL STRATEGIES AND PRIORITIES

The Government of the Democratic Republic of Timor-Leste has made significant efforts to address the nation's peace- and state-building needs. The 2002 National Development Plan and the subsequent Vision 2020<sup>7</sup> aim for nation-building in all areas of development. By 2020, the national development plan aims to reduce poverty, promote fair and just economic growth, and provide a good quality of education, health and life for every citizen.<sup>8</sup> The plan also aims to increase employment in all sectors, strengthen public infrastructure and improve the living standards of its citizens. Considering that Timor-Leste was in the early stages of state-building, the national development plan preparation was largely led by international development agencies, including UNDP, the World Bank and the Asian Development Bank.

---

5 UN Integrated Mission in Timor-Leste; see <http://www.un.org/en/peacekeeping/missions/unmit/background.shtml>.

6 UN Integrated Mission in Timor-Leste; see <http://www.un.org/en/peacekeeping/missions/unmit/background.shtml>.

7 Government of the Democratic Republic of Timor-Leste, 2001, 'East Timor 2020 – Our Nation, Our Future', Planning Commission, Dili, 2001.

8 Ibid.

The National Development Plan recognized that the highest priorities during the initial transition from a conflict-affected economy were to establish government capabilities, enable legislation and develop the institutions required to pursue development priorities. The second set of priorities was for every sector of government to pursue development activities that help reduce poverty. Linked closely to economic growth and strengthening the productive capacity of the country to create new jobs and higher levels of earned income, the plan identified programmes to alleviate poverty while also supporting economic development priorities. The third set of priority tasks consisted of overcoming the monetary, social, cultural and structural barriers to economic growth and poverty reduction that face every sector and all government agencies. Many sector-specific objectives subsequently focused on reducing or eliminating these barriers, so that progressive development programmes could be implemented.<sup>9</sup>

Responding to the country's recovery and reconstruction needs after the 2006 internal crisis, the government initiated a National Recovery Strategy in 2007.<sup>10</sup> The strategy was developed with strong support from development partners, including UNDP. Likewise, the strategy was implemented with strong partner inputs, including from UNDP. The strategy aimed to strengthen local economies and communities, promote trust between the government and the people, and address the needs of displaced communities and the core issues related to resettlement.<sup>11</sup> The implementation of the strategy by the government is considered to have been successful.

In 2011, the government launched the Timor-Leste Strategic Development Plan 2011-2030 in order to provide a renewed thrust to post-transition development (while continuing state-

building processes). The plan has short-term (1 to 5 years), medium-term (5 to 10 years) and long-term (10 to 20 years) implementation elements.<sup>12</sup> The strategies and actions set out in the strategic development plan aim to move Timor-Leste from a low-income to an upper-middle-income country, with a healthy, well-educated and safe population by 2030. Continuing previous strategies of the 2002 National Development Plan, the Strategic Development Plan aims to develop core infrastructure, strengthen human resources and encourage the growth of private sector jobs in strategic industry sectors (a broad-based agriculture sector, a thriving tourism industry and downstream industries in the oil and gas sector). The Strategic Development Plan coincides with the efforts to transition the country from crisis to development. The government's evolving national priorities for 2008-2011, endorsed by the Cabinet of Ministers, are presented in Table 2. This national priorities process was part of the efforts by the government, with technical and other support from development partners that included UNMIT and UNDP.

As a result of the government's ongoing efforts and policy initiatives, Timor-Leste has, within a short period of time, achieved peace, stability and considerable improvements in government capacities. Contributions by a series of UN missions and agencies, the International Stabilisation Force, and technical support by other development partners and organizations were important in achieving this progress. Challenges, however, remain in achieving sustainable development goals, building institutional capacities, strengthening the judiciary and national security systems, institutionalizing peacebuilding capacities and reintegrating internally displaced persons. While there has been significant momentum in economic growth (primarily

---

9 Government of the Democratic Republic of Timor-Leste, 'National Development Plan', 2002.

10 Government of the Democratic Republic of Timor-Leste, 'Hamutuk Hari'i Futuru, A National Recovery Strategy', Office of the Vice Prime Minister of the Democratic Republic of Timor-Leste, 19 December 2007.

11 Ibid.

12 Government of the Democratic Republic of Timor-Leste, 'Strategic Development Plan 2011-2030', Dili, 2011.

**Table 2. National Priorities from 2008 to 2011**

2008	2009	2010	2011	2012*
Public safety and security	Food security and agriculture	Infrastructure (roads and water)	Infrastructure	Basic infrastructure (roads and water)
Social protection and solidarity	Rural development	Food security (focus on productivity)	Rural development	Enhanced local production
Addressing the needs of the youth	Human resources development	Human resources development	Accelerated development of human resources	Services to the people
Employment and income generation	Social services and social protection	Access to justice	Access to justice	Human resources development
Improving social service delivery	Public safety and security	Social services and decentralized services delivery	Public services delivery	2012 special year programme
Clean and effective government	Clean and effective government	Good governance	Good governance	
	Access to justice	Safety and security	Public safety and stability	

Source: OECD, 'Report on international engagement in fragile states – Democratic Republic of Timor-Leste', 2011.

\* Parliamentary elections were held in July 2012.

due to petroleum resources), Timor-Leste's human development indicators are comparable to those of the poorest countries in Asia. Government strategies acknowledge these challenges and constraints.

In 2009, the year marking the 10th anniversary of Timor-Leste's referendum on independence, the government issued a new motto, "Goodbye Conflict, Welcome Development," announcing Timor-Leste's arrival as a peaceful developing nation in the Association of Southeast Asian Nations (ASEAN) region. Indeed, Timor-Leste has recently submitted its formal application to join ASEAN during the Indonesian presidency, an act that will have great symbolism not only for Timor-Leste and Indonesia, but for all ASEAN members.

## 2.2 ECONOMY

The World Bank has classified Timor-Leste as a lower middle-income country, with an estimated gross domestic product (GDP) per capita of \$2,600 for 2010.<sup>13</sup> After independence and until 2005, Timor-Leste's real GDP vacillated considerably, with modest improvements in real non-petroleum GDP in 2004 and 2005. The country was able to quickly achieve lower middle-income country status in 2007, largely due to revenues from the oil and gas sectors (deposited into the Petroleum Fund) from the Timor Sea fields.<sup>14</sup> The non-oil GDP per capita is much lower at around \$600.<sup>15</sup>

The real growth rate declined in 2010 because of adverse weather impacting agricultural production

13 International Monetary Fund, Article IV Consultation with the Democratic Republic of Timor-Leste, 2011.

14 Several oil companies are involved in extraction and exploration in the Timor Sea. Woodside Petroleum operates the Sunrise and Troubadour fields, with planned expansion into the Greater Sunrise field. See: <http://www.woodside.com.au/Our-Business/Sunrise/Pages/default.aspx> ConocoPhillips with other partners operates the Bayu Undan gas condensate field. See: [http://www.conocophillips.com/EN/about/worldwide\\_ops/country/australia/pages/australia.aspx](http://www.conocophillips.com/EN/about/worldwide_ops/country/australia/pages/australia.aspx) (websites accessed January 2012).

15 UNDP, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.

(see Table 3). This is in contrast to growth rates of 12.8 percent in 2009 and 14.6 percent in 2008, when the economy was supported with strong oil revenues. Timor-Leste is highly petroleum-dependent, with oil revenues paying for 95 percent of government expenditures. Owing to large petroleum revenue, however, the overall balance is expected to continue to record a large surplus of 50 percent of GDP in 2011, and the Petroleum Fund has risen to about \$9 billion for the same year. Given high oil revenue, the International Monetary Fund estimates indicate that the Petroleum Fund balance is projected to continue to rise, but a non-oil fiscal deficit would increase to over 100 percent of non-oil GDP.<sup>16</sup> The 2012 budget indicates

that the government may need to take substantial measures (amounting to 10–15 percent of non-oil GDP) to reduce the non-oil fiscal balance to the Estimated Sustainable Income within 10 years (see Table 4 for non-oil GDP growth). The measures could include containing spending growth and increasing domestic revenue, adjusting utility tariffs, changing tax rates and exemptions, strengthening tax administration and introducing a Value Added tax over the medium term.<sup>17</sup>

Government strategies aim to build a vibrant private sector as the main source of economic growth and employment creation. Private sector development and non-oil sector foreign direct

Economic Indicator	2007	2008	2009	2010	2011	2012 Projections
Per Capita GNI (\$), Atlas method	1,490	2,460	2,020	2,220	...	
GDP growth (% change per year)	9.1	12.1	13.0	9.5	10.0	
GDP at current prices (\$)	1,808	3,035	2,634	3,199	4,315	4,073
% of GDP	65.1	66.7	51.7	48.1	55.0	43.5
Consumer Price Index (% change per year)	8.9	7.6	-0	5.6	13.1	
Unemployment rate (%)	6.7	...	...	9.8	...	
Fiscal balance (% of GDP)	293.8	391.6	229.1	256.4	325.6	
Export growth (% change per year)	-39.7	0	-31.5	163.1	-18.5	
Import growth (% change per year)	12.9	61.7	9.9	2.8	87.3	
Current account balance (% of GDP)	320.1	430.8	223.4	269.4	339.4	
Revenue(% of GDP)	75.4	80.8	72.5	75.2	78.1	72.6
Domestic revenue (% of GDP)	2.7	1.7	2.5	2.6	2.6	3.3
Petroleum revenue (% of GDP)	72.6	79.1	70.0	72.6	75.6	69.3

Source: International Monetary Fund. 'IMF Country Report No. 12/24', 2012.

	2007	2008	2009	2010	2011 Projections	2012 Projections
Real non-oil GDP growth	11.7	14.6	12.8	9.5	10.6	10.0
CPI (annual average)	10.3	9.0	0.7	6.8	13.5	8.0
CPI (end-period)	8.6	7.5	1.7	9.2	17.4	8.0

Source: International Monetary Fund. 'IMF Country Report No. 12/24', 2012.

16 IMF, 'IMF Country Report No. 12/24', 2012.

17 Ibid.

investment were constrained by weak capacity and cumbersome, centralized systems.<sup>18</sup>

In the non-petroleum economy, the chief hindrance to economic performance is the lack of investment. Given that post-conflict recovery requires large-scale infrastructure reconstruction and intensive human capital development, Timor-Leste's investment performance has been inadequate.

In 2009, the labour force was about 0.4 million, with an estimated unemployment rate of 18 percent (youth unemployment is reported to be higher, between 25 percent and 40 percent).<sup>19</sup> In addition to the oil and gas sector, the main employment sectors are agriculture, soap production, handicrafts, woven cloth, coffee and vanilla. According to the 2010 labour survey, Timor-Leste has a working age population of 627,000 people, with women representing 49.6 percent. The labour force participation rate is 41.7 percent, with women representing 26.9 percent (see Table 5).<sup>20</sup> The labour force comprises 22 percent of youth (15-29 years of age), with men about

50 percent higher than women. There is a difference between males and females on all the indicators (see Table 5). The disparities among districts are substantial, ranging from the highest labour force participation of 35.7 percent in Dili to the lowest (4.4 percent) in Manufahi.<sup>21</sup>

The global financial crisis has not had a substantial impact on Timor-Leste's economy, primarily because the government has significant foreign exchange reserves, with over \$9 billion (2011) in the Petroleum Fund and recoverable oil and gas reserves valued at a further \$24 billion (or \$22,000 per capita). In June 2005, the national parliament unanimously approved the creation of a Petroleum Fund to serve as a repository for all petroleum revenues and to preserve the value of Timor-Leste's petroleum wealth for future generations.<sup>22</sup> The Petroleum Fund was established as a sovereign wealth fund, with a capital of \$205 million, and has exhibited dramatic growth—due to the inflow of oil and gas revenues and earnings from investments of 4 percent per annum. The Petroleum Fund was \$6,592 billion in October 2010, averaging a return of \$138 million per month from oil

**Table 5. Labour Force Participation (%)**

	Labour Force Participation Rate	Employment to Population Ratio	Informal Employment Rate	Vulnerable Employment Rate	Unemployment Rate	Inactivity Rate
Timor Leste	41.7	40.2	17.8	69.9	3.6	57.4
Urban	42.3	39.3	20.0	42.1	6.9	57.7
Rural	41.5	40.6	16.9	80.3	2.2	58.5
Male	56.2	54.4	13.5	65.9	3.1	43.0
Female	26.9	25.7	26.5	78.5	4.6	72.2

Source: Government of Timor-Leste, 'Timor-Leste Labour Survey 2010'. Secretariat of State for Vocational Training and Employment and National Statistics Directorate, 2010.

18 The World Bank's 'Doing Business Report' for 2010 and 2011 ranked Timor-Leste 174th of the 183 countries surveyed (9th worst). For example, it takes on average of 83 days to complete the process for registering a company and requires \$5,000 in minimum capital. See [http://www.doingbusiness.org/data/exploreeconomies/timor\\_lemte/](http://www.doingbusiness.org/data/exploreeconomies/timor_lemte/) (website accessed February 2012).

19 [http://www.aisaid.gov.au/publications/pdf/etimor\\_study.pdf](http://www.aisaid.gov.au/publications/pdf/etimor_study.pdf) (website accessed February 2012); World Bank, 'Timor-Leste Country Programme Evaluation 2000-2010', Independent Evaluation Group, Washington, DC, 2011.

20 Government of Timor-Leste, 'Timor-Leste Labour Survey 2010', Secretariat of State for Vocational Training and Employment and National Statistics Directorate, 2010.

21 Ibid.

22 Government of the Democratic Republic of Timor-Leste, Petroleum Fund Act (Law No. 09/2005), 2005, amended in 2011.

and gas revenues, and with a forecast of \$150 million per month for 2011 or \$8.7 billion by year's end. The Petroleum Fund balance as of September 2011 was \$9 billion, and it has grown since to \$14 billion in 2013. The government realizes that prudent management of the Petroleum Fund will enable a transformation of the nation's non-oil economy and help build the necessary basic and core infrastructure for private sector growth.<sup>23</sup> The petroleum resources provide a considerable boost to economic growth in the country. In the last three years, there has been double-digit economic growth and a general improvement in welfare measures. Government spending increased markedly in 2009 and 2010, primarily on basic infrastructure, including electricity and roads. However, limited experience in procurement and infrastructure building has hampered these projects.<sup>24</sup>

Timor-Leste does not owe significant debt to external creditors. Further, Timor-Leste has a significant surplus of funds, which it is currently drawing on to finance public expenditures (infrastructure in particular). More oil and gas reserves have been discovered, and although the finds are significant for Timor-Leste, they do not make it a top-tier oil producer or an upper middle-income country.<sup>25</sup> Over 95 percent of the government's revenues and about 80 percent of the gross national income (GNI) come from oil and gas, making Timor-Leste the most resource-dependent country globally.<sup>26</sup> The International Monetary Fund recently concluded that the "overarching challenge for Timor-Leste is to manage the petroleum wealth effectively to

raise growth and living standards on a sustainable basis." The Timor-Leste Human Development Report 2011 reached similar conclusions.<sup>27</sup>

Achieving the double-digit growth in non-petroleum GDP targeted by Timor-Leste's strategic development plan will require strong performance across all key sources of economic growth, raising education standards, investing in physical capital and raising the productivity of the economy (i.e. raising total factor productivity). According to a recent Asian Development Bank report, a high single-digit growth rate of non-petroleum GDP would be a more realistic expectation. Such a growth rate would still result in Timor-Leste being one of the fastest-growing emerging economies in Asia over the 2011–2030 period.<sup>28</sup>

In 2011, the national parliament passed the amended Petroleum Fund Law to apply the fundamental financial market principle of diversification. The Petroleum Fund Law now allows for investment instruments other than US Government bonds, potentially increasing equities' long-term returns. The law also allows 50 percent of the Petroleum Fund to be invested in equities and other asset classes, rather than the formerly mandated conservative 10 percent.<sup>29</sup>

The development of the petroleum sector can help to secure the foundations of a sustainable and vibrant economy. The revenue from petroleum is critical for social sector development, generating private sector jobs and infrastructure development. The challenge, however, is managing expectations.

---

23 Sovereign Fund Institute website; see <http://www.swfinstitute.org/swfs/timor-leste-petroleum-fund/> (website accessed February 2012).

24 See also: Government of Timor-Leste, Ministry of Finance, Petroleum Fund Annual Reports, at <http://www.mof.gov.tl/category/documents-and-forms/petroleum-fund-documents/petroleum-fund-annual-reports/?lang=en>; and Central Bank of Timor-Leste, Quarterly Reports at <http://www.bancocentral.tl/PF/Reports.asp>.

25 Proven oil reserves are on par with Equatorial Guinea at approximately 1 billion barrels. However, this could change with further exploration.

26 International Monetary Fund, Article IV Consultation, March 2011; see <http://www.imf.org/external/pubs/ft/scr/2011/cr1165.pdf> (website accessed March 2012).

27 UNDP, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.

28 Asian Development Bank, 'Economic Growth to 2030 in Timor-Leste', 2011.

29 Government of the Democratic Republic of Timor-Leste, Petroleum Fund Act (Law No. 09/2005), 2005, amended in 2011.

## 2.3 GOVERNANCE

The Constitution of Timor-Leste, which took effect on 20 May 2002, provides for basic fundamental rights and freedoms in a democratic and pluralistic society. The Constitution provides for a democratic state with a semi-presidential regime, emphasizing that the country's "sovereignty rests with the people." The state is manifested in four separate 'organs of sovereignty', providing essential checks and balances, safeguarding citizens' rights and ensuring the separation of powers. These constitutional organs of sovereignty are the President of State, the national parliament, the executive branch and the courts. In less than a decade, the system of checks and balances has begun to be effective.

There are ongoing efforts by the government to establish effective and transparent planning, public management and resource management functions. Democratic local governance has been recognized by the government and international agencies as critical to the overall success of democratization efforts in the country. The government has emphasized a move towards decentralized service delivery, which is included in Article 72 of the Constitution.<sup>30</sup> The aim is to improve service delivery and enhance participation in local governance.

The government also scaled up the Local Development Programme, a UN-supported pilot model of participatory planning, including local-level implementation of infrastructure and service delivery. In 2007, participatory local planning was scaled up to eight districts, and later expanded to the remaining five districts in 2010. The government was able to promote community-based development through these efforts. This also enhanced the role of sub-district government in local governance. While this is significant, given that local governance efforts are fairly nascent,

appropriate legal frameworks and strategies are yet to be developed for a more phased administrative, political and fiscal decentralization.

Although there have been improvements in some areas of governance, challenges remain in strengthening institutional systems and human resource capacities. A capacity development assessment of the Ministry of Finance in 2008 identified key challenges in national human resource capacity and strengthening of national institutions.<sup>31</sup> For example, serious shortages of qualified and trained professionals in both the public and private sectors have been a major challenge. The vulnerability of national systems is also related to an excessive dependence on international advisers. While there are sector-specific initiatives, a more comprehensive strategy is required to guide public administration reforms. The options thus far explored for civil service legal frameworks and policies are important. However, more deliberation is needed to ensure that these options are discussed and well understood at the national level. One of the issues in developing a strong, merit-based civil service is related to remuneration. The distortions in the salary scale that crept into the system because of the use of international/national advisers and consultants need to be set right to improve the morale of the civil service. Greater coordination is needed among government structures for effective civil service reforms.

Institution-building in Timor-Leste faces challenges that are typical to post-conflict countries with a proliferation of international support. Although well intended, the creation of some institutions led to duplication in roles and functions. A related issue has been the frequent shifting of institutional roles and responsibilities. For example, responsibility for public service recruitment, performance monitoring and oversight swung from the remit of the Public Service Commission under the United Nations Transitional

---

30 Democratic Republic of East Timor Constituent Assembly, Constitution of the Democratic Republic of Timor-Leste, 2002.

31 Government of the Democratic Republic of Timor-Leste and Australian Agency for International Development, 'Review of Public Sector Capacity in East Timor', 2008.

Administration in East Timor (UNTAET) to the National Directorate for the Public Service in the Ministry of State Administration under the first government and is currently with the new Public Service Commission, with the National Directorate as its secretariat, under the Prime Minister's Office. In another example, the mandate to combat corruption was first assigned to the Office of the Inspector General, then included in the mandate of the Ombudsman for Justice and Human Rights, and then recently reassigned to the new Anti-Corruption Commission.

In addition, institutions are often without adequate resources and capacities. While budget execution has improved, these changes have not been adequately reinforced by the development of a fully functioning independent audit agency. For example, oversight institutions lack adequate power and time-frame for expanding or developing capacities.

## 2.4 POVERTY REDUCTION, MILLENNIUM DEVELOPMENT GOALS AND HUMAN DEVELOPMENT

The years of conflict seriously impacted the living conditions of the country's population, as well as the infrastructure and institutional framework. According to its first National Human Development Report of 2002<sup>32</sup>, Timor-Leste's Human Development Index (HDI) was 0.395 in 1999 and had improved slightly by 2001 to 0.421 (see Table 6). However, this HDI was the lowest in Asia and on par with Rwanda in central Africa, and Timor-Leste was ranked 152 out of the 162 countries for which HDI was reported

in 2001. In 2011, the country's HDI went up to 0.495. This is an improvement of 22 percent between 2001 to 2011, highlighting a period of sustained positive growth and development for Timor-Leste.<sup>33</sup>

The 2011 UNDP Human Development Report ranked Timor-Leste at 147 out of 187 countries (it was ranked 120 out of 169 countries in the 2010 report). In 2010, UNDP changed how it calculates HDI, in many ways making the ranking less accurate. Had the 2011 criteria been used, the 2010 ranking would have been readjusted to 147. Thus, in effect, the ranking remains unchanged.<sup>34</sup> GNI per capita in Timor-Leste continues to grow steadily, rising to \$3,005 in 2011 from \$2,867 in 2010. Despite strong international development support between 2002 and 2007, poverty levels increased, with 49.9 percent of the population living on less than \$1.25 per day in 2007. There was a drop in the poverty levels to about 40 percent in 2011.<sup>35</sup>

**Table 6. Human Development Index for the Period 2005-2012**

Year	HDI
2012	0.576
2011	0.571
2010	0.565
2009	0.548
2008	0.547
2007	0.519
2006	0.492
2005	0.461
2000	0.418

Source: UNDP, Human Development Reports, various years.

32 UNDP, 'East Timor Human Development Report 2002: The Way Ahead', UNDP East Timor, Dili.

33 UNDP, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.

34 Every year, UNDP calculates a Human Development Index (HDI) for every country, combining the indicators for health, education and income. In 2010, UNDP changed how it calculates HDI, making it a less accurate indication of human development for Timor-Leste. One change was to substitute Gross National Income (GNI), which includes offshore oil revenues, for GDP to indicate a country's economic development. For most countries, this did not change much, but Timor-Leste's GNI is 548 percent higher than the GDP.

35 See Government of Timor-Leste, 'Timor-Leste Survey of Living Standards', 2007; and UNDP, 'Timor-Leste Human Development Report 2011. Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.



Income inequality and poverty are among the biggest challenges that currently face Timor-Leste. Since 2002, Timor-Leste has integrated the MDGs in its national development plan and subsequent plans and programmes, and has shown a strong commitment to achieving these goals by 2015. The areas that remain challenging or off track compared to 2015 targets include poverty, underweight children, maternal mortality and sanitation. Progress in achieving MDGs has not moved at a desired pace (see Table 7) due to the nascent institutional systems and human resources that take considerable time to translate

into service delivery capacity on the ground, further challenged by the disruptions from internal conflict and the resulting need for urgent attention to security and stability in the first decade of this young nation. While the poverty reduction goal includes halving the proportion of people living on less than US\$1 a day, in Timor-Leste, the population living below the poverty line actually grew in the past decade. Areas where there has been considerable progress included the MDG targets for under-five mortality (96/1,000 live births) and infant mortality (53/1,000 live births), based on targets set in 2004.

**Table 7. Progress on Achieving the MDGs**

Target	Unit	Baseline	2007	2009	Target for 2015	Status
Proportion of population below the national poverty line	%	36.0	49.9	41.0	14.0	Off track
Prevalence of underweight children under five years of age	%	45.0	48.6	45.0	31.0	Off track
Net enrolment ratio in primary education	%	65.1	65.6	82.7	100.0	On track
Proportion of children who reached 5th grade	%	47.0	N.A.	65.9	100.0	Off track
Increase in literacy rate of youth (15-24 years)	%	50.0*	85.0		100.0	Off track
Increase in adult literacy	%	36.0**	58.0		100.0	Off track
Elimination of gender disparity in education	%	100.0*	110.0		100.0	Achieved
Reduction in infant mortality: Under five years	Per 1,000 live births	125.0	92.0	64.0	<96.0	Achieved
Reduction in infant mortality: under one year	Per 1,000 live births	88.0	60.0	44.0	<53.0	Achieved
Maternal mortality ratio	Per 100,000	660.0	N.A.	450.0	<252.0	Off track
Proportion of births attended by skilled health personnel	%	19.0	19.0	29.6	60	On track
Incidence associated with malaria	Per 1,000	113.0	206.0	113.0	45	Off track
Proportion of population using an improved drinking water source	%	48.0	63.1	66	78	On track
Proportion of population using an improved sanitation facility	%	31.0	46.8	49.0	60.0	Off track

Notes: \*2001 \*\*2000

Source: Government of Timor-Leste, 'Millennium Development Goals 2010: Where we are now? Where do we want to be in 2015?'; see <http://www.mof.gov.tl/wp-content/uploads/2011/05/millennium-development-goals-booklet-2010.pdf>.

As per the 2007 Timor-Leste Survey of Living Standards, poverty has risen from 36 percent in 2001 (baseline) to 49.9 percent in 2007 based on a poverty line of \$0.88 per capita per day. This increase was partly due to a significant deceleration in economic activity following the end of the emergency reconstruction phase and a substantial reduction in international presence in the country, which resulted in a decline of 12 percent in the domestic economy. The civil unrest of 2006, which led to around 150,000 internally displaced persons, further depressed economic activity to almost 6 percent.

About 20 percent of the population is food-insecure, and a further 23 percent is highly vulnerable to becoming so. Youth unemployment is high and is seen as a form of social exclusion. It is also a major contributory factor to violence and social unrest. The agricultural sector is nascent and the manufacturing industry is almost non-existent. In the 2001 to 2007 period, the increase in urban poverty, which rose from 25 percent to 45 percent, was more pronounced than the incidence of rural poverty, which rose from 40 percent to 52 percent. This trend was accompanied by an increase in regional poverty, the incidence of which grew from 41 percent to 58 percent in the centre of the country, and from 37 percent to 55 percent in the western part of the country. The eastern parts of Timor-Leste remained the least poor, with an average poverty headcount index of 26.5 percent.

More than 80 percent of the population in Timor-Leste and 94 percent of the population in villages depend on the agricultural sector as the main source of income.<sup>36</sup> However, people tend to consume the food they produce themselves due to low agricultural productivity, difficult conditions (erosion, floods, etc.), lack of access to local markets and to financial services, difficulty in selling and the low price of agricultural products.

Rural-urban disparities are substantial with regard to access to public infrastructure, employment opportunities and social services. A strong focus on developing the rural economy is critical, considering that the majority of the population lives in rural areas. As the recent National Human Development Report recognized, developing a strong non-oil economy in a sustainable way is key to reducing rural unemployment and the high rate of migration to urban areas. Successfully implementing policies to improve levels of human development requires that policy beneficiaries and stakeholders increase their participation in decision-making.

Given the existing disparities between Dili and the rest of the districts, it is important to address new causes of inequality, because the poor are more likely to lack both human and economic capital that would enable them to be part of the new economic growth model, whose engine is skilled labour. Therefore, public spending that helps people to build their human capital (through health, education, water supply and sanitation) is key for development and one of the most important instruments by which the poor (mostly in the districts) can be included in economic growth. Economies with higher levels of social spending enjoy higher levels of economic growth, as healthy and educated people make more productive workers. In addition, social spending, particularly on education, not only results in economic growth, but also helps to reduce income inequality through providing higher learning opportunities to the poor.

## PROMOTING GENDER EQUALITY

Women comprise about 50 percent of the population of Timor-Leste. On the Gender Inequality Index, Timor-Leste scores well in the area of percentage of seats held by women in parliament (29.2 percent).<sup>37</sup> It is noteworthy that the increased quota for female candidates in party

36 Government of Timor-Leste and United Nations system, 2009. The Millennium Development Goals, Timor-Leste, Dili.

37 UNDP, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.

lists in the 2012 Parliamentary elections enabled 38 percent representation of women, highest in Asia and Pacific. The reported maternal mortality rate of 380 deaths per 100,000 live births places Timor-Leste well ahead of countries such as Cambodia (540), Lao PDR (660) and Papua New Guinea (470).<sup>38</sup> Women's labour force participation in Timor-Leste (61.6 percent) is lower than in most other countries, with the exception of the Philippines (50.2 percent), India (35.7 percent), Nigeria (39.5 percent) and South Africa (51 percent).<sup>39</sup>

Timor-Leste has taken important measures to further gender equality and women's empowerment. The most significant measures in the past decade include the guarantee of gender equality under the Constitution and the establishment of the Office for the Promotion of Equality to advise the various ministries and departments in promoting a culture of equality, empowering women and addressing gender-based violence. Twenty-six percent of parliamentarians in Timor-Leste are women, which is higher than in some OECD countries. In the third and fourth Constitutional Governments (2002-2007 and 2007-2012 respectively) women have been appointed to ministerial positions in key ministries such as Ministry of Planning and Finance, and Ministry of State Administration and Public Works, Ministry of Finance and Ministry of Justice and Social Solidarity.

Despite women's progress in some areas of health and parliamentary participation, challenges persist in many other areas. Despite recent progress in reducing levels of adult illiteracy, literacy levels remain lower for women. Forty three percent of

women above age 18 are illiterate<sup>40</sup> and a significant proportion of women's work is in subsistence cultivation and the informal sector—notably in small-scale trading and home-based industries. Approximately 17,000 people (with equal numbers of men and women) are employed in wholesale or retail trade in urban areas, and the rest of employment is spread across a wide variety of sectors. Women play a major role in the micro-enterprise sector of the informal economy, where approximately 43 percent of enterprises are female-owned. Women generally earn less than men. Their ability to participate in productive work outside the household is restricted by the amount of time they have to spend inside the home on domestic tasks.

Violence against women, predominantly domestic violence, has been a matter of concern. Research conducted in the years following independence concluded that during their lives, almost a quarter of the women (24.8 percent) in the sample had experienced violence by an intimate partner.<sup>41</sup> Data collected by the Vulnerable Persons Unit of national police shows that domestic violence was the most prevalent crime reported in 2009, with 218 of the 283 reported crimes involving domestic violence. The Government of Timor-Leste has taken steps to address the issue of domestic violence. The Law on Domestic Violence was promulgated in 2010, and there are ongoing efforts to implement the law.

## ENERGY AND ENVIRONMENT

Government<sup>42</sup> reports have highlighted that the environment is under threat from various sources. The rate of deforestation from 1990 to 2005 was 1.2 percent per annum, which was more

---

38 Ibid. Timor-Leste was not given an overall value or ranking on the 2010 Gender Inequality Index, due to the absence of data on secondary education.

39 UNDP, 'Human Development Report 2010 – The Real Wealth of Nations: Pathways to Human Development', 2010, p. 158 (Gender Inequality Index).

40 Government of the Democratic Republic of Timor-Leste, 'Timor-Leste Living Standards Survey', 2007.

41 UNDP, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development', UNDP Timor-Leste, 2011.

42 Government of the Democratic Republic of Timor-Leste, 'Fourth National Report to the UN Convention on Biodiversity', Dili, 2011; Government of the Democratic Republic of Timor-Leste, 'National Adaptation Plan of Action', Dili, 2011.

than double that of Brazil and among the highest in the world. Caused by over-exploitation and unsustainable agricultural practices (principally slash and burn), deforestation is leading to increasing land degradation—over 30 percent of the country is already classified as seriously degraded, as evidenced by slope erosion and landslides. Climate change vulnerabilities are becoming more apparent, with greater variation and intensity of droughts, monsoon storms and cyclones. Without adaptation measures, climate change impacts will exacerbate land degradation and food insecurity and will increase weather-related damage to rural and urban infrastructure. Energy/biomass use within urban and rural households is predominantly in the form of wood fuel for cooking, which is a major cause of respiratory diseases (due to indoor air pollution) and places further pressure on forest resources (contributing to land degradation). However, at present, the use of wood fuel is not a major driver of deforestation when compared to clearing of land for agriculture. Lastly, water supply, in particular the lack of water during the dry season, is the most significant environmental constraint and one that impacts agriculture and domestic consumption. In urban areas, there is a significant reliance on bottled water, which also contributes to the growing plastic waste problem.<sup>43</sup>

In terms of environmental management, some progress has been made since independence with regard to including environmental issues in the Constitution and ratifying the United Nations Framework Convention on Climate Change, the United Nations Convention to Combat Desertification and the United Nations Convention on Biological Diversity. Also, there has been progress in establishing institutions such as the State Secretariat for the Environment under the Ministry of Economy and Development, Ministry of Commerce, Industry and Environment, and the Ministry of Agriculture and Fisheries, which together

have the primary responsibility for environmental management, policy and strategic development. However, insufficient financial and human resources have hampered environmental management, agricultural extension at the district and local levels, coordination and planning, and the prioritization of the environment across government ministries. Combined with the general lack of environmental awareness among the population, these factors have limited tangible improvements to the country's environment. With some justification, the priorities of the government during the country's first decade after independence have been security and peacebuilding, governance, basic services and infrastructure. Consequently, the environment, although gaining in prominence in the last couple of years, has not been a strong management or policy priority.

The Strategic Development Plan (2011–2030) has further developed commitments in the Constitution to outline plans to adapt to climate change, promote renewable energies, protect forest resources and biodiversity, and control and reduce land degradation. In the future, the government hopes to improve the legal and policy framework for environmental management, address current gaps and replace the regulations of UNTAET. The Basic Environment Law went into effect in July 2012. The government also plans to introduce laws providing for greater protection of forests, biodiversity, the coast and marine resources.

Timor-Leste's energy sector faces several challenges and opportunities. The sector is characterized by an almost complete household dependence on wood fuel for cooking and heating, with kerosene and candles used for lighting, which contributes to a high incidence of indoor pollution. Electricity provision is mostly restricted to Dili and has lacked reliability. A new power station has been constructed and can run on either oil or gas, although will initially be fuelled with imported oil. The government hopes to develop a

---

43 The inappropriate disposal of plastic water bottles is evident in Dili and along the coastline, with plastics becoming an increasing solid waste challenge.

gas terminal/pipeline, which will allow it to take advantage of the country's plentiful gas reserves from the Timor Sea fields to generate electricity. Renewable energy has yet to be developed significantly, although the Strategic Development Plan recognizes the potential of micro-hydro, solar-PV, wind and biomass to address the needs of the population, particularly in remote rural areas where connections to the power grid are unlikely to be made in the near future.

## 2.5 MANDATE OF PEACEKEEPING MISSIONS

Since 1999, there have been five successive Security Council-mandated missions in Timor-Leste. The UN missions had varied mandates, begin-

ning with a UN transitional administration that evolved into a peacekeeping operation, then a political mission, followed by a peacekeeping mission with a strong state-building mandate. This was followed by UNMIT, an integrated peacekeeping mission with a strong state-building mandate (see Box 1).

UNMIT was established in August 2006 (Security Council Resolution 1704) to assist in peacekeeping following the 2006 internal conflict and violence. The mandate of UNMIT includes:

- Supporting the government and relevant institutions to consolidate stability, enhance a culture of democratic governance and facilitate political dialogue;

### Box 1. UN Security Council Mandates in Timor-Leste

**United Nations Mission in East Timor (June–Sept 1999):** The first UN mission to Timor-Leste had the mandate to organize and conduct the referendum for independence, to advise Indonesian police on discharging their duties, to supervise the escort of ballot papers to and from polling sites and to maintain contact with the Indonesian army.

**United Nations Transitional Administration in East Timor (October 1999–April 2002):** The UN Security Council, by its Resolution 1272, established UNTAET. It was to be fully responsible for the administration of East Timor during the transition to independence and for exercising all legislative and executive authority in the country. UNTAET embodied full executive, legislative and judicial authority, concentrated in the head of the mission. The mission's core functions were threefold: (1) To provide security throughout the territory and respond to the humanitarian emergency; (2) To govern Timor-Leste during the transitional period, i.e. to provide an effective administration, to deliver basic services and to administer justice as well as other core functions; and (3) To prepare Timor-Leste for self-government.

UNTAET had a clear end date, on which sovereignty would be transferred to the Timorese. The Mission focused on institution- and capacity-building and not on the resolution of the underlying political conflict and the political status of a territory.

**United Nations Mission of Support to East Timor (May 2002–May 2005):** The inception of the United Nations Mission of Support to East Timor occurred with the handover of sovereign functions from UNTAET to the Timorese Government at Timor-Leste's attainment of independence on 20 May 2002. The mission concentrated principally on consolidating national peace and security and supporting Timor-Leste's democratic transition.

**United Nations Office in Timor-Leste (May 2005–August 2006):** In 2005, the United Nations Mission of Support to East Timor, a peacekeeping mission, drew down, and a new political mission, the United Nations Office in Timor-Leste (UNOTIL), was established to support the development of critical state institutions (particularly the police) and to provide training in democratic governance and human rights. In April 2006, when the UN was preparing for a withdrawal to conclude a successful mission, a domestic crisis erupted. Due to the crisis, the UNOTIL mission was extended until August 2006, which also allowed an assessment mission to deploy to Timor-Leste.

**United Nations Mission to Timor-Leste (Aug 2006–to date):** The United Nations Mission to Timor-Leste was created after an assessment of post-2006 crisis needs.

Sources: United Nations, Security Council resolution S/RES/1246 – Timor, 1999; United Nations, Security Council resolution S/RES/1257 – Timor, 1999; United Nations, Security Council resolution S/RES/1272 – East Timor, 1999.

- Supporting Timor-Leste in all aspects of the 2007 presidential and parliamentary electoral process;
- Supporting the national police and assisting in conducting a comprehensive review of the role and needs of the security sector;
- Assisting in further strengthening national capacity for the monitoring, promotion and protection of human rights; and
- Enhancing cooperation and coordination with United Nations agencies, funds and programmes, and with all relevant partners, to make maximum use of assistance in post-conflict peacebuilding and capacity-building.

The UNMIT mandate was subsequently extended four times, in 2008, 2009, 2010 and 2011, to include peacebuilding, capacity-building of the Policia Nacional de Timor-Leste (PNTL, the National Police of Timor-Leste), strengthening the judiciary, and supporting elections and other areas of state-building. The UNMIT mandate also included assistance to the government in conducting the 2012 presidential and parliamentary elections. The phased resumption of policing responsibilities by PNTL was to take place with the drawdown of UNMIT. In its 2011 resolution, the Security Council also reaffirmed the importance of UNMIT support in further building and reforming the justice sector, coordinating international assistance, reducing poverty, improving education and other areas.<sup>44</sup>

## 2.6 INTERNATIONAL COOPERATION

Since 1999, international development partners have had a strong presence in Timor-Leste, led by the UN, which played a critical role in re-establishing peace and security. The country also benefited from sizeable development assistance,

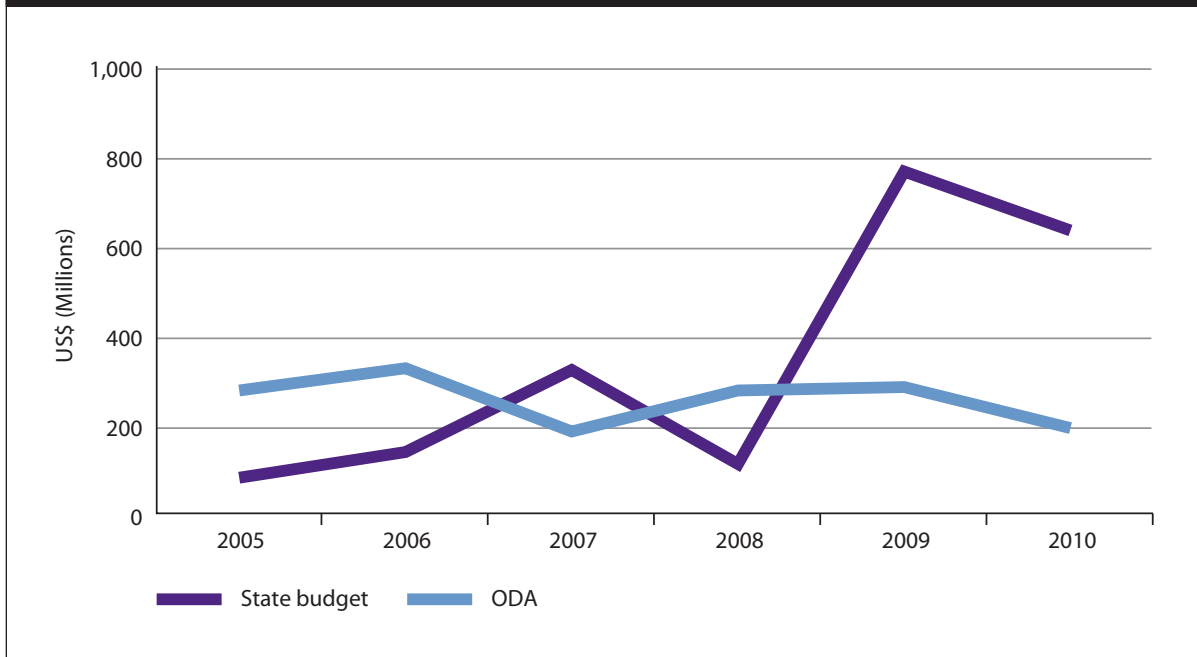
mainly focusing on institution-building and the development of legislative and regulatory frameworks to organize the new nation state. Development assistance, since independence in 2002, has focused on reconstructing infrastructure—such as schools, hospitals, roads and ports—restoration and extension of electric power, and water and sanitation, alongside a focus on building government institutions' capacities. Development assistance has come in the form of grants, technical assistance and policy advice. Timor-Leste received approximately \$3.6 billion in development assistance from 2002 to 2011, from about 20 to 30 bilateral donors (particularly Australia, European Union, Japan and the United States) and multilateral organizations (UN agencies, Asian Development Bank, International Monetary Fund and the World Bank). However, it has been estimated that approximately 90 percent of the assistance has been spent on international salaries for foreign soldiers and police, consultants, overseas procurement, and imported supplies and administration, with only \$550 million actually entering the Timorese economy.<sup>45</sup> A comparative analysis of official development assistance vs. state budget is presented in Figure 1.

In 2005, Timor-Leste became a signatory to the Paris Declaration on Aid Effectiveness, and in 2008, to the Accra Agenda for Action. The Government of the Democratic Republic of Timor-Leste is committed to the goals contained in both these documents. Timor-Leste has volunteered to be one of seven pilot countries in which the success of the Principles for Good International Engagement in Fragile States and Situations will be monitored. With its achievements in state-building in a short period of time, Timor-Leste is a leader of the g7+ group, which comprises 17 post-conflict countries, spearheading efforts not only to share experiences but also to jointly

44 United Nations, Security Council resolution S/RES/1969 – Timor-Leste, 2011.

45 See <http://www.laohamutuk.org/reports/09bgnd/HowMuchAidEn.pdf> (website accessed February 2012). Based on official data from reports published by development partners, the Organisation for Economic Co-operation and Development, the UN General Assembly and the Government of the Democratic Republic of Timor-Leste, inter alia in Hamutuk, L., 'How Much Money Have International Donors Spent on and in Timor-Leste?', Timor-Leste Institute for Development Monitoring and Analysis, 2009.

**Figure 1. Official Development Assistance to State Budget in Timor-Leste, 2005-2010**



Source: OECD, 2011 *Report on International Engagement in Fragile States: Democratic Republic of Timor-Leste*, OECD Publishing, 2011.

lobby international actors to engage more effectively in conflict-affected countries and regions. The 2011 Dili Development Pact asks development partners to commit to the use of country systems, shared responsibility and investing in the future of Timor-Leste.<sup>46</sup> Timor-Leste has made a significant contribution to consolidating the opinions of the participating nations on Peacebuilding and State-building Goals and continues to co-chair the International Dialogue with Denmark, promoting the agenda of peacebuilding and state-building with global organizations. Similar principles are reflected in the New Deal for Engaging in Fragile States, presented by the g7+ at the Busan High Level Meeting on Aid Effectiveness in November 2011.<sup>47</sup>

In November 2008, the government's initiatives toward increasing aid effectiveness included establishing the National Directorate of Aid

Effectiveness (NDAE). Situated within the Finance Minister's Executive Office, NDAE has three areas: 1) monitoring compliance with the Paris Declaration principles of aid effectiveness; 2) tracking aid resources and reporting on results; and 3) coordinating external assistance. NDAE also seeks to ensure the optimal utilization of aid from development partners, avoiding duplication of development support and aligning aid with national priorities of the government.

The engagement of Timor-Leste with international cooperation has gone through different phases—from unstructured cooperation to aligning with national strategies facilitated by development partners, then to the present phase, where the government leads the coordination of international support and appropriately aligns it with its budget processes. In 2002, the coordination of international support and resourcing was

46 Government of Timor-Leste, 'Dili Development Pact', document of 2011 Timor-Leste Development Partners Meeting, Timor-Leste Ministry of Finance, 2011. The Dili Development Pact, endorsed by donors at the 2011 Timor-Leste Development Partners Meeting, serves as a complementary document to the Timor-Leste strategic development plan and the overall goals of the Paris Declaration. Timor-Leste is determined to take ownership of its development path, and developing an understanding of how aid is used is essential.

47 Fourth High Level Forum on Aid Effectiveness, 'New Deal for Engagement in Fragile States', Busan, 2011.

constrained by the lack of coherence in financing initiatives, confusion over mandates of institutions and complex donor procedures. As a consequence, problems associated with Timor-Leste's highly centralized public finance management system were further compounded and hampered the government's capacities to deliver results.<sup>48</sup> The formulation of the national development plan and sector investment plans provided a framework for international support.<sup>49</sup> While this improved the level of coordination compared to what it was earlier, problems persisted. Poorly designed annual action plans and complicated donor-sector implementation plans were difficult to implement for a country with weak institutional capacities.<sup>50</sup> Development partner meetings and multi-donor modalities (e.g. the Trust Fund for East Timor) were found to have been positive contributions.<sup>51</sup> The National Recovery Plan, post 2006 crisis, and the Vision document in many ways structured international support.

Since 2007, the government has played a greater role in coordinating international support to achieve development results. The focus on state-building and development specified in national development strategies improved coherence in international support. These efforts were facilitated by UNMIT and other development partners, particularly the World Bank, which provided catalytic resources and support at all levels—strategic, policy and operational—that have had large pay-offs. Inspired by the Afghanistan Compact, Timor-Leste and its partners formulated a dual accountability framework to bridge apparent

divisions between the international community and national government, and to clearly define mutual roles and accountabilities.<sup>52</sup> The compact became part of the UNMIT mandate, and technical and other support was provided accordingly, in a partnership with the World Bank.

The government's efforts to coordinate international support and align allocations appropriately have been led by the Ministry of Finance (and the Aid Coordination Office located within the ministry). The creation of sector working groups is seen as a way forward to providing a mechanism whereby ministries can consolidate support from development partners. Line ministries and agencies, supported by central policy ministries, lead the development of sector policies and programmes and are accountable for the results. Over the years, sector working groups have gained greater legitimacy and ownership by the line ministries, although formally, it was the National Priorities Working Group that framed government and development partner coordination. Most national priorities were multi-sectoral and involved more than one line ministry. Sector working groups as coordinating and supporting bodies do not substitute for or duplicate the functions of ministries and agencies. While donor agencies and non-governmental organizations are represented on the sector working groups, such participants' role is not clear.<sup>53</sup>

Chapter 3 examines the UNDP programme response and its relevance to peacebuilding, transition and development needs in Timor-Leste.

---

48 Pires and Francino (2007) 'National Ownership and International Trusteeship: The Case of Timor-Leste,' in James K. Boyce and Madalene O'Donnell eds. *Peace and the Public Purse: Economic Policies for Postwar Statebuilding*, Boulder CO: Lynne Rienner.

49 World Bank, 'Timor-Leste Country Program Evaluation 2000-2010', Independent Evaluation Group, Washington, DC, 2011.

50 World Bank, *ibid.*

51 World Bank, *ibid.*

52 Kueller, P., 'Draft Report on Public Administration in Post-Conflict Countries', 2011.

53 Kueller, P., *ibid.*



## Chapter 3

# UNDP'S RESPONSE

UNDP began its interventions in Timor-Leste in 1999, working initially with UNTAET in the areas of rehabilitation, reconstruction and state-building. Following the independence of Timor-Leste in 2002, UNDP entered into the Standard Basic Assistance Agreement the same year. This provided an early framework for UNDP interventions in the country, and the agency's programming focus gradually moved beyond the necessities of post-conflict recovery towards sustainable development.

The initial UNDP support to Timor-Leste was for two years, from 2000–2002, aiming to address three areas: infrastructure, governance and the promotion of sustainable livelihoods.<sup>54</sup> UNDP, partnering with other agencies and the donor community, played an important role in planning and implementing the transitional support programme, assisting the government in donor coordination and overseeing technical assistance support to Timor-Leste. There have been two country programmes in Timor-Leste—the first was from 2003 to 2005, extended to 2008, and second for the 2009–2013 period. As part of the integrated UN response, UNDP supports the UNMIT mandate together with other UN agencies.

### 3.1 UNDP COUNTRY PROGRAMME 2003–2008

UNDP's first country programme (2003–2005) aimed to align with the priorities of the national development plan and the United Nations Development Assistance Framework, both launched in May 2002. The United Nations

Development Assistance Framework and the first country programme were subsequently extended to 2008, in view of Timor-Leste's internal strife and new displacements in 2006 and 2007, and to allow time to prepare the new country programme based on a common country assessment.

The 2003–2008 programme responded to the country's transition and rehabilitation needs, assisted in institutional and individual capacity-building and promoted upstream policy development. The programme had two main thematic components: governance, and community development and rehabilitation (see Box 2 for programme outcomes). Capacity development has been the strategic focus of programme interventions.

Given the newly established public sector in Timor-Leste in 2003 and the human resource gaps resulting from the departure of the United Nations Transitional Administration, the UNDP programme responded to the critical need to support the Timor-Leste public administration in its efforts to function effectively while developing the necessary capacities to ensure long-term institutional sustainability. The UNDP governance programme included projects aimed at enhancing public-sector efficiency and accountability. This included strengthening institutional capacities of key government institutions, such as the parliament, the Public Service Commission, the Electoral Commission, the Office of the Inspector General, and the judicial and human rights systems. Most UNDP interventions have carried over into the ongoing country programme.

---

54 Approved for 2000–2002 by the UNDP Executive Board (decision 2000/2).

UNDP efforts were aimed at facilitating integration of human and income poverty into national policy frameworks, and at monitoring the implementation of public-sector policies and programmes. The programme framework also included community mobilization, capacity-building for civil society organizations, building technical skills in specialized areas, such as gender sensitization, and awareness and prevention of HIV and AIDS. Considering the post-conflict situation, poverty reduction initiatives were largely in the form of demonstration projects to be directly implemented by the UN peace missions in place since 2001.

Interventions under the governance programme built national capacities to participate in regional cooperation and the global development dialogue. The programme supported government efforts in regional and global partnerships, particularly within Asia-Pacific Economic Cooperation and the Association of South-East Asian Nations. UNDP also provided policy advice and technical assistance (which involved the best use of the Technical Cooperation among Developing Countries Modality) in order to inform decision-making, build institutional and technical capacities for effective regional cooperation, and enhance negotiating power.

In the area of community development and rehabilitation, the UNDP programme supported recovery processes by promoting community-led development approaches and the restoration of basic services, and by supporting policies to ensure environmentally sustainable development. The country programme also placed emphasis on longer-term sustainability of poverty reduction and sustainable livelihoods initiatives through greater community participation and empowerment, including income generation targeted at vulnerable groups, such as unemployed youth and women.

The rehabilitation initiatives of essential infrastructure—such as ports, water supply and irrigation systems—aimed to provide better access to basic services, income generation, employment and education opportunities, and to promote long-term technical and financial sustainability based on enhanced local capacity and resources.

The country programme focused on women’s economic empowerment in order to further gender equality and women’s empowerment. Some initiatives comprised training on gender-sensitive budgeting and civic education in order to ensure women’s groups’ access to project services. The programme intended to mainstream a gender dimension in all projects. In the area of

**Box 2. UNDP Country Programme Outline, 2003-2008: Key Outcomes**

**Governance**

- 1.1. Improved efficiency, accountability and transparency in the civil service through national ownership and leadership.
- 1.2. Fair and efficient administration of justice.
- 1.3. Increased effectiveness of parliament to perform its legislative, oversight and representative functions.
- 1.4. Improved conformity of the legal, institutional and electoral framework with international standards.
- 1.5. Policy and planning framework of the country incorporates a comprehensive approach to, and specific targets for, reduction of human and income poverty.
- 1.6. Enhanced capacities of government and non-government institutions to promote regional cooperation in priority and strategic development areas.

**Community development and rehabilitation**

- 2.1. Increased sustainable livelihood opportunities in communities.
- 2.2. Comprehensive approach to environmentally sustainable development integrated in national development planning.

HIV and AIDS, UNDP, in collaboration with the Ministry of Health, supported preparation of a national strategic work plan and resource mobilization strategy.

### 3.2 UNDP COUNTRY PROGRAMME 2009–2013

Given the context of post-crisis state-building and establishing peace and security, the country programme document for 2009 to 2013 approved by the UNDP Executive Board and the country programme action plan (a joint partnership framework with the Government of the Democratic Republic of Timor-Leste for the same period) aimed to align their objectives with the national vision statement on ‘consolidating peace and stability in Timor-Leste’. The country programme was also in alignment with the related United Nations Development Assistance Framework outcomes: democratization and social cohesion, and poverty reduction and sustainable livelihoods.

The emphasis of the 2009–2013 country programme is on sustainable long-term development and governance as a means for peace, stability and security in the country (see Box 3 for planned outcomes). Areas of support include poverty reduction, environment and sustainable development; democratic governance; and crisis prevention and

recovery (discussed in further detail in Section 3.3). Continuing the programme support of the previous country programme in key areas, the ongoing country programme aims at strengthening the institutions of democratic governance, promoting community-based poverty reduction and livelihoods (with a special focus on youth and women), promoting peace and stability, and providing policy support to national institutions. The programme aims to mainstream environmental sustainability and disaster risk reduction in development policies and programmes. Promoting gender equality has been identified as a cross-cutting issue. The programme also aims for greater collaboration between UN agencies and UNMIT.

### 3.3 KEY AREAS OF SUPPORT

This section discusses UNDP’s key programme interventions from 2003 to 2013.

#### DEMOCRATIC GOVERNANCE

In the area of democratic governance, UNDP supported developing appropriate legal and institutional framework and systems, and building new state institutions for a more efficient, transparent, accountable and responsive governance. The programme also fulfilled the Security Council mandate of the various UN

#### Box 3. UNDP Country Programme Action Plan 2009 - 2013: Key Outcomes

- Outcome 1:** State institutions strengthened through interventions aimed at building institutional capacity in planning, efficiency, accountability and transparency.
- Outcome 2:** Increase in social cohesion and citizen participation.
- Outcome 3:** Vulnerable groups have improved access to livelihoods.
- Outcome 4:** Capacities for community-based natural resources and energy management for sustainable poverty reduction strengthened.
- Outcome 5:** Capacities for human development and achieving the MDGs.
- Outcome 6:** Improved capacity of government institutions and communities for environmental resource management and implementation of adaption strategies.
- Outcome 7:** National capacities built for restoring the foundations for development following conflict or disaster with active participation of women and access to decision making.
- Outcome 8:** Basic foundations for post-crisis security, conflict analysis and resolution, and social cohesion strengthened.

missions—UNTAET, UNMISSET, the United Nations Office in Timor-Leste (UNOTIL) and UNMIT—in which democratic governance was an important component. UNDP assistance to governance issues covered strengthening the human and institutional capacities under all three pillars: legislature, executive and judiciary institutions. UNDP has built and strengthened all key state institutions so that they can better fulfil their constitutional mandates. These include the national parliament, the Civil Services Commission, electoral bodies (the Technical Secretariat for Electoral Administration and the National Electoral Commission) and the Provedoria for Human Rights and Justice.

Assistance to electoral processes included supporting conformity with international standards and strengthening electoral bodies' capacities; strengthening the parliament's legislative and oversight roles, and promoting women's greater political involvement. In local governance, activities have been piloting local government systems, building local government capacities and strengthening the capacities of civil society to participate in governance. Support to civil service reform intends to develop institutional and human capacities for reliable, transparent and accountable public service management. With technical support from the Office of the High Commissioner for Human Rights, UNDP strengthened the capacities of human rights institutions such as the Provedoria for Human Rights and Justice.

UNDP also supported another key area of governance, the justice system (with support to the judiciary, the prosecution and the justice ministry). UNDP had two justice sector programmes during the first country programme (2003–2008) to build justice system and strengthen its effectiveness, efficiency and accessibility in accordance with national strategies. Interventions concentrated on developing sector priorities, strategies and plans; fostering coordination across justice sector institutions (including the police); developing organic and other laws; and training legal professionals and support staff (e.g.

clerks, information technology staff). The ongoing justice sector programme (2009–2013) aims to strengthen the justice system's institutional capacity to uphold the rule of law and to improve access to justice for the poor and disadvantaged.

## **POVERTY REDUCTION, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT**

In the area of poverty reduction, environment and sustainable development, activities included support to macroeconomic policy issues (e.g. human development and MDG-based national development planning, tax reforms, effective and transparent use of the Petroleum Fund, microfinance polices, and energy and environment policies) and rural and urban employment creation that targets vulnerable groups (e.g. returning internally displaced persons, youth, women and food-vulnerable households). Poverty reduction efforts were supplemented by small but critical community-based infrastructure initiatives in order to enhance rural employment and to build appropriate community skills to maintain the infrastructure.

One of the key activities outlined in the programme is support to strengthening microfinance institutions and enhancing banking literacy in rural areas. This support made microfinance institutions more inclusive through the development of pro-poor products and services. The programme supported developing a coherent policy framework, sustainable outreach of financial services and a viable financial business support infrastructure—particularly for women entrepreneurs.

Environment and sustainable development has been a modest feature of UNDP programming, with an emphasis on integrating environmental concerns into government poverty reduction strategies and assisting the country to ratify international environmental conventions. Key areas of support have included developing national environmental and energy plans and policies, and strengthening capacities within the Ministry of Economy and Development and the Ministry of Agriculture and Fisheries. Access to energy for vulnerable and isolated communities was

promoted through an alternative and renewable energy pilot project. Little work on environmental issues had previously been carried out under UNTAET (with the exception of regulations banning logging and creating protected areas), hence the rudimentary baseline in terms of legislation, policy and capacity.

The ongoing country programme (2009–2013) has focused on developing capacity within government and communities for environmental management, emphasizing climate change adaptation and energy with links to disaster management issues (mostly with a development and livelihood focus on infrastructure and agriculture). UNDP has also maintained the focus on mainstreaming the environment into national development planning. Five projects have been implemented, with a further two projects focused on adaptation measures for small-scale infrastructure and alternative energy from biomass: these two had yet to begin implementation at the time of evaluation. Similarly, the Global Environment Facility Small Grants Programme to support community-based environmental and sustainable livelihood projects had yet to commence.

### **CRISIS PREVENTION AND RECOVERY**

The crisis prevention and recovery programme, after the 2006 crisis, primarily focused on the structural causes of conflict and on laying the foundations for early recovery and development. The programme specifically mentioned a close interface with other programme areas. Interventions were in three areas: support to the implementation of National Recovery Strategy, security sector and good governance programme, and support to disaster risk reduction.

Implementation support to the National Recovery Strategy for the reintegration of internally displaced persons addressed both the immediate causes of crisis and pre-existing community-level vulnerabilities. Such support also promoted access to justice as a tool for conflict prevention by identifying relevant information channels

and expanding the interface between traditional and formal justice systems. UNDP supported conflict-sensitive poverty-reduction strategies and local socio-economic development. There has been emphasis on women's roles in conflict mitigation, peacebuilding and social cohesion, to be harnessed in line with the UNDP eight-point Agenda on Gender Equality and Women's Empowerment in Crisis and Post-crisis Environments.

As part of the Security Sector and Good Governance programme, UNDP supported two projects in the security sector. The main objective of the two projects was to help develop national capacities to manage the security sector in a sustainable and comprehensive manner. These activities (and the current ones) contribute to fulfilling UN Security Council resolutions 1704 (2006), 1745 (2007), and 1802 (2008), which mandated UN assistance in a comprehensive review of the security sector, and Security Council resolutions 1867 (2009), 1912 (2010) and 1969 (2011), which mandated the UN to also assist the government with security sector reform. UNDP contributions to national capacity-building in the security sector and developing security expertise in society were quite limited, even though the projects supported national priorities.

In support of the government's National Policy on Disaster Risk Management, UNDP assisted in the development of a multi-hazard and multi-stakeholder framework for disaster risk reduction and management, and capacity development at national and community levels.

### **3.4 NON-PROGRAMME ACTIVITIES**

UNDP in Timor-Leste has played a central role, both within the United Nations system and in supporting the international community's responses. In addition to the regular UNDP role in supporting the coordination of the UN Country Team's activities, the UNDP Resident Representative has served as the Deputy Special Representative of the Secretary-General and has provided substantive and organizational support

to UNMIT, the government and the international community. UNDP has played an important role in several instruments that were used in this regard, which includes: Security Council resolutions; the Integrated Mission Planning Mechanism (consisting of the Integrated Mission Task Force, Integrated Mission Planning Process, and Secretary-General's Reports); Vision 2020 and the strategic development plan (to which UNDP contributed a pro-poor and human development perspective); and the United Nations Development Assistance Framework.

### 3.5 COUNTRY PROGRAMME STRUCTURE AND BUDGET

The 2003–2013 budget was \$138 million (\$78 million for 2004–2008 period and \$60 million for the ongoing programme). In the ongoing and previous country programmes, governance (which includes the justice programme) has been the largest component of the budget, followed by the poverty reduction portfolio (see Table 8).

Most projects spanned the two programme periods. There has, however, been a change in the pattern of allocation of funds in the two country

programmes (see Table 9). While the allocations for the governance programme and for crisis prevention and recovery have increased since the 2003–2008 programme, allocations for poverty reduction initiatives have been substantially reduced. Allocations for energy and environment-related initiatives have increased.

The evaluation team analysed programme budgets and actual delivery for both country programmes from 2004, when the UNDP finance system (ATLAS) became operational. The financial delivery performance for the programmes is presented in Tables 9 and 10.

The governance programme has been able to raise 79 percent of its funding targets for the present programme, which, under the overall pressure on development funding since the global crisis, is a good indicator of its relevance and performance. The implementation rate has been lower for the 2009–2011 period, which can be partly attributed to a number of decisions being deferred until after the 2012 elections and to the inability to adequately staff project units and counterpart institutions, which to an extent can be considered extraneous.

**Table 8. Country Programme Budget, 2004-2013 (US\$ Millions)**

	2004-2008	Percentage	2009-2013	Percentage
Crisis Prevention and Recovery	\$5,300,000	6.8	\$10,300,000	17.1
Democratic Governance	\$48,400,000	61.9	\$43,500,000	72.3
Poverty Reduction	\$23,500,000	30.1	\$4,400,000	7.3
Environment	\$960,000	1.2	\$2,000,000	3.3
Total	\$78,160,000	100	\$60,200,000	100

**Table 9. Financial Delivery (US\$ Millions except where noted)**

Financial delivery	Programme Indicative Resources	
	2004-2008	2009-2013
As per the country programme action plan	97	100
Revised budgets	115	71
Actual expenditure	82.6	46.1
Delivery rate	72%	76%

**Table 10. Financial Delivery Across Programme Areas (US\$ Millions except where noted)**

<b>Financial delivery across programme areas</b>	<b>Programme Indicative Resources</b>	
<b>Poverty and MDGs</b>	<b>2004–2008</b>	<b>2009–2013</b>
As per the country programme action plan	29.0	20.0
Revised budgets	47.0	8.10
Actual expenditure	30.0	4.6
Delivery rate	64%	70%
<b>Environment</b>	<b>2004–2008</b>	<b>2009–2013</b>
As per the country programme action plan	1.5	4.0
Revised budgets	1.6	2.3
Actual expenditure	1.1	1.2
Delivery rate	69%	63%
<b>Democratic Governance</b>	<b>2004–2008</b>	<b>2009–2013</b>
Country programme action plan	51.7	60.0
Revised budgets	58.1	47.4
Actual expenditure	45.0	32.6
Delivery rate	77%	70%
<b>Crisis Prevention &amp; Recovery</b>	<b>2004–2008</b>	<b>2009–2013</b>
As per the country programme action plan	15.0	15.0
Revised budgets	8.2	13.0
Actual expenditure	6.3	7.6
Delivery rate	77%	76%

Programme management has not been efficient in some areas. For example, the financial closure and implementation rates have been low for the current poverty reduction programme. Programme closure has been achieved for only \$8.1 million out of the initially planned \$20 million. The budgeted delivery for 2009–2011 was estimated at \$6.6 million, while actual delivery has been estimated at \$4.6 million (70 percent of the revised budgets, and only 23 percent of the original programme design). While some of the spending delays were beyond the control of UNDP, the delays were perceived as considerable in some areas (poverty and security sector programmes).

The reduced poverty programme size is largely due to the fact that most of the poverty reduction programmes during the period 2004–2008 pertained to recovery work, which during the current programme was moved to the crisis

prevention and recovery portfolio. In addition, UNDP had limitations in mobilizing resources for the poverty reduction programme.

Although the evaluation team did not systematically analyse programme cost-efficiency, it was evident from several discussions with programme partners that cost-efficiency of UNDP programmes should be improved. Cost-efficiency was particularly an issue in the recruitment of international staff. In the justice sector, for example, the Office of Prosecutor General brought down the salary scale when the international staff contracts were renewed, and most of the international advisers worked at the revised pay scale. More generally, UNDP programmes' perceived lack of cost effectiveness in the justice sector contributed to some donors scaling down funding, which negatively affected project management and long-term planning.<sup>55</sup>

55 See also, UNDP, 'Strengthening the Justice System in Timor-Leste Programme, Independent/External Mid-Term Evaluation Report', p. 12, 30.

The issue of high salary rates for international advisers working in Timor-Leste, hired by government and development partners, has been contentious. Letters of Agreement between UNDP and several national counterpart institutions emphasised the use of country systems and use of government contracts for international advisers on mutually agreed salary rates. The issue of high salaries of the international staff was also a subject of discussions on aid effectiveness in Timor-Leste, and not unique to UNDP programmes. While there were efforts to streamline salary scales, concrete understanding

with the government could not be achieved, as it involved harmonizing rates across government institutions and among development agencies. In the absence of streamlined salary rates by the government, UNDP followed international staff salary rates that are globally established or that were established by individual Timorese institutions.

Chapter 4 analyses UNDP contributions to development results in the areas of poverty reduction, energy and environment, governance and rule of law, and crisis prevention and recovery.



## Chapter 4

# UNDP'S CONTRIBUTION TO DEVELOPMENT RESULTS

This chapter presents the main evaluation findings on the contribution of the UNDP country programmes to furthering the development goals of Timor-Leste. The findings should be seen in the larger context of peacebuilding and state-building in Timor-Leste, of newly building state institutions while simultaneously consolidating peace. The chapter is structured in three sections:

- Section one discusses **governance and strengthening national institutions**, where UNDP provided support to building and strengthening national systems and capacities, particularly to the national parliament, the electoral system, civil services, Provedoria for Human Rights and Justice, local governance and the justice sector.
- Section two examines UNDP contribution to **poverty reduction and environment** in the areas of support to pro-poor planning and policy, restoration of livelihoods, community development and sustainable livelihoods, and energy and environment management.
- The third section on **crisis prevention and recovery** analyses UNDP support to responding to crisis, including social reintegration and cohesion/peacebuilding, security sector review and disaster risk management.

### 4.1 GOVERNANCE: STRENGTHENING NATIONAL INSTITUTIONS

**The UNDP governance programme has been coherent and well-strategized and has addressed needs across the range of Timor-Leste's national institutions (legislative, judicial and executive). The design of both country programmes reveals a consistent and logically sequenced portfolio of activities, successively building on earlier projects. UNDP has established continued**

**engagement with parliamentary institutions, the judiciary and civil services, including district administration, through the provision of professional expertise under various projects. UNDP support contributes to the United Nations Integrated Mission in Timor-Leste (UNMIT) priorities in the area of governance.**

Effective partnerships with counterpart institutions, continued engagement with beneficiary institutions spanning two programme cycles and a high degree of national ownership of the interventions contributed to the outcomes. Interviews with government representatives point to important contributions in the areas of electoral cycle support, the justice sector, local governance and setting up the Provedoria for Human Rights and Justice and the Civil Service Commission. Strong synergies with UNMIT have maximized UNDP contributions in areas such as support to elections, and there have been several illustrations of field-level cooperation, including resource-sharing and joint implementation. The presence and involvement of UNMIT in all the key governance institutions has provided UNDP with significant entry points and the convening power to implement its programmes efficiently.

UNDP engagement lacked strategic focus in the latter phase in civil services support, particularly in the current programme cycle. Reduced donor support for Timor-Leste and an increasing trend of donors providing assistance directly to the government may impact UNDP's ability to raise resources for governance support. Therefore, UNDP's interventions will need to demonstrate both a clear strategic intent in addressing key governance priorities and value-for-money in an increasingly competitive environment for the provision of technical support/services. There have been efforts to streamline

support to the secretariat of the parliament to further build capacities and systems of the parliamentary administration.

The remainder of Section 4.1 discusses UNDP contributions by key area of governance support, including:

- National parliament;
- Electoral support;
- Strengthening civil services;
- Provedoria for Human Rights and Justice;
- Local governance; and
- Justice sector.

### NATIONAL PARLIAMENT

Post-independence, the key challenges for the national parliament and its secretariat have been to develop adequate institutional and administrative frameworks and capacities to perform a range of conventional functions, such as law making, budget analysis and oversight. Building human resources has been a critical issue in facilitating the functioning of the parliament. The government has made significant efforts to build institutional and human capacities, particularly to reduce its considerable dependence on international technocrats. Several donors (Australia, Brazil, Italy, Norway, Portugal, Sweden and the

United States) and UNDP have been supporting government efforts to this end. UNDP has been providing technical assistance to the national parliament for nearly 10 years, facilitating the requirements of legislators, standing committees and the parliament secretariat.<sup>56</sup> UNDP is the leading agency providing support in this area. See Table 11 for the various projects in support to strengthening parliamentary democracy.

**UNDP support to strengthening parliamentary institutions has been important. While the UN’s perceived neutrality was a factor favouring more substantive engagement of UNDP in this area, UNDP was largely perceived to be more suited to engage in this area, given its organizational expertise and experience and the lessons it can bring from other post-conflict contexts. The organizational standing of UNDP within the UN also enabled UNDP to secure funding for multiple phases of support to the parliament.**

UNDP support to strengthening parliamentary institutions was significant in size and scope and has involved long-term engagement (since 2003, to continue through 2014). UNDP mobilized \$31 million for 2003–2013, about 50 percent of which has been used to hire staff for the national parliament and its secretariat. This support is in line with the national priority to strengthen key national institutions and the UN and UNMIT’s mandate to support state-building

**Table 11. Support to Strengthening Parliamentary Democracy**

Project Title	Duration	Expenditure (US\$)	Contributing Partners
Strengthening Parliamentary Democracy Phase 1	2003–2005	1,601,182	UNDP, UNMIT, Democratic Governance Thematic Trust Fund (Italy)
Strengthening Parliamentary Democracy Phase 2: institutional capacity of parliamentary structures, systems and processes	2006–2009	7,672,538	UNDP, UNMIT, Australia, Norway, Sweden, Italy
Strengthening Parliamentary Democracy Phase 3: Parliamentary structures, systems and processes	2010–2013	10,700,000	UNDP, UNMIT, Australia, Norway, Sweden, Italy
Strengthening Institutional Capacity of the National Parliament in Timor-Leste	2011–2015	5,772,000	UNDP, European Union

<sup>56</sup> Australia, Norway and Sweden are the primary donors to the UNDP programme.

priorities. UNDP has followed a phased approach. Initially, it supported creating essential systems and processes needed for the functioning of the parliament, particularly administrative capacities. Subsequently, UNDP helped develop national capacities in key areas, such as legislation drafting, advice to parliamentarians in exercising oversight functions, communications and outreach for democratic participation, and gender mainstreaming.

Two evaluations of the Parliament Support Programme indicated progress in developing capacities for oversight of the parliament's functioning and increased gender mainstreaming in representation, as evidenced by the active involvement of women parliamentarians in legislation processes and mechanisms.<sup>57</sup> There were challenges in recruiting and training sufficient human resources with legal expertise, including drafting and language skills; augmenting staffing and skills in the parliament secretariat; facilitating greater engagement by parliamentarians with civil society; and fostering civic education about the passing of legislations in parliament. Both evaluations recognized the context and weak baselines inherited by the project and the challenges in building legal capacities along with language skills, which manifest over long time-frames. Notwithstanding the large and growing needs of parliament's capacity development, the evaluations also noted a need for UNDP to prioritize areas for greater depth in interventions than spreading resources thinly.

**UNDP successfully enabled the parliament to perform its legislative, oversight and representative functions. The technical and advisory services UNDP provided were critical in filling capacity gaps in the functioning of the parliament. The legal and technical support provided by UNDP was important in enabling the functioning of the members of parliament, the parliamentary standing committees and the Office of the President. Similar support to members of**

**parliament in exercising their oversight function has contributed to ensuring accountability in government.**

Through a team of international advisers, UNDP facilitated drafting legislation and providing legal advice to elected representatives and standing committees; set up administrative systems and processes for the secretariat's operations; and supported outreach and communication of parliamentary activities to the public. UNDP also assisted in preparing the National Parliament Institutional Plan and enabled setting up a Parliament Modernization Committee to oversee the parliamentary support project and coordinate donor support.

An important outcome is that there has been a sharp reduction in the number of parliament resolutions that are valid for a limited time period, and a corresponding increase in the number of laws passed with due process and debate on the floor of the parliament. This finding is also confirmed by UNMIT's monitoring reports from 2009 to 2011<sup>58</sup> (see Table 12). The quality of debates on legislations is perceived to have improved remarkably since 2007. The fact that there has been floor discussion and bills have been passed by house majority is a significant achievement in the parliament's functioning. Different groups of stakeholders, including government representatives, considered this to be a major accomplishment of the governance programme. While the passing of laws and resolutions cannot be attributed entirely to the advisory and technical staff support, many agencies considered such support significant for a robust functioning of the parliament.

There was considerable acknowledgement of the improvement in parliamentary accountability by government stakeholders working in this area. One of the examples cited by government

57 There have been two evaluations of the Parliament Support Programme: one conducted in 2008 by NORAD (also a donor to the programme), and the second conducted in 2009 by UNDP. See Johnston, N., and A. Stanislaus, 'Mid Term Evaluation of Parliamentary Democracy Project Timor-Leste—2008', September 2008; and Patterson, J., T. Pilipataya and S. Gopalan, 'Parliament Project Evaluation and Reformulation Report', August 2009.

58 UNMIT Monitoring Reports for 2008, 2009, 2010, 2011.

<b>Table 12. Laws Passed from 2009-2011</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Promulgated by the President</b>			
Decree Law	22	29	35
Law	17	10	9
Presidential Decree	24	58	69
National Priorities Resolution	25	4	0
Total	88	101	113
<b>Approved by the National Parliament</b>			
Law	19	10	23
National Parliament Resolution	38	26	14
Other approvals	N/A	8	10
Total	57	44	47
<b>Approved by the Council of Ministers</b>			
Decree Law	28	43	59
Proposal of Law	14	16	8
Proposal of Resolution	4	5	2
Government Decree	7	6	9
Government Resolution	21	47	29
Other Approvals	N/A	8	16
Total	74	125	123

representatives was the parliament holding government accountable in the electricity sector and the power outage cases. As a result of the debate, the parliament approved a resolution to conduct an external independent audit of the electricity sector. Such support was also associated with managing political sensitivities, as support to the oversight function of the members of parliament may inadvertently lead to the support of positions that are advocated by individual members and not by the officially designated committees.

There were areas where the outcome of the advisory support was significant. For example, in 2010, more than 20 public hearings were conducted on important laws, such as the Civil Code, the Labour Code, the Private Bill and the Organic Law establishing the Central Bank of Timor-Leste. Another example is the technical support provided to the Standing Committee on Economy and Finance in national budget analysis, and to members of parliament in the

revision and analysis of budget execution reports. In 2010, the parliament debated the State General Accounts for the first time, in accordance with the Constitution and relevant Standing Orders; the state budget was analysed and discussed in a month-long process involving all parliamentary standing committees, the Committee on Economy and Finance in particular.

**Given the nascent stage of national institutions, developing adequate capacities of parliamentary institutions requires consistent, long-term efforts. UNDP support has been important to building the capacities of parliamentary institutions.**

Developing national staff capacities and having an adequate pool of national economists and legal drafters is a key indicator of outcomes' sustainability. There is considerable national ownership of parliament support initiatives, evident in increased budgetary allocations for parliament secretariat staff positions, resulting in an increase from 34 to more than 102 staff. The creation of the Human Capital Development Fund from the Petroleum Fund is expected to ensure that adequate resources are available for staff positions of the entire public administration, including the parliament secretariat's requirements to meet the goals of its Strategic Plan 2010–2014.

While mechanisms have been devised to finance human resource costs through national funds, the government is aware that there is a long way to go before achieving the technical capacities required for independently carrying out all functions. The major needs in this area are to substantially enhance the national legal training capacities piloted by the parliament project and to develop an adequate national cadre of legal professionals. This cannot be done through UNDP programmes alone. A few other parallel approaches may have served the needs better.

**Notwithstanding the enormous challenges in creating adequate human resource capacities in a number of specialist areas (e.g. legal, economic and financial analysis, parliamentary**

**procedures), UNDP support lacked a clear strategy for building a cadre of trained personnel.**

The parliament project intended that international advisers would train the national staff and help them take over the functions gradually. This was, however, not possible in practice. Given the legislators' enormous demands and the fact that national legal capacities were still emerging, there was significant direct assistance by international experts in drafting legislations based on requests from proposing legislators. Periodic demand for urgent, short-term advisory services outside the agreed work plan added to the work pressures of the international staff, and often this was considerable, given the shortage of staff and capacities in the secretariat. The short tenure of experts and recruitment delays led to lack of mentoring of the national staff. The activities of the international advisers were more focused on providing routine line services, and mentoring of national staff did not receive adequate attention. Recruiting suitable national staff was also a challenge, given the rather narrow base of trained legal human resources in Timor-Leste. This has also been a challenge in the justice sector and in civil services.

For sustainable human resource capacity development, a deliberate strategy was needed to transfer skills and expertise. This was not evident in UNDP programme design or practice. Considerable disparities in the remuneration of national civil servants and international staff and national advisors contributed to lack of motivation among the national civil servants. Although not widespread, there was also a perception among the national staff that international staff found it self-serving to provide services themselves rather than mentor national staff to take over functions. These factors contributed to creating a suboptimal environment for enhancing national human resource capacities. Further, given the increasing demand for assistance that could not be met by UNDP support alone, *ad hoc* requests for funding staff

positions were made to donors by the government, contributing a lack of a more systematic approach to developing human resource capacities.<sup>59</sup>

Efforts towards capacity development of national legal drafters were not sustained. There was no scaling up the Legal Drafters Training Programme and no mainstreaming of such training into the legal education curriculum at universities or Legal Training Centres. No higher-level training programmes were developed to upgrade the skills of the drafters recruited in the project. It is unrealistic to expect national capacities to develop from basics in such a short time, with the added complication of the need for the legal professionals to learn Portuguese (the legal language of the country). Legal and language training are expected to augment the national human resource base, enabling local experts to assume the role currently being performed by international experts. The outcomes in this area have been modest.

**Gender-related issues received attention in the capacity development of various parliamentary institutions. An enabling political environment in Timor-Leste strongly favouring gender equality and empowerment of women has been a contributing factor.**

Women play a significant role in the decision-making structures of the national parliament. Nineteen of Timor-Leste's 65 parliamentarians are women. One of the two Deputy Presidents and one of the Secretary positions of the parliament are currently held by women members. Also, women are in senior positions in seven of the parliament's nine standing committees: two Chairs, three Deputy Chairs and two Secretaries. UNDP, along with UNICEF and UN Women, supported the creation of a Women's Parliamentary Group (Grupo Parlamentar Mulheres), and establishing a Gender Resource Centre to integrate the gender perspective into the parliament's agenda.

<sup>59</sup> The parliament secretariat has also been able to secure additional resources from other sources, such as Australia, Brazil, Portugal and the United States, to cover areas that are outside UNDP's scope. Parliament's library, the VSAT connection to the US Library of Congress and the funding for staff exchange programmes and international legislator exposure visits to the Community of Portuguese Language Countries are illustrations of other donor-funded projects.

The relevance of the Gender Resource Centre's support was greater at a time when the Women's Parliamentary Group needed additional resources to further gender equity in parliamentary debates. The centre enabled discussions on gender issues and assisted in preparing the gender strategy for the Parliament's Committee on Poverty Reduction, Rural and Regional Development and Gender Equality; provided research inputs to the President and members of the Women's Parliamentary Group; furthered awareness about gender mainstreaming and gender-responsive budgeting among members of the parliament; and facilitated the adoption of international best practices through study visits to other national parliaments. The centre also facilitated the dissemination of information on important laws and gender rights (for example, the Law against Domestic Violence and a national conference on reproductive health).

However, the continued relevance and role of the Gender Resource Centre has been questionable, particularly in light of the increasingly active role of Women's Parliamentary Group, which is a statutory entity funded from the parliament's budget. Discussions with the representatives of the parliament secretariat indicate that the Women's Parliamentary Group has become a strong and effective organization and wields considerable influence on the work of the parliament committees. The Women's Parliamentary Group has been particularly visible in raising gender equality issues in parliament and has implemented activities at the national, district and village levels.

Discussions indicate that the gender division within the research division of the parliament secretariat will provide all future research on gender matters, and the expenses of the research division will be borne by the state budget for the parliament. At the time of the evaluation, the Gender Resource Centre seemed unlikely to continue beyond the project period, as neither the parliament nor the Women's Parliamentary

Group was keen on supporting the centre's activities. Instead, the centre may be absorbed into the gender division created in the research division of the parliament secretariat, which is expected to provide the gender analysis required for parliamentary debates. The gender centre served the purpose for which it was set up, and fulfilled the need for additional support for gender analysis.

## ELECTORAL SUPPORT

Timor-Leste's first elections were in August 2001, to elect a Constituent Assembly, whose first task was to enact the Constitution and formalize the legislative assembly. The first presidential elections were held in 2002. This was followed by *suco* elections in 2004, which legitimized pre-existing local leadership structures and authorities. These initial national- and village-level elections of the new democratic state were largely directly under the operational responsibility of UN missions (UNTAET in 2001–2002 and UNOTIL in 2004), given the absence of national legal and institutional frameworks, as well as the lack of human resource capacities in Timor-Leste to carry out these important functions independently.

Two permanent electoral management bodies were established by the legislature between 2002 and 2004. STAE, the Technical Secretariat for Electoral Administration under the Ministry of State Administration, was established to organize and to carry out electoral processes as well as to consult and to provide support in electoral matters for all elections and referenda. The National Electoral Commission (CNE) is a constitutional, independent organ set up to supervise electoral registration and elections regulation. It is a permanent body with its own permanent secretariat.<sup>60</sup>

The role of UN missions in providing electoral support to Timor-Leste has evolved since 2002, beginning with the operational responsibility of conducting presidential and parliamentary elec-

---

60 CNE's 15 members include: three appointed by the President of the Republic, three elected by the national parliament, three appointed by the government, one judge, one prosecutor, one public defender and three representatives of the civil society.

tions in 2002, to providing logistics and operations support for the *suco* elections in 2004 under the UNOTIL mission. This was followed by UNMIT support to supervise, organize, administer and ensure that the 2007 elections were conducted in a free, fair and transparent manner, with due respect to the need to establish an independent mechanism and reflecting general consensus within Timor-Leste regarding the appropriate modalities for electoral processes.<sup>61</sup> This approach represented a shift in orientation from managing a set of discrete activities to supporting the election process as a continuum of three phases—the pre-election, the conduct of the election and the post-election—in strengthening institutional capacities.

Apart from providing technical assistance to the electoral cycle, UNMIT also engaged an impartial, independent certification team to certify that all phases of the electoral process were in accordance with appropriate standards and accepted electoral practices. These included a certification of the legal framework, electoral authorities, voter registration, party and candidate registrations, campaign period, polling day activities, ballot tabulation and adjudication of challenges. The reports on these aspects in the 2007 elections were used to formulate activities for the present electoral cycle support programme.

After 2007, the focus of UN support shifted to strengthening national institutions—STAE and CNE—and the programme followed an electoral cycle approach. UN support to electoral processes included several activities: advisory services, technical and staff support to electoral management bodies, provision of electoral materials and hardware, voter registration and the issue of cards, civic and voter education, media, and facilitating international and domestic observers. Given the comprehensive nature of electoral support, programme staff included more than 125 UN staff and volunteers. UNDP supported elections and electoral process in collaboration with UNMIT (see Table 13).

**UNDP contributions have been significant in establishing state institutions for conducting free and fair elections. By 2012, STAE and CNE capacities had been sufficiently strengthened to independently conduct credible and transparent elections, and political parties were participating more effectively in electoral processes.**

**Because of its long-term engagement in the country, UNDP was uniquely positioned to support the conduct of elections and electoral process. The neutrality of UNDP and its organizational expertise in the area was widely acknowledged by the government and other stakeholders.**

**Table 13. Support to Elections and Strengthening Electoral Process**

Project Title	Duration	Expenditure (US\$)	Funding Agencies
Constituency elections	2001–2002	917,509	UNDP, UNMIT, European Union (EU)
Preparatory assistance for supporting <i>suco</i> elections	2003–2004	40,000	UNDP, UNMIT
Electoral cycle project	2007–2008	5,995,361	UNDP, UNMIT, EU, Ireland, Australia, Japan, Portugal, Democratic Governance Thematic Trust Fund (UNDP- DGTTF)
Electoral cycle project (Revised)	2008–2012	3,168,529	UNDP, UNMIT, EU, Ireland, AusAID, Japan, Sweden, Norway

61 United Nations, Security Council resolution S/RES/1704 – Reports of the Secretary-General on Sudan, 2006, paragraph 9. UNMIT provided support in logistics and security. Through the Electoral Assistance Section, UNMIT provided advice in electoral management and support to STAE headquarters and district offices, with UN technical advisers in Dili and nearly 200 UN Volunteers deployed throughout the country as district electoral advisers. UNMIT also provided advice and support to CNE in Dili, and there were 39 UN Volunteers deployed as district monitoring advisers to assist CNE’s staff around the country. Additionally, 10 electoral advisers were also provided under the UNMIT Democratic Governance Support Unit.

UNDP Timor-Leste adopted an organizational approach for electoral assistance and provided phased support to strengthening electoral systems. In the first phase, UNDP supported the conduct of elections. In the second phase, it assisted in strengthening the entire electoral process. This approach effectively promoted sustainable and credible electoral systems and institutions.

The legal and institutional framework for electoral management bodies has been firmly established in line with constitutional provisions, and the current full cycle of electoral support has seen the hands-on planning and administration of the electoral cycle by national institutions, with UNDP providing technical support. The electoral support programme is expected to end, from a technical assistance perspective, with the 2012 elections. The Joint Transition Plan document<sup>62</sup>, which specifies the disengagement plan of UNMIT from Timor-Leste and a handover of institutions, indicates handing over all election management functions to STAE and CNE, although some international assistance is still foreseen for training CNE staff.

The process of voter registration and verification is now managed entirely by STAE. Planning materials, setting up polling infrastructure and other operational activities is substantially under STAE, with the support of programme staff, largely UN Volunteers recruited for the UN Electoral Support Team and attached to the head office and field offices of STAE and CNE.

To a large extent, the transfer of capacities for electoral support interventions (although mostly for STAE) is reflected in the progressive reduction in the staffing, technical expertise and financial resources provided by UN institutions. UN staff strength has been reduced significantly, from more than 400 election staff (many of them UN Volunteers) in 2002 to around 160 in 2012, and a large number of volunteers will end their contracts as electoral advisers in July 2012, after

the elections. However, it is not clear whether future election cycles will see STAE recruiting similar levels of short-term resources.

ADR field visits provided insights into the preparations for the upcoming 2012 elections. Meetings with STAE, UNMIT and UNDP programme staff in Baucau indicated that STAE is adequately prepared for managing elections. The government and the donors consulted by the ADR team in Dili expressed a high level of satisfaction with UNDP support and the efficient execution of activities. The appreciation particularly takes note of the hands-on support in training election staff, logistical support including all-terrain vehicles and helicopter services, and equipment and hardware support in the previous phases of the programme. Specific mention was also made of the excellent coordination between UNMIT and UNDP staff at the implementation level.

UNDP provided support to parties through district resource centres; capacity development in areas of institutional organization; inter-election functions and civic education; and round-table discussions, workshops and thematic presentations at the district and possibly sub-district levels. The usefulness of the district resource centres for conducting voter training as well as administration/observation of voting booths was evident during the ADR team's visits to Baucau and Ermera. The district resource centres were particularly useful for the small, unrecognized parties that do not have the qualifying strength (representative seats/candidates fielded in previous elections) to receive grants from the government for electoral preparations.

STAE and other stakeholders differed in their views regarding UNDP support to smaller political parties through the district resource centres. STAE, for example, considered that national budgets provide grant support to all political parties that have attained a basic threshold of representation and presence. The eligibility criteria for such

---

62 Government of the Democratic Republic of Timor-Leste and UNMIT, 'Joint Transition Plan: Preparing a New Partnership in a Peaceful and Stable Timor-Leste', 19 September 2011.



grants are official and transparent and need to be respected as the policy of an elected government. Therefore, STAE disapproved of the support to non-eligible actors through parallel channels. In contrast, new political parties felt that alternative channels were necessary given their training and capacity development needs, which remain unaddressed by the official grants mechanisms.

**Notwithstanding the successes, some challenges remain to be addressed. Voter education, election monitoring infrastructure and the enforcement powers of CNE in the conduct of elections remain areas for further improvement and hold the key to transparency and accountability.**

Voter education, a key element of the electoral cycle, has had setbacks in the districts, due to shortage of staff and logistics resources. In some instances, the UN Electoral Support Team largely leads this task instead of merely facilitating it. However, because CNE officials were on election visits during the time of the evaluation field visits, it was not possible to hear their views on limited role of CNE in voter education. Sustaining the results of the electoral support programme depends on the civic engagement and education components of electoral processes, as well as on providing budgetary resources for electoral cycle activities.

Though it is the independent oversight body for election monitoring, the CNE has limited and ambiguous enforcement powers in case of violations of the election code of conduct. The actions taken for actual or perceived election violations (for example, party flags on public buildings) became a subject of contention in election campaigns.

Adequate budgets for election infrastructure and logistics are necessary for the satisfactory management of elections and ensuring voter participation. At present, there is a heavy dependence on UN logistics support to carry out pre-election and election duties, particularly in remote areas. The evaluation team observed that UN Volunteers actually

drove CNE officials to remote locations to inspect preparations and also to conduct voter awareness events. While this is necessary to ensure the satisfactory and fair conduct of elections, the inadequate budgetary support for election infrastructure highlights a weakness of CNE in discharging its mandated functions.

For the next round of elections, the requisite human resources should be institutionalized to substitute for the huge cadre of UN Volunteers who are supporting the present cycle. The capacities of public service institutions will need to be developed in order to handle election duties at the same levels of efficiency and knowledge. Meanwhile, the district resource centres will need to look at alternative means for sustaining their activities beyond the UN programme.

At the sub-district level, the capacities of CNE's full-time staff to plan and deliver voter education, awareness-raising and reporting or enforcing election code violations remain insufficient. Programme staff involved in capacity development of electoral institutions conceded that national field staff lacks sufficient understanding of its mandate and does not have well-formulated work plans or internal monitoring mechanisms.

**The electoral support programme in Timor-Leste stands out as a unique best practice within the context of an integrated mission.**

The Timor-Leste electoral support programme is a good example not only because of its success in strengthening national institutions in a short period of time, but also because of the partnerships that were developed to achieve this goal. The ADR found that UNDP effectiveness in promoting sustainable and credible electoral systems and institutions was further enhanced because of the integrated support it provided with UNMIT. All stakeholders expressed appreciation of the joint work.

Despite a few distinctions between UNMIT's mandate with respect to electoral assistance and that of UNDP, there is considerable space for

joint work. UNDP's programme support, as articulated in the projects for 2007–2008 and subsequent phases, focuses on technical assistance to electoral management bodies (both STAE and CNE), support to political parties and civil society organizations, and donor coordination. Nevertheless, the electoral support programme was a demonstration of the complete integration of UNMIT and UNDP operations, field personnel, project management and reporting arrangements. The combined resources of both units were merged into a UN Electoral Support Team, under a UNDP Chief Technical Advisor, who reports through the UNDP Country Director and UNMIT Democratic Governance Support Unit Chief on all activities in line with their respective mandates. Following the UN principle of 'Delivering as One', the support to elections was efficient, flexible and result-oriented.

While the government acknowledged the support of UNMIT, the government's engagement with UNDP was often seen as more reassuring than with UNMIT, which has a Security Council mandate. The joint UN team therefore built on each agency's strengths to maximize results. Unlike in the security sector, UNDP participated in this partnership based on the strength of its technical expertise in the area.

### **STRENGTHENING CIVIL SERVICES**

Timor-Leste's Constitution envisions a public administration that aims at meeting the public interest, and is structured to prevent excessive bureaucracy, provide more accessible services and ensure the contribution of individuals interested in efficient management.<sup>63</sup> The task has been enormous, and Timor-Leste has had to formulate and build anew the civil service system, as the civil service structures largely remained with Indonesia after independence. Therefore, the national development plans laid specific emphasis on improving capacities and performance of civil servants (training, planning, revenue and expenditure management, performance

management, information systems, and oversight for transparency and accountability). Two institutions are responsible for developing Timor-Leste's public administration capacities: the Civil Services Commission (CSC) and the National Institute of Public Administration. UNDP support through various projects aimed at strengthening civil services is presented in Table 14.

Set up in 2009, CSC is the country's public administration resource repository. Its charter, as indicated in its strategic plan, is to lead civil service management and performance, improve the employment management framework of the civil service, develop and sustain the capacity of civil servants, and build its own capability. In order to meet the growing staffing needs of Timor-Leste's public administration services, the CSC role involves recruitment, orientation, appraisals, on-the-job training, skills development and career/succession planning. Presently, CSC has a staff strength of 60, of which 15 members perform management and administrative tasks (and the remainder serve line functions).

Building a viable public administration in Timor-Leste was one of the most challenging tasks for the UN peacekeeping mandate in 2000. Thus, the focuses under UNTAET were: to prepare the ground for transition to a new administration; to develop essential capacities for a functioning public administration to deliver public services; and to acquire management, administrative and technical skills at all basic institutions of government. UNDP and other agencies supported the government in setting up structures, rules and systems. This entailed developing parameters for the wage bill, devising a salary scale, determining the numbers and types of civil servants and their functions and structures, and anticipating the emergence of a national civil services cadre.

In 2000, UNTAET supported establishing and administering the Civil Service Training Academy, in order to train a core of civil servants. Later, in 2002, after the formation of an elected

---

63 Section 137 of the Constitution of Timor-Leste.

**Table 14. Support to Strengthening Civil Services**

Project Title	Duration	Expenditure (US\$)	Funding agencies
Support to Development Posts Phase 1	2002–2003	10,994,000	Australian Agency for International Development (AusAID), Finland, Canadian International Development Agency (CIDA), European Union (EU), Ireland, Norway, Sweden, United Kingdom, United States of America, UNDP
Support to Development Posts Phase II	2003–2005	10,994,000	AusAID, Finland, CIDA, EU, Ireland, Norway, Sweden, United Kingdom, United States of America, UNDP
Institutional Capacity Development Support	2005–2006	6,341,625	AusAID, Finland, CIDA, EU, Ireland, Norway, Sweden, United Kingdom, United States of America, UNDP
Support to Civil Service of Timor-Leste 2006-2007 and was revised to a new Civil Service Reform Project 2008-2012	2008–2012	3,168,529	UNDP, UNMIT, EU, Ireland, AusAID, Japan, Sweden, Norway
Human Resource Management in Civil Service	2006–2007	418,872	UNDP, Ireland
Transitional Advisory Support Services 2007–2008	2007–2008	3,510,787	AusAID, Finland, CIDA, EU, Ireland, Norway, Sweden, United Kingdom, United States of America, UNDP
Support to Civil Service Reform	2008–2012	3,472,489	UNDP, Ireland

government and ratification of the Constitution, the academy was renamed the National Institute of Public Administration. The National Institute of Public Administration is the public administration training and development agency for all the cadres covered under the Public Services Act.

**Institutional arrangements and the authority of institutions for an effective civil service are evolving. The enabling legal and regulatory frameworks for the institutions are in place, and over time territorial issues around the primacy of CSC on matters relating to public administration, human resources development and performance assessments are likely to get resolved.**

**UNDP has remained involved continuously and provided substantial support to the evolution of civil services in Timor-Leste. The UNDP programme evolved from providing human resources-oriented support (until 2004) to institutional strengthening. There has been increased national ownership of civil service reforms and capacity development initiatives, and subsequent allocation of government resources to meet staffing expenditures.**

UNDP's continuous engagement has helped to develop and strengthen Timor-Leste's civil service, which has been newly developed, with more than 26,500 civil servants, covering all the institutions, including security—both military and police forces. Assessed against the outcome of improvement in institutional capacities in planning, efficiency, accountability and transparency, UNDP played a key role in creating the initial human capacities that comprise Timor-Leste's public administration work force.

UNDP played a key role in assessing human resource needs in key government institutions central to peacebuilding, stability and development; the creation of the initial human capacities; and in contributing to the functioning of civil service institutions. In 2001, UNDP developed a public-sector management strategy (with the National Planning and Development Agency) and submitted a report on priority human resources needs, identifying 96 critical positions to be staffed to commence vital services crucial for political stability. These included positions in financial institutions, the legal system, essential services, internal systems and cen-

tral services. UNDP also identified an additional 200 positions to address poverty reduction and human development priorities.

Over the years, UNDP has provided both short- and long-term staffing to more than 400 critical posts, in addition to national staffing recruitment support, international expertise, and the building of training and other management systems. This evaluation did not delve specifically into these documented outputs and takes the continuance of these interventions as an indicator of the satisfactory completion of past outputs.

A 2001 skills audit determined that 228 international advisers would be needed for a systematic transfer of skills and knowledge to national counterparts across several ministries and departments. These advisory positions were funded by donors, either bilaterally or through UNDP. UNDP, along with the United Nations Mission of Support in East Timor and the government, undertook a capacity development strategy mission to review and prepare options in anticipation of the support mission's exit from Timor-Leste in 2004. A revised list of 176 positions was prepared, of which 58 were deemed most critical and were approved for funding.

With the formulation of the Civil Services Act in 2004 and the creation of the National Directorate of Civil Services, UNDP interventions were refocused to develop institutional and organizational capacities. Since 2005, UNDP has focused on capacity-building on three pillars (skills and knowledge, systems and processes, and attitudes and behaviours), with a gradual phasing out of international experts. Emphasis was placed on strategic action plans supported by critical post advisers and human resource management capacity development through the Civil Service Academy training programmes. Another important element was the introduction of a Personnel Management Information System to create the national database of the entire public administration.

In 2007, UNDP's role transformed from primarily staffing to facilitating the recruitment of short-term technical assistance, based on the capacity needs of various line ministries. This shift was funded by the Temporary Advisory Services Initiative Fund. The intent was to completely phase out international expertise in civil service positions by 2010.

The current engagement (2008–2010) is more focused on “strengthening management, through the building of strategic capacities, and increased national ownership of the capacity development process and management of advisory support in line with well-identified needs.”<sup>64</sup> The civil services reform programme aims to support the CSC strategic plan and the implementation of the Personnel Management Information System. Additionally, UNDP provides expert assistance and policy support to several ministries, including the Prime Minister's Office, and has recruited legal advisers to some ministries as well.

Although CSC was appointed as the agency to manage human resources and civil service recruitment for the government and was to function as the authoritative source of all information on civil servants, its actual functions varied in several respects. For example, some government agencies continue to maintain their own database of civil servant information. The Ministry of Finance maintained its own database of civil servants for payroll, but this database was not aligned with Personnel Management Information System data. Similarly, setting performance objectives and performance assessments of each civil servant was done manually at ministries, with no audit or oversight from CSC. Therefore, CSC was unable to ensure the process was performed fairly and transparently.

For CSC to deliver on its charter, several important areas remain to be addressed. Notable among these are: harmonizing procedures; resolving overlapping mandates of multiple agencies; establishing

---

64 UNDP, 'Project Document Support to Civil Service Reform: Strengthened Management of Administrative Support, UNDP Timor-Leste', January 2008, p. 2.

the apex status of CSC; bringing about uniformity in pay scales and promotion policies across ministries; enacting subordinate regulation under the Civil Service Act; validating and integrating the workforce database and using it as a system-wide human resource planning management tool, to be deployed for planning, staffing and uniformity in appraisals across all ministries and government agencies. Creating systems and procedures for service recruitment, training, performance appraisal, career development and benchmarking of service delivery standards are new qualitative areas for institutional capacity development.

**Although UNDP was well positioned to support the government in strengthening civil services, lack of financial resources was a key factor in the scaling down of UNDP support to civil services in the past three years.**

It is widely recognized by the government and other development stakeholders that, though useful during the transition phase, using international experts and advisers rather than local experts is not viable in the long term. Accordingly, the intensive involvement of UNDP in the initial stages since 2002 and the gradual reduction in the size of the programme with the building of the national civil services cadre are in line with a gradual phase-out as the exit strategy agreed to with donors as well as the government. The government has steadily increased its contribution to public administration expenditures. To a large extent, this has been possible through the use of special instruments under the Petroleum Development Fund.

The government created a Human Capital Fund to finance human resource staffing, skills development plans and institutions' strategic development plans (including CSC and the National Institute of Public Administration). The Human Capital Fund is a key element in developing human resource capacities in civil services and other key national institutions. Accordingly, there were increasing instances of CSC as well as line ministries bearing the costs for international advisers where national staffing could not be undertaken for critical positions.

Over the past two years, UNDP has been considerably reducing its role in civil service support, as bilaterals and other institutions such as the World Bank get more actively engaged in public administration reforms. Despite the long engagement and support to initial functioning of institutions, UNDP has not been able to take on a larger involvement in the priority areas expressed by the government (e.g. the sector improvement plans and CSC's own strategic development plan). UNDP is not part of the ongoing efforts to reform civil services, and there have been missed opportunities. The ADR attributes UNDP's limited engagement to the following factors:

First, beyond the staffing support, UNDP's substantive engagement in the reforms process has remained marginal. UNDP's post-conflict response and transition mode of support of the past programme cycle was not followed by a more strategic upstream shift in the current programme. The Sector Investment Programme for Public Sector Management identified certain priority areas, which included human resources management; ministerial capacity development plans; translation, interpretation and communications; information technology systems; and the development of public administration training facilities. These highlight the need to also engage with training institutions, particularly the National Institute of Public Administration, considering that technical assistance and capacity development are core UNDP areas in governance.

While UNDP has consistently engaged with CSC, it is worthwhile to note that UNDP had limited engagement with the National Institute of Public Administration, the national training institution. This is significant in light of the objectives of developing human resource capacities not only in line functions but also in language training—English and Portuguese. The National Institute of Public Administration has access to increasing allocations from the Human Capital Development Fund and is interested in partnerships to introduce best practices,

high-quality research and twinning tie-ups with international counterpart institutions.<sup>65</sup>

Second, some donors have de-prioritized assistance to UNDP's civil service/public administration interventions in Timor-Leste. This is partly in recognition of the long duration of engagement, the successful creation of a civil service cadre and the readiness of the government to fund its human resource costs from the Petroleum Fund. More importantly, the decision of Australia, the largest donor accounting for about 50 percent of total official development assistance to Timor-Leste, was to increasingly go bilateral. This reduced UNDP's ability to raise funds for its programmes, even for high-priority emerging needs and opportunities. In addition, government agencies, including CSC, are reluctant to have UNDP purely as an execution agency without bringing its own financial contribution to programmes. Thus, the space for acting as a purely technical assistance provider seems to be narrowing.

And finally, The Australian Agency for International Development (AusAID) and the United States Agency for International Development (USAID) are planning a greater engagement in supporting civil service reforms. Australia, with significant regional interests, has chosen to engage more deeply in Timor-Leste's development agenda through a direct assistance mode. In line with this strategy, AusAID is channeling support to civil service reforms through its Governance for Development Programme, with funding of more than \$70 million dollars in bilateral support. In this light, UNDP's civil services support programme is seen as a potentially competing channel for AusAID funding for the sector. USAID is also considering increasing direct support to civil services, as part of its 'good governance' focus in Timor-Leste.

UNDP's engagement in strengthening civil services needs to evolve and transform from its current structure. Accordingly, UNDP will need to review its future role based on partnerships with AusAID and other development partners, and to focus specifically on improving civil service standards through human resource skills development, monitoring of service delivery standards and induction of modern systems, including e-governance. A key to this is seeking new, alternative funding sources.

**The staffing support provided by UNDP, as well as other international agencies, resulted in huge disparities in the remuneration structures of temporary national and international staff and of the permanent national staff of civil services. With these differences being as much as double in the initial stages, there was a greater supply of national experts for advisory and temporary positions, creating an artificial scarcity of human resources for permanent jobs. This has been resolved to some extent through significant pay scale revisions and also the mass recruitment and regularization of posts across the board.**

The usefulness of international staff cannot be disputed, given the shortage of technical experts in Timor-Leste. Measures such as the Temporary Advisory Services Initiative Fund, which aimed to provide development advisory services through rapid recruitment of short-term technical assistance, were necessary. The intent was to completely phase out international expertise in civil service positions within five years and to reduce funded positions. In practice, the slow phasing out of international staff distorted the human resource profile in public administration.

One of the anomalies of the staffing support provided by UNDP was the huge disparity in the

---

65 The National Institute of Public Administration receives its establishment funding (salaries and expenditure) from its line ministry, the Ministry of State Administration and Territorial Management. However, all its programme budgets for training, research and development come from the Prime Minister's Office, and lately from the Human Capital Development Fund, which supports the development of human and institutional capacities in line with the country's strategic development plan 2011–2030. Every year, the Institute provides four reconversion programmes, covering 120 senior-level civil servants (levels 6 and 7) based on their positions and role descriptions, and close to 60 refresher programmes for junior levels. The institute's own strategic plan 2012–2017 has been prepared with assistance from AusAID, the Asian Development Bank and Indonesia.

remuneration structures of temporary national staff and the permanent staff in similar positions. With these differences being significant—as much as double—in the initial stages, recruitment for permanent jobs suffered, because there was a greater supply of applicants for the highly remunerative advisory and temporary positions, creating a distortion and an artificial scarcity of candidates for the permanent positions. The presence of larger numbers of temporary staff at higher remuneration levels also demoralized permanent employees, reduced productivity and induced high migration of the permanent cadre to consulting and short-term staffing positions. This anomaly was eventually resolved at a rather high expense: through significant pay scale revisions and the mass regularization of positions across all ministries and public administration. The impact of the expanding civil service wage bill will be significant; the UNDP programme could neither anticipate this impact nor prepare civil service institutions for a phased increase in the head count or a gradual increase in wage levels.

**There have been problems with the implementation of the Personnel Management Information System. In addition to technical issues—compatibility of the Personnel Management Information System with Free Balance that includes payroll software—there are issues of jurisdiction between CSC, line ministries and the Ministry of Finance over the database and its updates.**

The induction of information and communications technology in civil services remains a major challenge across the whole of government. Most business functions in CSC were performed manually—such as management of leave, transfer of employees, identification of candidates for promotion, shortlisting candidates to receive pensions and managing complaints submitted to the disciplinary directorate. This affected operational efficiency and introduced errors. Since 2005, UNDP has been involved in creating and operationalizing a unified Personnel Management Information

System for use by CSC and line ministries. The Personnel Management Information System was intended to provide planning tools and guidelines for work plans, organizational performance reviews and capacity assessments. However, in its basic form, the system was to serve as the official public administration database at CSC, with a seamless and automated real-time link to the salary processing database at the Ministry of Finance.

UNDP's management of Personnel Management Information System support has not been satisfactory. The government and the donors associated with the Personnel Management Information System since 2005 were of the view that the project has taken too long, has proven to be expensive and has not been able to deliver on its outcomes. There were delays in updating the Personnel Management Information System to accommodate the changes in the Civil Services Act.

The most challenging issue is that the interface between the Personnel Management Information System database maintained at CSC and the payroll management system maintained by the Ministry of Finance are not synchronized, which leads to several problems in the calculation and transfer of salaries and emoluments. Additionally, there is a lack of clarity on who has the exclusive rights to maintain and update personnel records, which are presently being maintained at several places, often with errors. In 2010, line ministries updated the civil services databases. However, these were sent to the Ministry of Finance directly, without vetting and ratification by CSC. Meanwhile, the interconnections between the line ministries and CSC databases have not been effected, thus denying the principal objective of using the Personnel Management Information System as both a financial and a planning tool.

The annual report for 2010<sup>66</sup> notes that, while “UNDP has met its contractual obligations for the development of the system, the continuing

---

66 UNDP SCSR project report for 2010.

development, enhancement and sustainability of the [Personnel Management Information System] database will require significant funds to enable the system to reach its full potential... Initial estimated costing of these programming changes is in the order of \$800,000 which brings into question the sustainability of the [Personnel Management Information System]. Lack of relevant [information technology] capacity within CSC will limit the ability of the government to support the full capability of the system as well as further enhancement of the system.”

The experience with the Personnel Management Information System shows the need for a more strategic formulation of the project, taking it beyond a mere information and communications technology tool. Inter-ministerial issues seem to be at the core of the challenges and call for a different type of project architecture, including inter-ministerial task forces with joint implementation responsibilities. In 2011, under co-financing by UNDP and Singapore, a diagnostic study was conducted by the Singapore Information Technology Systems service provider to the Singapore Government to examine options to sustain and expand the Personnel Management Information System software and to link it with the Free Balance software for payroll management. This would also include integration of the Personnel Management Information System, taking up from the current state of the project upon completion of UNDP’s deliverables.

#### **PROVEDORIA FOR HUMAN RIGHTS AND JUSTICE**

The Provedoria for Human Rights and Justice (Provedoria) is a new institution, even within the

short history of Timor-Leste’s independence. It was set up in 2005 as an independent national human rights institution to promote and protect human rights and good governance and to combat corruption.<sup>67</sup> The Provedor, selected by a vote of parliament members, is appointed for a term of four years at a time. In 2009, the national parliament adopted a law to establish an independent institution—the Anti-Corruption Commission—to strengthen accountability and combat corruption. This law took away part of the Provedoria’s mandate, which initially included jurisdiction over matters of corruption. Consequently, the present jurisdiction of the Provedoria is largely restricted to the protection of human rights and good governance aspects of its initial mandate.

The Provedoria’s headquarters are in Dili, and it has four district offices, with a total staffing of about 66 persons. Each of the three areas—human rights, good governance and anti-corruption—were handled by a separate division in the Provedoria. The Provedoria is empowered to review complaints; conduct investigations and forward recommendations to the competent organs to prevent and redress illegality or injustice; and to levy penalties for delays extending beyond the mandatory 60 days in filing an ‘action taken’ report by the respective institution under investigation.

UNDP support was part of the Capacity Development of the Provedoria for Human Rights and Justice project. Support was aimed at strengthening the Provedoria’s substantive, technical and functional capacities to deliver on its human rights mandate (see Table 15).<sup>68</sup> This was in partnership with UNMIT (Human Rights and Transitional Justice Section) and the Office of

67 The mission of the Provedoria is to “combat corruption and influence peddling, prevent maladministration and protect and promote human rights and fundamental freedoms of natural and legal persons throughout the national territory.” See Government of the Democratic Republic of Timor-Leste, National Parliament Law 7/2004, 2004; Government of the Democratic Republic of Timor-Leste, Constitution of the Democratic Republic of Timor-Leste, 2002; and Albanese, F., H. Han and T. Tamata, ‘Capacity Building of the Provedoria for Human Rights and Justice: Mid Term Project Evaluation Report’, Office of the UN High Commissioner for Human Rights and UNDP, January 2009.

68 The objective of the support is “improved institutional capacity of Provedoria to fulfil mandate effectively and efficiently”. Outcome 1: State institutions strengthened through interventions aimed at improving institutional capacity in planning, efficiency, accountability and transparency. Output 1.3: By 2011, improved institutional capacity of the Office of the Provedor (Ombudsman) to serve the public and promote public institutions’ actions in line with human rights principles and standards.



**Table 15. Support to Provedoria for Human Rights and Justice**

Project Title	Duration	Expenditure (US\$)	Funding Agencies
Human Rights Capacity Development of Provedoria for Human Rights and Justice	2006–2009	1,255,486	UNDP, Office of the UN High Commissioner for Human Rights
Capacity Development of Provedoria for Human Rights and Justice	2010–2014	3,074,900	Office of the UN High Commissioner for Human Rights, New Zealand Aid Programme, Irish Aid, Sweden
Support to Anti-corruption initiatives in Timor-Leste (to National Commission on Anti-corruption)	2011–2013	350,000	UNDP Democratic Governance Thematic Trust Fund

the High Commissioner for Human Rights. Financial support to the projects has been provided by the New Zealand Aid Programme, Irish Aid and Sweden, in addition to the Office of the UN High Commissioner for Human Rights.

**The Provedoria has achieved its initial milestones, serving as a functional ombudsman institution undertaking investigative, monitoring and mentoring roles for the promotion and protection of human rights. It has exercised its mandate and demonstrated its authority most visibly in the investigation of the 2006 crisis.**

Timor-Leste is a full member of the Asia Pacific Forum of National Human Rights Institutions, an A-status member of the International Coordinating Committee of National Human Rights Institutions, and has presented its first report on Human Rights in Timor-Leste in 2011 at the Human Rights Council. The Provedoria recognizes the need for compliance with the Paris Principles articulating relevant international standards for National Human Rights Institutions. With UNDP support, treaty reporting and the creation of annual national human rights reports are new responsibilities of the Provedoria, in compliance with Timor-Leste’s ratification of international human rights conventions. This

has also significantly improved the Provedoria’s exposure to international and regional human rights actors.

UNDP, the Office of the High Commissioner for Human Rights and UNMIT provided important support in developing human and institutional capacities, and contributed to raising the profile of the Provedoria to the present level. More than 60 staff are currently operational and present in four districts, with additional recruitment underway to increase the strength to 100 staff. The challenge was not only in providing domain knowledge, but also organizing English and Portuguese language courses for Provedoria staff and strengthening the legal department to requisite levels. The capacity development project of the Provedoria has holistically addressed all these aspects through training programmes, public outreach, education and communications.<sup>69</sup> An important illustration of the Provedoria powers and independence in exercising its mandate was the summoning of the President for a human rights investigation of the riots of 2006, which sent strong signals as to the Provedoria’s power and reach.

Evaluation discussions indicated that the Provedoria works closely with women’s organizations

<sup>69</sup> A 2009 mid-term review of Phase I of the project concluded that the Provedoria had made considerable progress in achieving the stated objectives in a short period of less than four years. The report notes, “the capacity building project has largely supported the Provedoria to meet its basic needs and capacity gaps as it continues to carry out its human rights function and mandate. It has strengthened the HRD’s general knowledge of human rights principles and strengthened its analytical capacities to improve the Provedoria investigation, monitoring and advocacy activities in relation to human rights, especially in connection with important matters for the country.” See Albanese, F., H. Han and T. Tamata, ‘Capacity Building of the Provedoria for Human Rights and Justice: Mid Term Project Evaluation Report’, Office of the UN High Commissioner for Human Rights and UNDP, January 2009.

and NGO networks to identify and report violations at the village level, to raise awareness and to file complaints on behalf of aggrieved community members. The ADR field visit to Baucau also indicated that most of the complaints to Provedoria related to gender-based violence. Information on the follow-up of the complaints was not available.

Challenges, typical of any evolving institution, were evident in the Provedoria. First, despite the encouraging progress, present capacities are not sufficient, and more exposure is required in certain specific areas of human rights (e.g. children, migrants and other vulnerable groups) and in specific situations, such as elections. Modules on these topics are needed to supplement the basic knowledge and skills training that the staff are presently receiving under the project. Some of these issues are being addressed. Second, although the basic legal knowledge and analytical skills of the Provedoria staff have been strengthened, thus equipping them to focus on human rights challenges and priorities, the staff's in-depth knowledge of applicable international and national legal standards remains weak. Third, writing skills training helped to improve the overall quality of the Provedoria's reports and educational and promotional materials. Fourth, the advocacy and outreach capacities of the Provedoria, including through the media, have improved considerably. This can be seen in several politically sensitive situations (for example, internally displaced persons, state of emergency, demonstrations and elections). However, a communication strategy to ensure consistent engagement with strategic constituencies and the media and to follow-up and advocate on the Provedoria's recommendations is still evolving.

The evaluation found that further support is needed to strengthen staff capacities in relation to monitoring preparation, specific rights (children, women, health of detainees), effective reporting after monitoring, follow-up, expanding monitoring to all relevant constituencies (for

example, courts, government agencies and parliament) and developing and implementing joint monitoring strategies with civil society organizations. There is also a need to further support investigation techniques (for example, forensics, interviewing, conciliation and mediation) with a special focus on vulnerable groups.

Provedoria district offices remain relatively weak in capacities and resources. The ADR team's visits to the district office in Baucau indicated the inadequacy of the resources to deliver on the mandate and to ensure effective management. The major challenges at the district level include: inadequate knowledge of Portuguese; absence of an interconnected communications and management information system for reporting and feedback on complaints; and inadequate staff and physical facilities to adequately cover the territories. The district office at Baucau lacked basic infrastructure and human resources.<sup>70</sup> Complaints are dispatched to Dili by messenger, and therefore experience delays. In addition, once the complaints have been forwarded, the district offices are not informed about the status and actions taken (which are communicated by the Provedoria directly to the appropriate authorities required to act on the investigation findings).

Despite such operational limitations, district officials were positive about communities' growing awareness and increased use of the Provedoria, particularly by civil society organizations that have received exposure through projects. As an illustration, the number of human rights violation complaints in Baucau has steadily dropped, going from 12 in 2009 to 8 in 2010 and to 4 in 2011. This reflects a greater awareness, particularly among the law enforcement agencies, of human rights and their violations, which has been facilitated by the capacity development project to a large extent.

Steps are being taken to enhance the reach of the Provedoria at the district level. Among the most important of these are the memoranda of

---

70 The Baucau office did not have an Internet connection, had only one vehicle and only two staff against an assessment of six staff.

cooperation with NGO networks, the induction of mobile van services and the system of complaint drop boxes in all the sub-districts. It is too early to determine the results of these measures.

**Sustained support is needed for consolidation of authority of the Provedoria. A key challenge for the Provedoria is that despite being a statutory institution, it lacks a mandatory minimum level of budgetary support to perform its responsibilities, in the absence of a system of automatic fund appropriation. The other issue is the overlapping mandate with the Anti-Corruption Commission.**

The Provedoria depends largely on government allocations for financial resources; budgetary shortfalls are met by donor support. As an independent statutory body, the guarantee of an adequate budget for the Provedoria is critical for it to serve its mandate. However, in practice, while the national parliament approves the national budget, finance requests are to be submitted to the Ministry of Finance for each planned activity in the budget. This constrains the functioning of the Provedoria and its independence, as it must plan on a year-to-year basis, rather than on the basis of a strategic medium-term framework. Discussions on financial resources indicated that, while the budgets for the Provedoria have been increased to allow a doubling of the human resource capacities (to almost 100 staff), the physical facilities and infrastructure are inadequate, particularly in the district offices. Such challenges constrain the effective performance of the Provedoria's functions of monitoring and civic education at the sub-district level.

The Provedoria's mandate on good governance overlaps with the role and mandate of the Anti-Corruption Commission. In 2009, Timor-Leste established the Anti-Corruption Commission to specifically address the national priority on good governance. Resultantly, anti-corruption is no longer a part of the Provedoria's mandate. However, other aspects of good

governance—such as combatting maladministration, discrimination and abuse of power—are still under the Provedoria's purview. This separation of the anti-corruption mandate enables the Provedoria to have a specialized focus on human rights, which may well increase its effectiveness and pre-eminence as a national human rights institution.

**The Provedoria's mandate to uphold human rights includes the responsibility to monitor, investigate and recommend actions. However, its role in the resolution of human rights violation cases through conciliation and other means is limited. Under the present system, the Prosecutor General is responsible for implementing the recommendations of the Provedoria. However, the Prosecutor General does not have a legal obligation to execute these recommendations.**

The Provedoria has powers to investigate and report violations of human rights and recommend them for legal action by the Prosecutor General, or, in some cases, internal actions by the agency where the violation occurred. According to the Provedoria, the response or follow-up action has been slow or weak in some cases. The current penalty of \$500 for delays beyond the stipulated 60-day limit has not been a sufficient deterrent, which potentially undermines the importance of the Ombudsman institution as a statutory organ.

One of the reasons for slow follow-up of recommendations is a weak judicial system, which considerably delays the process of seeking justice through the Provedoria. This is evident from the increasing number of carried-over cases. From 2009 through 2011, the pending cases grew in all groups (maladministration grew from 47 to 109; human rights grew from 104 to 117).<sup>71</sup>

Discussions with the government, donors and other stakeholders indicate that the question as to whether the Provedoria should have the power

---

71 UNMIT, Monthly Governance Report, October 2011.

to handle the prosecution of human rights violation cases is still being debated. Similar to other countries in Asia and the Pacific, the need for a prosecuting function is related to the lack of assurance that government agencies will act upon the recommendations or treat cases in a manner deemed appropriate by the Provedoria.

**The Provedoria initiative is another good example of effective cooperation between UNMIT and UNDP, leading to a maximizing of resources and enhanced outcomes. There has also been resource-sharing at the district level, particularly in the outreach and awareness-raising activities with NGOs, and in the preparation of periodic review reports.**

The UNMIT Human Rights and Transitional Justice Section has specific reporting responsibilities and has stationed full-time United Nations Department of Peacekeeping Operations staff in the Provedor Office as part of its mandate. This has enabled field-level cooperation and close coordination between UNMIT and the UNDP governance programme. UNMIT has supplemented the UNDP programme by providing training on human rights sensitization to the police department and the military, which was not directly under the UNDP's Provedoria support programme.

The 2011 Joint Transition Plan provides for continuing support and mentoring of the Provedoria until 2014, jointly by the UNMIT human rights team, the Office of the UN High Commissioner for Human Rights and UNDP, on all the present areas of engagement. There is opportunity, therefore, to include institutional issues in the support to the Provedoria.

## LOCAL GOVERNANCE

Decentralization and local governance are enshrined in Timor-Leste's Constitution, and are given importance in national development planning and policies as a means to achieve equitable socio-economic development. Decentralization and local governance are seen as important to achieving the improved service delivery necessary for sustainable development. Similar to other areas of governance, decentralization and local governance entails creating the appropriate legal framework and administrative structures and developing human and institutional capacities.

UNDP partnered with the United Nations Capital Development Fund (UNCDF) to promote local governance and decentralization efforts in Timor-Leste and to address the above needs and challenges (see Table 16). UNDP-UNCDF local governance support followed a phased approach. In 2003, a study on different models of decentralization was carried out.<sup>72</sup> The study recommended options for decentralization, of which two were shortlisted by an Inter-Ministerial Technical Working Group for pilot testing in two districts—Bobonaro and Lautem. These local governance models were piloted from 2004 to 2006, leading to a Government Policy Paper on the decentralization model.<sup>73</sup> In the first model, investment decisions were taken at the sub-district level, and in the second model, these decisions were taken at the district assembly level.

In 2007, the IV Constitutional Government opted for the district assembly option as the model for further roll-outs. In this model, the district assemblies serve as the unit of administration for financial planning and disbursements. However, the proposals for prioritization of projects

72 Ministry of State Administration, RDTL. 2003. Local Government Options Study, Final Report. Dili: June. The report was prepared for an Inter-Ministerial Technical Working Group. The first step saw the preparation of a Local Government Options Study in 2003, funded by Ireland and UNCDF, which involved the establishment in 2003 of an Inter-Ministerial Technical Working Group (led by the Ministry of State Administration and Territorial Management) to study different options for decentralization in Timor-Leste.

73 The government's stated position on decentralization and local government, based on the pilots in two districts, indicates a preference for restructuring of the present 13 districts into five regional zones with less than 40 municipalities—and council members indirectly elected by locally elected assemblies (*suco* councils). However, the *suco*-level structures will remain unchanged. See Government of the Democratic Republic of Timor-Leste, 'Policy Paper on Decentralization and Local Government', Council of Ministers, October 2006.

**Table 16. Support to Local Governance**

Project Title	Duration	Expenditure (US\$)	Funding Agencies
Local Governance Options Study: study of alternative models of decentralization	2003	350,000	Ireland, United Nations Capital Development Fund (UNCDF), UNDP
Local Development Programme: pilot testing of two models in two districts, leading to a Government Policy Paper on a decentralization model	2004–2006	1,027,379	Norway, UNCDF, UNDP
Local Governance Support Programme: extension of pilots to other districts; establishment of appropriate institutional, legal and regulatory frameworks for local government; technical assistance for implementation of local government reforms	2007–2011	7,500,000	UNCDF, Government of the Democratic Republic of Timor-Leste, Norway, UNDP
Bridging phase extension	2012–2013		

are received from sub-district development committees, which are formed from the elected representatives of *suco* councils. Accordingly, under the follow-up Local Governance Support Programme 2007–2011, local governance pilots were extended to other districts with the establishment of appropriate institutional mechanisms for community participation, selection of projects and the award of grants for execution.

Grants for the local infrastructure/community projects were enabled through the Local Development Programme, which has well-articulated procedures and guidelines for selection and award of projects, based on a set of criteria. The Local Development Programme grants had a ceiling of \$75,000 per project. The government opted to use a sub-district development committee to disburse grants from the local development fund for implementing local projects. Investment projects were prioritized with the help of community participation. The powers to decide on local expenditures were, however, retained at the district level, under a membership council composed of sub-district representatives and officials from the district administration and line ministries. Government stakeholders and project personnel justified this approach as being more conservative and appropriate given the lack of human resources and institutional capacities at local levels. Experiences with the sub-district development committee projects were better; fewer—but larger—projects were prioritized and

benefited a larger population than the smaller, local-level projects. In addition, sector department participation at the district level enabled a better appraisal of projects' benefits.

In 2009, three local government laws were submitted to the national parliament. While one of them, the Law on Administrative and Territorial Division, was approved by the national parliament and promulgated by the President in mid-2009, the Local Government Law and Municipal Elections Law are pending approval by the parliament at the time of the evaluation in early 2012, and was expected to be decided upon by the new government after the 2012 elections.

**The UNDP-UNCDF local development programme made progress in participatory local development, although challenges remain in creating a constitutional structure for local government. A favourable environment for decentralization provided further impetus to UNDP-UNCDF efforts in this area. Despite important progress, Timor-Leste is in the early stages of decentralization, and there is a long way to go to achieve decentralized governance.**

Since the initiation of the Local Governance Options Study in 2003, UNDP contribution has played a significant role in developing various policy and legal frameworks for decentralization in Timor-Leste (see Box 4). One outcome has been the approval of the 'Policy Paper on

#### Box 4. Policy Guidelines and Frameworks Supported by UNDP

**Decentralization Strategic Framework I (October 2006):** policy and roadmap for decentralization, using the sub-districts as the building blocks for future municipalities.

**Decentralization Policy Orientation Guidelines and Decentralization Strategic Framework I (2008):** outlines key steps towards the approval of local government laws by the national parliament, using the district as the building block for future municipalities (change in government policy outlining key steps towards the establishment of municipalities).

**Drafting three local government laws (2008–2009):** submitted to the national parliament in February 2009: the Law on Administrative and Territorial Division was approved in June 2009, while the Local Government Law and the Municipal Elections Law are pending approval. These laws define the boundaries of future municipalities within the current district boundaries, define the role and institutional structure of future municipalities, and outline the rules for municipal elections.

**Preparation of the subsidiary decentralization legislation (2009–2010):** drafting sector-decentralization strategies for health, water and sanitation, and core administrative functions of the Ministry of State Administration and Territorial Management; drafting decree laws and regulations governing the institutional structure of future municipalities; restructuring the ministry in the context of decentralization, municipal planning, finance and procurement, and the relationship between *sucos* and municipalities.

**Preparation of the draft subsidiary legislation on Decentralization Capacity Development Strategy (2009–2010):** to develop the capacities of all key stakeholders in the context of decentralization (including local level administration, civil society and national level ministries).

Decentralization and Local Government' by the Council of Ministers in October 2006. As outlined in the policy paper, the scope of decentralization entails participatory identification, execution and monitoring of public expenditures of the Local Development Fund (grants provided by the government). It is a bottom-up approach, involving community members in the prioritization of expenditures for community infrastructure and service delivery. In addition, the execution and implementation structures of the local development funds have been improved in line with the stipulated models for local infrastructure and service delivery.

**Scaling up the participatory local development model has been the most successful component of local governance initiatives. Successfully implementing the initial pilots has contributed to policy formulation for the decentralization model in Timor-Leste. Government contributions for scaling up participatory local development across all districts resulted in the project delivering more than its target of eight districts.**

Initially, the programme was to cover four districts; this was doubled to eight between 2007 and 2009.

Since 2010, the programme has been operational in all 13 districts in the country. Government co-financing has been a major factor in the scaling up and acceleration of local development programmes. The Local Governance Support Programme, which provided for scaling up from four to eight districts, received significant government contributions. The programme was further scaled up for nationwide implementation, covering all 13 districts. Of the \$7.75 million programme budget, nearly \$3.9 million has been contributed by the Government of the Democratic Republic of Timor-Leste (in the form of parallel financing). While initially co-funded with UNCDF support, the Local Development Programme has been fully government-funded since 2008. The government has demonstrated its commitment to the intervention by allocating due budgetary resources. This is a significant achievement in a post-conflict state-building context.

Government commitment is also evident from the enormous support for the programme by the Ministry of State Administration and Territorial Management. The project technical assistance team is housed on the ministry premises and is in daily contact with counterparts.

**Government measures to harmonize the multiple procedures and modalities operating in the districts are another indicator of the pilots' success.**

Local governments have been challenged by the parallel operation of several financing modalities of local development projects, each following different regulations and procedures (particularly selection criteria). This has created complexities and imbalances in the decentralization process. While the Local Development Programme had a set system of block grants and its own processes, the Prime Minister's Office launched another development funding instrument in 2009 (the Decentralized Development Package) in order to accelerate economic growth in the districts. However, the procedures followed by the Decentralized Development Package are considerably different from those already in place for the Local Development Programme, even though both are being implemented through the same district administration structures. One concern mentioned during evaluation team district visits was that the selection process for the Decentralized Development Package projects, which tend to be of a higher value than the Local Development Programme projects, is not as participatory and transparent as for the smaller Local Development Programme projects. To effectively build local government capacities and enable community participation, the procedural inconsistencies of various instruments must be resolved. The revised Integrated District Development Plan Decree Law is expected to resolve the procedural inconsistencies of various instruments and harmonize different decentralized development packages.

To resolve these inconsistencies and simplify planning and implementation of activities, UNDP-UNCDF has formulated a bridging phase (2012–2013), which is currently underway, to build capacities and to support Ministry of State Administration to harmonize the multiple systems and procedures operating under the Local Development Programme and the Decentralized Development Package into a singular implementation modality, the Integrated District Development

Planning. In addition to harmonizing processes and procedures, Integrated District Development Planning will build on experiences and lessons learned from the Local Development Programme and safeguard principles of good governance, such as participation, transparency and accountability. Integrated planning is proposed from 2012, for which over 700 projects have been identified for prioritization.

The Decentralized Development Package, with a budget of around \$31 million to be implemented by the district administrations under the responsibility of the Ministry of State Administration, reflects the experience and expertise of the ministry developed through the Local Development Programme. Furthermore, the ministry has conducted an evaluation of the Minimum Conditions for District Assemblies to access the local development fund, including criteria for accountability, transparency and local participation/contributions. Additionally, based on the lessons learned from past experiences, a Performance-Based Block Grant System was designed in 2012 and will be applied to measure district performance commencing from 2013. The grant system proposes an incentive to adhere to the modalities of award and utilization of grants and the completion of the resultant community infrastructure projects.

**ADR findings indicate that the Local Governance Support Programme has created mechanisms for enabling greater citizen participation in prioritizing proposals for local development. However, progress towards creating the legal framework and constitutional structure of local government faced challenges and constrained programme activities to strengthen local institutions; this was beyond the UNDP-UNCDF scope of work, as government wanted to pursue decentralisation reforms after the 2012 elections. Informed participation of community in local development initiatives is at an early stage.**

The design of the block grants procedures will encourage bottom-up community participation

(at the *suco* level) in identifying projects based on local infrastructure and social needs. These mechanisms are intended to be followed by empowered local government structures for service delivery and bottom-up planning of local service delivery. This has yet to manifest and awaits passage of pending legislations.

An important component of local governance support is measures to enhance citizens' awareness about participation in local governance. The programme disseminated information materials, including fact sheets, brochures, signboards and information bulletins. The district administration offices in Baucau and the sub-district assembly office at Ermera visited by the evaluation team displayed information about local development projects on public information boards. There were also efforts to disseminate information through community radio and television talk shows.

Although the programme has developed a clearly articulated participatory planning process, community-level capacities need to be further strengthened in order to understand and use the processes. The ADR field visit to Ermera provided anecdotal evidence of this. During interviews with local beneficiaries of a community recreation hall in Ermera, the evaluation team noted that the process of project identification for local development grants was not clear. A decision was made to build a community hall. Community members, however, could not explain how a community hall was prioritized over other possible needs, such as a health centre or a school building.

Because of the lack of progress over the legislation for municipal structures, a large part of the civic education and information dissemination relating to the municipal assembly structures was not undertaken. The groundwork for civic education on local government was largely completed in 2008–2009 in anticipation of the passage of

the three decentralization laws. However, with the government decision to postpone municipal elections—now expected in 2015—dissemination activities remain deferred indefinitely, until clarity emerges on municipal electoral laws.

**Gender mainstreaming received sufficient attention in programme design and structure. However, the actual participation and influence of women in project prioritization varied. Adequate attention was not paid to ensure that the proposed Municipal Electoral Law guaranteed a level of representation for women in local government.**

The local governance programme aimed to promote women's equal representation in the elected district and sub-district development committees, set up gender standing committees in the assemblies; train women assembly members and connect them with other national women's networks. While the composition of the committees has seen the equal representation of men and women from each sub-assembly, and the participation of women in these committees remains high, there has been limited progress on the outputs relating to training of women assembly members and linkages to other national women's networks.<sup>74</sup> It was also not evident that gender standing committees were functional in the districts visited by the evaluation team (Baucau and Ermera).

There are a few larger issues with respect to adequate gender mainstreaming in local government structures. The Municipal Electoral Law, which is pending approval at the national parliament since 2009,<sup>75</sup> provides for a 33 percent reservation for women candidates in party lists, but does not provide for reservation of seats of elected positions in municipal assemblies, which constitutes a step back from the present arrangement of equal representation of men and women in the district and sub-district development committees.

---

74 UNCDF, 'Mid-Term Evaluation – Local Government Support Programme (LGSP)', July 2010.

75 Ibid.



**Despite improvements in local administrations' capacities to manage local development funds (particularly local planning, budgeting, procurement, implementation of small-scale infrastructure and monitoring), human resource capacity constraints remain a major challenge. While the continuation of UNDP-UNCDF's local governance initiatives depends on the adoption of the other municipality laws, more sustained efforts are needed to develop local government capacities to function without programme support.**

UNDP-UNCDF aimed to strengthen the capacities of the Ministry of State Administration and the district and sub-district administration as part of the local governance programme. Providing technical advice accounts for 25 percent of the total programme expenditure (the UNDP contribution being \$1.5 million, or approximately 20 percent), whereas capital expenditures (block grants by government, donors and UNDP-UNCDF) represent around 63 percent, as assessed by the programme's mid-term evaluation.<sup>76</sup>

At present, considerable support on the ground comes from the local governance programme staff, contracted under a Letter of Agreement between UNDP and the Ministry of State Administration and posted in each district, providing technical assistance in assessing proposals and recommending them for final shortlisting at the district council meetings. UNDP-UNCDF has aligned programme staff with government structures. The Programme Management Unit operates from the Decentralization Directorate in the Ministry of State Administration, enabling effective implementation, coordination and monitoring. The team works closely with ministry counterparts. This has resulted in a well-coordinated implementation of the programme, besides strengthening partnerships with government units. While the on-site presence of programme staff is essential at this stage, eventually, these tasks will need to be carried out by

local government staff. This needs to be factored into the overall human resource development strategy being implemented by CSC.

Local government officials have weak technical and administrative capacities to manage local development grants. According to district officials, there are limitations in technical capacities to assess proposals; to ensure performance standards; to conduct safety, environmental impact and cost-effective evaluations of proposals; and to monitor local development projects. ADR findings indicated the inadequacy of technical staff in the districts (e.g. architects, structural engineers) to exercise the necessary oversight in plans and to provide professional certification and technical approval to the projects. With the increase in local development grants, the need for technical expertise will increase, and the local governance programme support alone will not be sufficient to address these needs.

To address these emerging needs, a Decentralization Capacity Development Strategy (2009–2010) for developing the capacities of all key stakeholders of decentralized governance was designed by the Inter Ministerial Group in anticipation of the Local Government Law and Municipal Elections Law. A task that lies before the new government in 2012 is to pass the legislations and implement the strategy.

Irrespective of the eventual decentralization framework, the local governance programme trained district and sub-district officials, as well as *sucu* assembly members, in the roles and responsibilities of local assemblies, planning and budgeting, finance management and local procurement management. Approximately 3,000 officials, of which approximately 20 percent are women, have received training in such procedures. Training has been completed in all 13 districts since the national implementation of the programme in 2009–2010. It is worth noting that the training was conducted by the national

---

<sup>76</sup> UNCDF, 2011. UNCDF Special Projects Implementation Review Exercise – (SPIRE) – Inclusive Finance for the Underserved Economy (INFUSE) – Timor-Leste. UNCDF:Dili.

staff of the Directorate of Local Development and Territorial Management within the the Ministry of State Administration.

**Despite the improvements brought about through the Local Governance Support Programme, there are many steps still needed to establish effective decentralized systems and to develop the capacities necessary for participatory planning, implementation and monitoring of local development projects and service delivery. The challenges encountered in furthering decentralized local governance and strengthening service delivery reflect situations in other post-conflict countries, particularly in a transition context. ADR findings indicate that the pace and sequencing of decentralization reforms should take into consideration the capacities and institutional structures needed for effective local governance.**

Decentralization in its full form involves the transfer of funds, functions and functionaries. This would necessitate delegating (to different degrees) administrative and legislative powers; revenue raising and taxation powers; and medium-term expenditure frameworks and budgeting, based on the constitutional structures of local government. The transfer of functionaries would also imply creation of local cadres of civil servants at the district or lower levels of administrative units. And lastly, principles of revenue sharing between national and district-level governments would need to be established.

However, the situation in Timor-Leste is considerably centralized. First, resource generation, taxation, revenue administration and financial expenditure allocations are all centralized under ministries in Dili. *Sucos* get limited financial resources from the government and lack powers to generate revenue, pass local ordinances, procure goods and services, or make contracts. While *sucos* have the mandate to collect fines that can be used for their needs, discussions indicated that these are often meagre amounts. Constitutionally, the *sucos* and their sub-units,

*aldeias*, are not recognized as local government units but rather as community structures, and they fall under the administration of a single ministry—the Ministry of State Administration.

Second, service delivery at the local level is highly delegated vertically by line ministries, through their sectoral officials posted in the districts, reporting to the ministry. Thus, service delivery in the districts essentially remains under the respective line ministries.

Third, Timor-Leste has a unified civil services cadre, with no further division into district, sub-regional and national level cadres. The appointment of officials is centralized under various ministries, while CSC provides training.

The district administration structure consists of a district administrator and a deputy district administrator, who are supported by a team of officers covering the areas of development, human resources, finance, social economy and general staff. Also involved are district sectoral officials of various line ministries: education, health, public works, agriculture, land and property, water and sanitation, police, and others.

Consequently, under the present structure, interventions such as the Local Development Programme and the Integrated Decentralized Development Programme only represent steps towards a partial and somewhat controlled delegation of expenditure management to local levels. The block grants under the schemes are in the range of \$60 per capita, and local development proposals are limited to five projects per annum per *suco* council. The selection of Local Development Programme projects for tendering and award are determined by a district committee, which includes sector-level officials from line ministries, in addition to three members per *suco* council. Thus, the administrative aspects of tendering, fund disbursement, monitoring and planning remain substantially decided by the national level.

## JUSTICE SECTOR

The government has consistently prioritized the establishment of an efficient, effective and equitable justice system in strategy documents, including the first national development plan (2003–2007); the Stability Programme (2003);<sup>77</sup> the Sector Investment Programme for Rights, Equality and Justice and the National Justice Policy (2005–2010); the 4th Constitutional Government’s Programme for Justice and Human Rights, the National Priority Programme (2008); Justice Sector Strategic Plan for Timor-Leste (2011–2030) formulated by the Ministry of Justice;<sup>78</sup> and the Timor-Leste Strategic Development Plan (2011–2030).

The justice sector has made considerable progress in developing institutions, human resources, legal frameworks and laws, and in promoting access to justice. Organic laws were created for the courts and judiciary, the prosecution service, the Ministry of Justice and its subsidiary institutions (the prison service, the Legal Training Centre and the Public Defenders’ Office), and the Superior Councils (which, among other things, establish oversight and professional discipline). Physical and information technology infrastructure was improved. Indonesian codes and UNTAET regulations have

been replaced by national codes: the Criminal Code, the Criminal Procedural Code, the Civil Procedural Code and the Civil Code. To the Court of Appeal and four District Courts inherited from UNTAET, the government added the Chamber of Auditors (its mandate is to ensure due process in state spending) in 2011. The Legal Training Centre introduced training programmes to certify judges, prosecutors, public defenders and private lawyers, and the University of Timor-Leste established a certified law faculty and is producing law graduates.

Challenges identified in the Justice Sector Strategic Plan 2011–2030 include improving institutional coordination in the justice sector; decentralizing justice services to facilitate access to justice; establishing the institutions foreseen in the Constitution and in the law that have not been set up (e.g. the Supreme Court of Justice); developing the capacity of institutions and legal and judicial professionals; guaranteeing assistance and effective legal aid, particularly to the most disadvantaged; and disseminating information about laws and fundamental rights to the population to increase confidence in the system.<sup>79</sup> The lack of Portuguese language skills and limited use of Tetum within the justice system remain a significant constraint in improving the performance of the justice system.

**Table 17. Justice Sector Support Programmes**

Project Title	Project Period	Budget (US\$)	Funding Agencies
Justice System Programme: Phase 1	2000–2001	1,000,000	Belgium, UNDP (TRAC)
Justice System Programme: Phase 2	2003–2006	5,464,504	Australia, Belgium, Brazil, Denmark, Ireland, Norway, Portugal and UNDP
Justice System Programme: Phase 3	2006–2008	13,520,156	Australia, Belgium, Brazil, Denmark, Ireland, Norway, Portugal and UNDP
Enhancing the Democratic Rule of Law through Strengthening the Justice System in Timor-Leste (Revised Justice System Programme)	2008–2013	34,225,000	Australia, Ireland, Norway, Portugal, Spain, Sweden, Brazil (in kind contribution), Office of the UN High Commissioner for Human Rights

<sup>77</sup> The Stability Programme made justice the second of eight priorities: “Strengthening the administrative capacities of the justice system including both customary and formal systems.”

<sup>78</sup> The Justice Sector Strategic Plan identifies goals for each of the five thematic areas: Institutional Development, Legal Reform and Framework, Human Resource Development, Infrastructure and Information Technology and Access to Justice.

<sup>79</sup> Government of the Democratic Republic of Timor-Leste, ‘Justice Sector Strategic Plan for Timor-Leste 2011-2030,’ Ministry of Justice and Council of Coordination for Justice, 12 February 2010, pp. 10-11.

UNDP support to address the needs and priorities of the justice sector span over a decade, and the programmes were comprehensive (see Table 17).

**The UNDP Programme has improved the justice sector's capacity, which is significant considering that institutions were newly built post-independence. Sustained efforts are needed to develop an autonomous national justice sector that functions without international personnel. Challenges remain in the low human resource base, the need to learn Portuguese and the lack of basic infrastructure. The formal justice system is yet to be fully accessible logistically and financially to most Timorese, while the informal justice system is often in conflict with human rights laws and practices.**

Justice sector stakeholders universally acknowledged that UNDP played important roles in building key institutions in the justice sector and enabling their functioning. UNDP activities focused on building the institutional and human capacities of the Ministry of Justice and its subsidiaries (e.g. the Legal Training Centre, Public Defenders' Office and prisons), the judiciary (including Superior Council of the Judiciary, Court of Appeals and District Courts) and the Office of the Prosecutor-General. Working within the government, international technical assistance performed line functions (for example, in the Court of Appeal, Audit Chamber, district courts and Commission of Inquiry cases); assisted with developing policies and strategies (for example, Justice Sector Strategic Plan 2010–2013) and with drafting laws (for example, the three land laws that the President returned to parliament to revise in March 2012,<sup>80</sup> the draft customary law, and the draft law to regulate private legal aid organizations); and developed the Legal Training Centre's training programmes for justice sector actors.

UNDP's contributions have been effective in the academic and probationary training of judges and prosecutors. The Superior Council of the Judiciary was established and is operational. So far,

51 graduates (17 judges, 18 prosecutors and 16 public defenders) trained by Legal Training Centre have been absorbed into justice institutions. There were significant achievements in terms of outputs. The Legal Training Centre is the cornerstone for developing an autonomous formal justice sector and the Justice Sector Programme's most visible success. The programme for prosecutors, judges and public defenders (1.5 years of course work followed by a one-year probation working on-the-job with an international mentor) had its fourth student intake in 2011. The Legal Training Centre also introduced a programme to certify private lawyers, expanded the courses offered to various justice sector actors (e.g. police, legal drafters, prison staff, translators, court clerks, public defenders' clerks, notaries, auditors and information technology technicians), and provided continuing education for legal professionals. The Justice Sector Programme also supported the development of legal Portuguese and legal Tetum units and, through an agreement with the Institute of National Languages, provided Tetum language dictionaries, legal glossaries and language manuals. The numbers of national judicial actors trained through the Legal Training Centre have increased, but the pace is too slow to meet immediate needs, and new graduates require further training and mentoring. Integrated Information Management Systems were installed in all justice institutions.

Efficiency of prosecutions has been strengthened, but investigations and coordination with the police needs to be improved. ADR findings also indicate that UNDP's justice programmes to establish prison security have been implemented, and the focus has shifted to reinsertion activities, ensuring inmates access to legal advice and other basic rights (e.g. health, sanitation).

The increased number of nationals trained in the legal profession has reduced the reliance on international judges and prosecutors, particularly in the district courts; of the four district courts, three were fully staffed and functioning (the Suai court's staffing problems were the exception).

---

80 Land Law, Expropriations Law and Financial Fund Law.

Notwithstanding these important achievements, there were severe limitations, typical of any new nation emerging from conflict. The ADR team recognizes that it would be premature to assess for results in some areas of the Justice Sector Programme, given the shortage of human resources. The courts and prosecution services, particularly at the district level, had severe capacity constraints.<sup>81</sup> Justice sector institutions in general lacked planning mechanisms. The evaluation team visits to the Ermera and Baucau districts indicated that the support services of the courts and prosecution services, including those supported by the UNDP programme, were minimal or often not effective (e.g. training of clerks, the functioning of IT system, human resources needed for fully operationalizing case management system, the Translation and Interpretation Unit). Among other factors, weak human resource capacities and the lack of basic infrastructure (such as electricity, roads and transportation) constrained progress in the justice sector. The mid-term evaluation of the justice programme in 2007 made similar observations.<sup>82</sup>

While the Justice Sector Programme has made progress in decentralizing the formal justice system and strengthening district court capacities by ensuring that national and international actors are deployed on a full-time basis to all the district courts and providing infrastructure, technical and human resource capacity challenges persist. The placement of full-time national actors in the districts has been made possible by the slow but steady production of graduates from the Legal Training Centre. International actors are deployed to the districts to advise and train national counterparts and to perform line functions. Some international judges, international clerks and international prosecutors go on a rotational basis to the district courts for several

weeks at a time. Housing and conditions have improved, and international judges live permanently in Baucau and Suai. Nonetheless, the situation is volatile in some districts. For example, in 2011, Suai district experienced an acute lack of justice actors, which greatly hampered the functioning of the justice sector there.

Some of the issues were external to the project, such as lack of basic infrastructure, which has had a negative impact on the functioning of the district courts. Electricity shortages interrupted the courts' ability to communicate via the Internet (provided by the Justice Sector Programme) and to use the new case management system (for which the Justice Sector Programme had provided training). Poor or non-existent roads, according to some international staff, meant that fulfilling their rotation commitments in the district courts was very time-consuming.

Gender has not been mainstreamed into capacity-building in an effective manner or as a priority. However, the introduction of quotas for women in preparatory training courses for entrance exams into the private lawyers' course was effective. The quota approach increased the number of women from 1 of 14 students in the first programme to 16 of 34 students in the second programme.

The added value of some of the recent *ad hoc* initiatives as part of the current justice programme, such as the provision of logistical and administrative services to the district courts and prosecution services by the access to justice teams, was a diversion from UNDP's focus on technical assistance. While the access to justice teams facilitated coordination of justice sector actors in Baucau, Suai and Oecussi, the purpose of such micro-initiatives was unclear. Some planned activities for 2012 also raises issues of relevance and duplication/conflict.

---

81 Judicial institutions at the district level remain weak, although a few UNDP initiatives aimed to address the logistics challenges faced by the institutions have been launched. Access to Justice teams provided logistics support to the district courts, delivering legal notifications to the sub-districts; transporting justice sector actors to meetings, workshops and outreach functions; purchasing fuel (when available) for the justice support programme; and purchasing generators for the district justice institutions when electricity supply was interrupted.

82 See also UNDP, 'Strengthening the Justice System in Timor-Leste Programme, Independent/External Mid-Term Evaluation Report', 2007.

Some of the planned initiatives to develop a training strategy for community leaders on conflict resolution skills, human rights, women's rights and how to coordinate with the formal sector seem likely to lead to duplication, because NGOs, the Ministry of Social Solidarity's Dialogue Teams, district administrations and others are already engaged in community-based conflict resolution.

**The justice sector still relies heavily on international actors for policy advice, planning, drafting laws and training legal professionals. There is considerable resentment among government representatives about the slow progress in increasing the number of nationals in judicial institutions. At present, there is no structured approach to phasing out international experts.**

One of the reasons for the slow progress is the weak human resource capacities, compounded by the Portuguese requirement. Human resource constraints are illustrated by the Legal Training Centre's 2011 training programme for judges, prosecutors and public defenders inability to fill all 45 of its available slots—only 15 students were able to pass the entrance exam. Similarly, all 14 teachers in February 2012—five legal instructors (three more are to be recruited in 2012) and nine Portuguese language teachers—were international.<sup>83</sup> The need to devote substantial time and training to developing proficiency in legal Portuguese is a long-term endeavour. During district visits, it was evident that the lack of Portuguese language skills was a major impediment in courts' functioning.

A senior government representative consulted by the evaluation team was critical of the Legal Training Centre programme standards, which were considered to be too high for the students, whether graduates from the national universities or from universities abroad (chiefly in Indonesia). There were concerns that qualifying only a small number of students every year may lead

to continued dependence on international personnel. According to the Legal Training Centre trainers, the standard of university education was low, and many of the prospective candidates did not pass the basic test, which is set by Timorese nationals in the justice sector. However, informed observers in high judicial positions expressed the need for caution, as a successful, self-reliant justice system should be based on strong capacities. They were of the view that even if it takes longer, Timor-Leste should build a strong justice system with competent justice actors and institutions. Lowering standards to more rapidly increase the number of national justice actors was seen as counterproductive in the long term.

While there are ongoing efforts to sustain capacity gains, dependence on international actors will continue for the foreseeable future. The need for international actors performing advisory and line functions may even increase, given the Justice Sector Programme goals to create new judicial districts, and to extend the judicial structure by creating new courts (for example, a Supreme Court), and the likelihood of periodic study-abroad missions for national justice sector actors (currently, public defenders go to Brazil).<sup>84</sup> However, national stakeholders expressed frustration with the presence of international staff, despite recognizing its contributions.

The use of international professionals has been at the centre of UNDP's capacity-building strategy. They have been used to train national legal professionals and other justice sector actors; to give advice on policy, strategy, and legal development; and to support technical training for information technology and case management systems in all justice institutions (including the police). While the positive contribution of international professionals to the capacity-building of human resources and justice institutions is not disputed, stakeholders in the government, the NGO sector, donors and other UN agencies expressed concern

---

83 Data provided by the Legal Training Centre.

84 UNDP, 'Independent Mid-term Evaluation Mission, Final Report on the UNDP Justice System Programme in Timor-Leste', 2011.

that the use of international actors has encouraged a dependency syndrome, rather than leading to self-reliance. Government stakeholders had additional issues with international advisers, particularly their higher salaries, alleged paternalism, ignorance about the Timorese context, lack of commitment to learning Tetum and inadequate time spent mentoring on the job.

International actors were expected to play a mentoring role and train the national judicial actors. This would have strengthened the national human resource capacities, leading to a gradual phase-out of the international actors. However, this did not happen, because the line functions of international actors were accorded a higher priority than mentoring.

The government also recognizes that the sustainability of the capacities built is at risk. Low government salaries may make it difficult to retain trained staff—trained national staff in the justice sector (and in other sectors) often join higher-paying NGOs or international organizations. It was not evident that sufficient measures were taken to ensure that these anomalies in the salary scale of comparable positions would be addressed.

**Insufficient donor resources have constrained programme achievements, but have spurred the government to greatly increase its budget support for the justice sector.**

Government ownership of the justice programme has increased in two ways. First, international court actors are now contracted by both UNDP and the Ministry of Justice—a process that began towards the end of the Justice Sector Programme (2005–2008). With UNDP technical assistance, national actors prepare terms of reference for international personnel, identify and interview candidates, and make decisions on hiring and contract renewals. Second, the government now funds a greater share of the Justice Sector Programme’s costs than UNDP does—77 percent (2012), versus the earlier 10 to 20 percent (2008). Despite these positive indicators of increased government ownership, the continued

dependence of the justice sector on international actors detracts from full government ownership and clearly frustrates some national stakeholders.

When UNDP had constraints in mobilizing projected resources, the government responded well with increased budgetary support, enabling the numbers of international advisers to be held roughly constant. Some stakeholders expressed concerns that the lack of donor resources may compromise a long-term approach to strengthening justice institutions and ensuring high standards in human resources. Discussions with government representatives, however, indicated that the ongoing efforts to strengthen the capacities of justice institutions will continue, irrespective of the contributions made by UNDP or other international actors.

## **4.2 POVERTY REDUCTION AND ENVIRONMENT**

In response to the priorities outlined in the national development plans, UNDP’s interventions in the area of poverty reduction, environment and sustainable development had two broad objectives: to develop national capacities to enable pro-poor policies with an MDG orientation, and to support livelihood and community development projects. From 2000 to 2002, UNDP initiatives were largely aimed at constructing, restoring and rehabilitating infrastructure and boosting livelihood activities in conflict-affected areas. In 2004, there was a shift to community-based infrastructure initiatives aimed at enhancing rural employment, building community skills to maintain infrastructure and promoting income-generating activities for vulnerable groups (women, unemployed youth and internally displaced persons). The community development projects were implemented from 2000 until 2010. Other projects were implemented at the national level, while a few others were implemented in specific districts. UNDP also had joint projects with the International Labour Organization, UN Women (and earlier, the United Nations Development Fund for Women) and the United Nations Office for Project Services.

In the ongoing UNDP programme, the poverty reduction component is aligned with the United Nations Development Assistance Framework goal of “consolidating peace and stability, through: a) democratisation and social cohesion; and b) poverty reduction and sustainable livelihoods”. The aim is to enhance vulnerable groups’ access to livelihoods through improved market access and microfinance and to foster a stable and secure environment through inclusive rural and urban livelihoods initiatives (see Table 18 for key projects). Partnerships were established with the International Labour Organization, the Food and Agriculture Organization of the United Nations, the United Nations Population Fund, the United Nations Children’s Fund, and the World Food Programme. The broad scope

of these initiatives included community mobilization programmes, skills training to enhance employment prospects, linkages to microfinance institutions and market linkages through the provision of essential rural infrastructure.

UNDP set up an Environment Section within the Poverty Reduction and Environment Unit in 2005, concomitant with the implementation of the first two environmental projects—the National Capacity Self-Assessment and the Participatory Rural Energy Development Project. Implementation was disrupted by the 2006 return of political and civil unrest; the first country programme was extended to 2008. Towards the end of the country programme, several projects were developed to improve government planning and capacities

**Table 18. Projects Implemented in the Area of Poverty Reduction, 2003–2013**

Projects	Level of Implementation	Sources of Funding
<b>2003-2008</b>		
Oecussi Ambeno Community Activation Programme (OCAP)	Oecussi District	European Union (EU), UNDP
Access Improvements to Markets in Eastern Region	Viqueque and Lautem Districts	EU, Government of the Democratic Republic of Timor-Leste
Skills Training for Gainful Employment	National	EU, UNDP, International Labour Organization
Programme for Enhancing Rural Women’s Leadership and Participation in Nation Building	National	EU, UNDP, United Nations Development Fund for Women
Recovery, Employment and Stability Programme for Ex-combatants and Communities	National	Thailand, Japan, UNDP
Ainaro Manatuto Community Activation Programme	Ainaro and Manatuto Districts	United Nations Trust Fund for Human Security, UNDP, the United Kingdom, Private contribution
Local Development Programme	Bobonaro and Lautem Districts	United Nations Capital Development Fund, UNDP, Norway
<b>2009-2013</b>		
Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery	Ermera and Oecussi Districts	United Nations Trust Fund for Human Security
Conditional Cash Transfer	National	UN-Spain MDG Achievement Fund, UNDP Information and Communications Technology Thematic Trust Fund
Inclusive Finance for Underserved Economy (INFUSE)	National	United Nations Capital Development Fund, Government of the Democratic Republic of Timor-Leste, AusAID, UNDP
Strengthening Community Access to Quality Infrastructure	Oecussi District	UNDP Poverty Thematic Trust Fund



in biodiversity, sustainable land management and climate change adaptation, although implementation has mostly taken place under the current country programme.

The following sections analyse UNDP's contributions and factors that influence its role and performance. The range of projects and other initiatives UNDP has been engaging in during the two programme periods are broadly categorized into four areas of support:

1. Support to pro-poor planning and policy;
2. Restoration of livelihoods;
3. Community development and sustainable livelihoods; and
4. Energy and environment management.

UNDP's contributions have been important to the preparation of national development strategies and to developing institutional capacities to promote MDG-oriented policies. Several UNDP-supported studies for poverty assessments, MDG reports and National Human Development Reports (NHDRs) provided for evidence-based and MDG-oriented development planning, with a specific focus on multi-dimensional poverty. The government passed a decree law for a National Community Development Programme in 2012, and this largely focused on community infrastructure projects directly managed by villages. UNDP-UNCDF contributed to programme designs with the experience from the Local Development Programme (Integrated District Development Plan), shifting focus towards district (municipality) development plans and investment funds.

As some of the projects in the current programme are still under implementation, it is too early to assess their contribution to results. It was, however, evident that the targeted approach of reaching the poorest among the poorest was appropriate until 2007. The evolving transition

and development context, with the increase in petroleum resources, needs a broader approach to poverty reduction. Considering that 80 percent of the population is engaged in non-wage livelihoods, the 'inclusive growth' approach and private sector development adopted by the government is most appropriate to increase opportunities across the country. UNDP programmes during the current period need further adapting to facilitate this approach. For example, there are several challenges in agriculture and rural enterprise—such as rural marketing channels, access infrastructure, electricity and transport connectivity; and agricultural productivity and extension services—that apply to the entirety of the economy and not merely to the underserved and vulnerable groups.

#### **SUPPORT TO PRO-POOR PLANNING AND POLICY**

**The Government of the Democratic Republic of Timor-Leste has made significant efforts to orient its policies to MDG achievement, including establishing coordination mechanisms such as the National MDG Steering Committee and an MDG Secretariat established in the Ministry of Finance in 2009. There have been government-led initiatives to carry out development-related assessments to inform policy and planning. Evaluation findings indicate that UNDP's contributions to these efforts were significant.**

Since 2001, UNDP has been at the forefront of developing assessments for Timor-Leste. UNDP supported the State of the Nation report in 2001, the National Poverty Assessments in 2001 and 2007, MDG reports in 2004 and 2009, and the 2002, 2006 and 2011 NHDRs each on a special theme of high importance to development.<sup>85</sup> UNDP also supported statistical tools, such as the DevInfo and Poverty Assessment Survey 2007, and also contributed to the 2010 *suco*-level census reporting.

85 UNDP, 'Timor-Leste Human Development Report 2002 – Ukon RasikA'an: The way ahead', 2002; UNDP, 'Timor-Leste Human Development Report 2006 – The Path out of Poverty', 2006; UNDP, 'Timor-Leste Human Development Report 2011 – Managing Natural Resources for Human Development', 2011.

UNDP's contributions have been important to the preparation of national development strategies and to developing institutional capacities to promote MDGs-oriented policies. Several UNDP-supported studies for poverty assessments, MDG reports and NHDRs provided for evidence-based and MDGs-oriented development planning, with a specific focus on multi-dimensional poverty. UNDP supported NDHRs in Timor-Leste dwelt on themes such as the state of human development, the challenges and the vision of a nation in its nascence, poverty challenges, land tenure, microfinance, and market linkages. Based on an analysis of underlying factors, the 2006 NHDR focused on the importance of integrated rural development as a way to reduce poverty and complement the upstream policy planning initiatives already underway. The 2011 NHDR addressed the need for sustainable development of the non-oil economy as a means to poverty reduction and attaining the MDGs. Several sectoral illustrations were used to illustrate the potential for diversifying the economy to reduce long-term dependence on oil reserves and to make judicious use of the Petroleum Fund. The themes of the NHDRs remain at the forefront of policy making, even though definitive regulatory frameworks on issues such as microfinance and land tenure remain to be formulated.

Stakeholders involved in state-building and peacebuilding in Timor-Leste regarded the NHDRs as key reference documents. Development stakeholders, including the government, consider the NHDRs and MDG reports to be authoritative and complementary documents informing national development policies. The evaluation consultations and review also indicate that the reports have been of a high quality. Besides reporting on human development indicators, these reports contributed to promoting an MDGs-oriented perspective in policy analysis and evidence-based planning.

There have been some concerns regarding the national ownership of the 2011 NHDR, particu-

larly by some departments of the government. Considering that NHDRs can generate sensitivities because of the data sets used or the subjects being discussed, it is imperative for UNDP to ensure that the process of NHDR preparation involves close participation of the government and secures its buy-in. The ADR consultations point out that the 2011 report could not secure acceptability by all sections of the government on some of the report's data and analysis, which resulted in some government misgivings. However, in learning from the experience, there has been greater engagement with key ministries, such as the Ministry of Finance, the possibility of future collaboration on similar initiatives, and policy analysis seems promising. An issue that is beyond the purview of the Country Office, but nevertheless impacts national ownership of NHDR analysis, is the method followed to calculate Human Development Index (HDI) for the global UNDP Human Development Report. The shift in the calculation methods resulted in the HDI ranking of Timor-Lester dropping in 2011 compared to 2010. In 2010, UNDP changed how it calculates HDI to a method that the government suggests is a less appropriate indication of human development for Timor-Leste. One change was to substitute gross national income (GNI), which includes Timor-Leste's offshore oil revenues, for gross domestic product (GDP) to indicate a country's economic development. For most countries, this did not change much, but in the case of Timor-Leste, GNI is more than six times larger—548 percent higher—than the GDP.<sup>86</sup> An additional issue was the lack of prior communication regarding the change in method used. Another indicator in the global report that attracted government objection to methodology was the multi-dimensional poverty index. More recently, however, the Human Development Report Office of UNDP in New York has communicated to the government in advance about the method of HDI calculation for the 2012 report. In general, the government saw such communication positively.

---

86 For discussion on this, see <http://www.laohamutuk.org/econ/HDI10/11NHDRen.htm>.

To develop national capacities to monitor and report on human development issues, UNDP supported the strengthening of national statistics capacities and the establishment of a Human Development Centre at the National University of Timor-Leste. The next NHDR will be led by national researchers at the National University of Timor-Leste, with the active support of UNDP's Pro-Poor Policy Unit.

## RESTORATION OF LIVELIHOODS

Nearly all projects in the first programme cycle emphasized quickly impacting economic activities in order to restore conflict-affected communities' livelihoods. The design of various projects undertaken from 2003 until 2008 reveal this emphasis, and involved community-level skills development, financial support for livelihood activities and rehabilitation and restoration of infrastructure. Most of these projects were implemented directly by the United Nations Office for Project Services (UNOPS)/UNTAET missions. Projects such as the Oecussi Ambeno Community Activation Programme, the Ainaro and Manatutu Community Action Project, and the Recovery, Employment and Stability Programme for Ex-combatants and Communities in Timor-Leste aimed to address immediate post-conflict restoration of livelihoods, and outputs were largely achieved.<sup>87</sup> The Oecussi Ambeno Community Activation Programme, Ainaro and Manatutu Community Action Project and the Programme for Access Improvements to Markets in the Eastern Region were implemented in select districts based on the most human security needs and challenges of the post-conflict situation. These interventions were also focused on the micro-level and on infrastructure.<sup>88</sup>

**As in many other post-conflict countries, quick impact or short-term livelihood support without government policy and planning was not effective. Promoting peace and confidence building needs stronger partnership with the government and more sustained, long-term interventions in facilitating appropriate strategies for reducing poverty.**

Initiatives that were implemented across the country were intended to promote stability and send a message of national unity through the recognition of veterans and ex-combatants. Thus, the emphasis was on peacebuilding and confidence-building rather than a direct focus on poverty reduction. For example, the Recovery, Employment and Stability Programme for Ex-combatants and Communities in Timor-Leste was designed as a short-term, quick impact programme to address widespread unemployment, particularly amongst veterans and former combatants, as a means to maintain the fragile stability of the country; the programme was not designed for long-term, sustainable employment creation.

There was some success in linking to macro-level activities. For example, the Skills Training for Gainful Employment project and the Programme for Enhancing Rural Women's Leadership and Participation in Nation Building were integrated into government structures and were linked up effectively with other national initiatives. The training institutions and vocational development centres developed in the Skills Training for Gainful Employment project were mainstreamed under the Secretariat for Vocational Training and Employment at the Ministry of Labour. Also,

87 For example, the Recovery, Employment and Stability Programme for Ex-combatants and Communities in Timor-Leste enabled the direct employment of more than 20,000 persons and its 257 micro-projects implemented in all 13 districts in Timor-Leste indirectly benefited 164,000 people. A large share of the funding—almost \$4 million—went into grants, which itself cannot be seen as a long-term measure of sustainability.

88 For instance, the Oecussi Ambeno Community Activation Programme was aimed at a population of 48,000, and entailed a project cost of \$3.36 million over five years, of which close to \$1 million was for subcontracts and equipment to enable rural agriculture activities, such as farming and livestock rearing. Almost half the funds supported personnel costs, under direct implementation by UNOPS. Similarly, a large share of the \$5.08 million in the Ainaro and Manutoto Community Action Project went into supplies and hardware for demonstration farming and community training, supplies of seeds and other extension materials, targeting around 80,000 people in the two selected districts. Similarly, the Programme for Access Improvements to Markets focused on building infrastructure to link communities to rural markets, targeting five bridges and an approach road in the eastern region, addressing the potential needs of a population of over 103,000. A substantial part of the 6 million euro investment was in hard assets.

**Box 5. Achievement of Inclusive Finance for Underserved Economy, Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery, and Conditional Cash Transfers Projects**

The greatest contribution has been from the Inclusive Finance for Underserved Economy (INFUSE) project, which has had an important impact on achieving financial inclusion targets by strengthening the service providers financially as well as technically, and by facilitating enabling legislation. Two financial service providers, Moris Rasik and Tuba Rai Metin, were provided long-term technical assistance through a specialist agency, Basix, to strengthen their financial robustness and mandatory credit ratings. Through the technical assistance from the project, besides financial grants and loans, both Moris Rasik and Tuba Rei Metin have attained operational and financial sustainability, as well as portfolio quality (less than 5 percent of the portfolio at risk). Both are in the process of restructuring themselves to meet the new requirements of capital adequacy.

Microfinance services have been extended to 34,733 clients (much below the target of 78,000 households), and both microfinance institutions are operating in all 13 districts. Women account for more than 90 percent of the beneficiaries, and both microfinance institutions are expanding their operations with a focus on small enterprises, and also on men as beneficiaries. INFUSE launched a microfinance and banking certificate programme, and a financial literacy or education programme for microfinance clients to better manage their financial resources, including credit and savings.

INFUSE has also contributed towards an enabling framework by influencing one key enabling legislation to allow for recapitalization of MFIs and their entry into deposit-taking operations. A national policy statement for inclusive finance has been drafted but awaits approval. The project has secured the buy-in of the Ministry of Economic Development; however, a more active engagement by the key Ministry of Finance remains necessary.

INFUSE facilitated technical assistance to the Banking and Payments Authority to develop the Other Deposit-taking Institution instruction, to enable microfinance institutions to accept savings deposits. INFUSE also entered into a partnership with the National Labour Force Development Institute (under the Secretary for Employment, Vocational and Professional Training), to develop a standard competencies framework for operating a microfinance and banking certificate programme.

The Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery (COMPASIS) project, against the target of 200 self-help groups, 80 self-help groups have been established in the Ermera and Oecussi districts, involving approximately 1,000 people from 17 *sucos*. Livelihood activities such as fish ponds and home vegetable gardens have been identified, and savings and credit schemes have been extended to all the 80 self-help groups. In addition, 34 small rural infrastructure rehabilitation projects have been identified with the participation of the communities and *suco* eldership, and are proposed for tendering in 2012.

All the projects contributed to strengthening government capacities at the national and district level. For example, the STAGE project included institutional and capacity strengthening of the Secretariat of State for Labour and Solidarity and its District Employment Centres, for enterprise development and skills training services to manage the Employment and Vocational Training Fund. The AIM project also involved capacity-building and strengthening of the Directorate of Roads, Bridges and Flood Control, in the selection of local contractors and in the bidding processes for award of the infrastructure. The Conditional Cash Transfer project has enabled submission of the Draft Bolsa da Mae decree law to the Council of Ministers reflecting the new policy for cash transfer mechanisms; trained 78 field staff in the Bolsa da Mae policies; created a national database and registered 3,000 women; and enabled 15,772 households to receive pensions (cash transfers) linked to children's school attendance and visits to health clinics, which were used as indicators of access to basic social services.

the activities of Programme for Enhancing Rural Women's Leadership and Participation in Nation Building helped to better prepare women candidates for contesting *suco* elections.

Achieving the stated outcomes of many of the poverty reduction initiatives had limitations. The summative evaluation of the Recovery, Employment and Stability Programme for Ex-combat-

ants and Communities in Timor-Leste indicates that it could not attain satisfactory results in confidence-building measures. The early socialization campaign, started long before funds were available for disbursement, combined with implementation delays, created frustration among community members who were awaiting assistance. Given the mandate of the UN Mission at the time and the direct execution mode, there was

limited involvement of line ministry counterparts in the follow-up and mainstreaming of these projects. UNOPS did not have any exit strategies for the successful handover of projects to national counterparts or other partners. Similarly, the Oecussi Ambeno Community Activation Programme and the Programme for Access Improvements to Markets in the Eastern Region struggled with issues of sustainability in the absence of policy linkages and institutional capacity development of national counterpart institutions. There were modest linkages of these projects to larger national initiatives, such as the government's plans to create local development grants under the Local Governance Programmes and to microcredit and savings institutions.

One of the constraining factors in the implementation of the Access Improvements to Markets in the Eastern Region, the Oecussi Ambeno Community Activation Programme, Skills Training for Gainful Employment project and the Programme for Enhancing Rural Women's Leadership and Participation in Nation Building was the disruption caused by the 2006 recurrence of conflict, which resulted in the suspension of activities, withdrawal of staff from project areas and evacuation of international staff from the country. The Programme for Access Improvements to Markets in the Eastern Region suffered particularly badly from looting and vandalism of equipment, and the Ministry of Agriculture and Forestry was forced to relocate offices twice and to replace several advisers who did not return following evacuation. The abrupt departure of UNOPS in 2006 because of the outbreak of internal conflict, the vandalism of assets in the 2006 riots and the lack of an exit strategy constrained project outcomes. The evaluation of European Union-funded projects, which were a major component of the 2003–2008 programme, also highlights the projects' absence of policy linkages.<sup>89</sup> The evaluation was critical of the design of the one-off demonstration and confidence-building projects, which lacked adequate exit strate-

gies and upstream linkages to national policy. The evaluation was also critical of UNDP's role being limited to that of an intermediary in project management, rather than undertaking a more proactive role in programme strategizing and scaling up.<sup>90</sup>

## COMMUNITY DEVELOPMENT AND SUSTAINABLE LIVELIHOODS

Recognizing national efforts and the priorities articulated in the 2007 National Recovery Strategy, there was a shift from the largely restorative, donor-funded and capital-intensive projects developed in the first programme cycle to a community development and sustainable livelihoods approach during the second programme cycle. The 2009–2013 programme has a considerably more modest portfolio of projects, with smaller capital outlays and joint programmes with several UN agencies, with UNDP continuing as the funds administrator and performing a small role in implementation. The projects are more aligned with the priorities of the national development plan and are better linked with government initiatives than the projects in the previous programme (See Box 5 for the achievements of these projects). The most salient feature of UNDP's ongoing programme is the emphasis on the financial inclusion of communities (see Box 6).

### **The reach of the community financial services of UNDP joint support remains limited due to the small scale of interventions.**

Various community development and livelihood interventions had limited synergies and lacked a programmatic approach. There has been no substantive technical involvement of UNDP in the projects. For example, in the Inclusive Finance for Underserved Economy (INFUSE), the largest project in the portfolio, the entire technical assistance component was coordinated by a UNCDF project implementation unit and UNDP had played limited strategic and programme quality

89 European Commission, 'Final Evaluation of Timor-Leste Rural Development Programme (TL RDP), EU Ref. 2009/208596 (SDC 294 Summary of Findings)' EuropeAid Co-Operations Office, August 2009.

90 Ibid.

### Box 6. Poverty Reduction Projects in 2009 - 2013

#### **Inclusive Finance for Underserved Economy (UNDP and UNCDF)**

Budget: \$5,080,000

Duration: Two years

Coverage: All districts

Objectives: To contribute to poverty reduction by increasing sustainable access to financial services for the poor and low-income groups.

Activities: Policy development to enhance the enabling environment; facilitating long-term sustainability of the retail financial service providers to increase their outreach to serve an increasing number of target groups; and establishing a financial business support infrastructure for recipients of financial services.

#### **Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery (UN Joint Programme with five other UN agencies)**

Budget: \$1,390,000

Duration: Two years

Coverage: Ermera, Oecusse

Objectives: To address major barriers to human security through community mobilization and social inclusion approaches. Specific outcomes: a) reduce extreme poverty and improve income generation and food security through community mobilization, agro-based micro-enterprises, skills training and post-training support; and b) promote social inclusion in the service delivery system through the education and participation of out of school children; increasing community awareness of maternal and child health; and building capacity of service providers.

Activities: UNDP's role in the project, in addition to coordination, is to establish/strengthen self-help groups, facilitate provision of microfinance for starting micro-enterprises and assist in community-based rehabilitation of small rural infrastructure projects.

#### **Conditional Cash Transfer ( UN Joint Programme)**

Budget: \$4,995,000

Duration: Three years

Coverage: Nationwide

Objectives: Improved protection of women and girls through the establishment of legal frameworks and mechanisms to uphold their rights; reduced vulnerability of women and girls through improved outreach mechanisms and services and the establishment of a social protection scheme; and improved social and economic situation of women and girls through a fair allocation of resources using gender-responsive budgeting.

Activities: Technical support to strengthen the design, implementation, baselines, monitoring and evaluation framework with measurement indicators of ongoing conditional cash transfer schemes of the Ministry of Social Solidarity.

assurance role. Lack of a counterpart government institution in community development was one of the contributing factors in the limited progress in this area. There were efforts to develop synergies in the Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery (COMPASIS) between UNDP's support to self-help groups and the agricultural and vocational training supported by the Food and Agriculture Organization and International Labour Organization. With other UN agencies (such as the United Nations Children's Fund, the United

Nations Population Fund and the World Food Programme), it was more difficult, as they had followed different approaches.

COMPASIS and Conditional Cash Transfers are joint programmes in which other UN agencies have much larger roles in programme delivery. COMPASIS is the aggregate impact of UN support across multiple poverty dimensions of remote and poor communities and target groups. In COMPASIS, the main involvement of UNDP was in community infrastructure, the creation of

self-help groups and linking them to microfinance institutions that were partners in the INFUSE project. UNDP support to the Ministry of Social Solidarity's Conditional Cash Transfer scheme, Bolsa da Mae, is in early stages, and the scale and impact will depend on government budget allocations that compete with the more politically important veterans' allowance. Women were included as beneficiaries in various interventions. However, an explicit approach to addressing the gender dimensions of economic empowerment and community development was limited to a few projects.<sup>91</sup>

In terms of programme design and planning, international donor agency models informed most UNDP recovery and livelihood projects. In Timor-Leste, development agencies and NGOs followed different approaches to community development. Harmonizing community mobilization methodology was not a priority, because of the high transaction costs and perceived benefits. For the Oecussi Ambeno Community Activation Programme (OCAP), UNOPS adopted the MYRADA self-help Groups model, and UNDP later built on the OCAP experience and used the local NGO that was formed out of the OCAP Self-Help Groups to further strengthen and replicate under COMPASIS. The government's Cooperative Department could not adopt the models, because the government cooperative models required larger membership, which was not particularly adapted to communities in very remote, subsistence-level areas where OCAP and COMPASIS were working. In addition, the lack of human and financial resources of the Cooperative Department limited its scope of possible interventions. UNDP has found it challenging to maintain its organizational relevance in the poverty reduction area by utilizing its fund management role for more substantive implementation engagement or by expanding the scope of its contributions.

The increase in state resources also required greater policy engagement. UNDP's strategic engagement and positioning in upstream support

has not been responsive to Timor-Leste's emerging needs, and there were areas where UNDP had expertise to contribute. For example, there were critical gaps in access to microfinance, and Timor-Leste did not yet have a legal framework for microfinance institutions, even though the INFUSE project made some efforts in that direction. The key legal framework for microfinance institutions was the Other Deposit Taking Institutions Law that INFUSE helped the Ministry of Economy and Development to draft and pass in late 2011. However, the UNDP role in INFUSE reflected an underutilization of its access to key ministries, and UNDP remained on the fringes of project implementation.

**Overall, the scale and scope of the UNDP poverty reduction programme was not commensurate with the challenges of addressing multi-dimensional poverty in Timor-Leste. UNDP support to poverty reduction varied during the two programmes assessed. UNDP contributions to MDG policy support and recovery needs were more effective.**

The enormity of Timor-Leste's post-conflict recovery, reconstruction and human development needs and weak national institutional capacity necessitated an equally massive scale and scope of interventions in poverty reduction and sustainable livelihoods. Timor-Leste's physical infrastructure was damaged or destroyed, and food security and livelihoods were threatened in some parts of the country. The approach of development agencies in Timor-Leste, including UNDP, was to align with the national strategies to first meet the immediate recovery and livelihood priorities before addressing long-term issues in sustainable livelihood and community development. UNDP support to poverty reduction strategies and policy, stabilization of livelihoods and community development had different levels of engagement, ranging from support to strengthening institutional capacities, to large-scale but one-off recovery and recon-

---

91 For example, the Programme for Enhancing Rural Women's Leadership and Participation in Nation Building, INFUSE and the Conditional Cash Transfers project.

struction projects, and more modest activities, including a fund management role. The recovery and reconstruction projects addressed the specific needs of post-conflict recovery and reconstruction and community development. A key limitation of UNDP's programme was one-off interventions, which did not have broader government poverty reduction programmes to link to for a more sustainable outcome, as the government was still building up its institutions and responding to conflict and security issues. The community infrastructure component of COMPASIS used systems developed by the government under the Local Development Programme that later merged into the Integrated Decentralized Development Programme (with assistance from the UNDP-UNCDF Local Governance Support Programme covered under the Governance section).

## ENERGY AND ENVIRONMENT MANAGEMENT

UNDP set up an Environment Section within the Poverty Reduction and Environment Unit in 2005, concomitant to the implementation of the first environmental projects—the National Capacity Self-Assessment and the Participatory Rural Energy Development Project. Implementation was disrupted by the return of political and civil unrest in 2006, and the Country Programme Action Plan (CPAP) was extended to 2008. Towards the end of CPAP, several projects were developed to improve government planning, prioritization and capacities in biodiversity, sustainable land management and climate change adaptation, although the majority of implementation has taken place under the second CPAP (see Table 19).

The second CPAP (2009–2013) has focused on developing capacity within government and

**Table 19. Support to Energy and Environment**

Project Title	Project Period	Funding	Approved Budget (US\$)
<b>2002–2008</b>			
Environmental Governance Support Programme and National Capacity Self-Assessment	2005–2008	Global Environment Facility, UNDP	200,000
Participatory Rural Energy Development Programme	2005–2009	UK, UNDP	410,000
<b>2009–2013</b>			
National Biodiversity Strategy and Action Plan	2008–ongoing	Global Environment Facility, Birdlife International, Government of the Democratic Republic of Timor-Leste	295,200
Programme of Work for Protected Areas	2008–ongoing	Global Environment Facility, Birdlife International, Government of the Democratic Republic of Timor-Leste	473,281
Initial National Communication on Climate Change	2009–ongoing	Secretary of State for Environment	731,232
Sustainable Land Management	2007–2010	Global Environment Facility, UNDP, Government of the Democratic Republic of Timor-Leste	549,350
National Adaptation Programme of Action to Climate Change	2008–2010	Global Environment Facility, Government of the Democratic Republic of Timor-Leste	220,000
Environmental Mainstreaming in Timor-Leste	2009–2010	UNDP, United Nations Volunteers, Poverty Environment Initiative, Government of South Australia	410,426



communities for environmental management, with the emphasis on climate change adaptation and energy, with links to disaster management issues (see Table 19). At the same time, UNDP has maintained the focus on mainstreaming environment into national development planning. Under the second CPAP, five projects have been implemented, with a further two projects focused on adaptation measures for small-scale infrastructure and alternative energy from biomass yet to begin implementation. Furthermore, the Global Environment Facility Small Grants Programme is expected to begin operations in 2012 to support community-based environmental and sustainable livelihoods projects.

**UNDP support has assisted Timor-Leste to develop initial human capacities, raise the profile of environmental issues and establish national priorities, particularly in climate change adaptation. This in itself was important, given the post-conflict context.**

The UNDP environment and energy programme has been quite modest, with its primary emphasis being on supporting Timor-Leste's fulfilment of obligations to international environmental conventions, and in this respect, it has been broadly successful. Furthermore, UNDP has played an important role in helping the government determine the key environmental priorities that are relevant to national development priorities (e.g. climate change adaptation). Many significant challenges remain, such as developing practical measures to improve land management, to reduce slash and burn agriculture and to improve the central-, district- and community-level capacities in environmental management.

UNDP interventions have focused on capacity-building activities at the systemic and institutional level, which have helped the country fulfil its initial obligations to the United Nations Framework Convention on Climate Change and the United

Nations Convention on Biological Diversity. The projects have raised awareness, created knowledge and provided a forum for the government to discuss and define its environmental priorities. In doing so, the government has elaborated on its constitutional and strategic development plan (2011–2030) commitments to the environment and to natural resource management. Notably, the National Action Plan for Adaptation assisted the government to identify threats and areas for priority actions. Completion of the plan allowed the government to access funding under the Least Developed Countries Fund for a project focused on climate-proofing small-scale community infrastructure, which was expected to begin implementation with UNDP assistance later in 2012. The commencement of the Global Environment Facility Small Grants Programme in 2012 is expected to provide opportunities for sustained community-level interventions that link poverty reduction and environmental benefits that have been largely absent from UNDP programming so far.

The National Action Plan for Adaptation has been the most influential plan developed so far, in part because of the broad consultative and participatory prioritization processes that were followed, involving central and district officials, national and international NGOs, development partners and the private sector. Interviews indicate that there were originally more than 100 priorities, but through workshops, discussions and scoring, the number was reduced to nine. In addition, the processes also greatly raised awareness and concern across the government on adaptation and the need to climate-proof and build resilience, particularly in the agricultural and infrastructure sectors. This was achieved through the formation of six cross-ministerial working groups.<sup>92</sup> Importantly, the plan led to the development of the Least Developed Countries Fund project, which was the first action to implement the plan. The cross-ministerial working group approach to building awareness, capacity and assisting to mainstream climate

---

92 As reported during discussions with stakeholders, it also allowed government staff to see links between activities such as planting trees, maintaining forests and protecting road and bridge infrastructure development in terms of reducing landslides and flash flood risks.

change issues has been replicated in the Initial National Communication on Climate Change project, which is currently under implementation.

Progress towards strengthening capacities for community-based natural resource and energy management has yet to be made because of the delayed start to the Global Environment Facility Small Grants Programme, which is to be implemented in later part of 2012.<sup>93</sup> Hence, the capacities of community-based organizations are unlikely to be sufficiently developed by 2013 in order to attain the associated output by the end of the current CPAP. However, the potential for this outcome to be achieved in the following CPAP is likely for several reasons: First, other development partners and the private sector<sup>94</sup> have been working with community-based organizations and NGOs through projects or small grants programmes, hence there is already some existing capacity that may allow for a quick start-up for the Global Environment Facility Small Grants Programme. Several NGOs, such as Haburas and Santalum, have developed capacity in reforestation and sustainable land management, which is relevant to communities and also defining the forthcoming Small Grants Programme country strategy. Second, UNDP's support for the development of national plans for climate change adaptation, biodiversity and sustainable land management have allowed the government to clearly define priorities for action where community involvement is required, and this will also feed into the development of a relevant strategy for the Small Grants Programme.

The Least Developed Countries Fund and the Global Environment Facility funded small infrastructure climate adaptation and biomass projects, which is expected to begin implementation in 2012 to 2013. These projects will also have community-based activities that are focused on improved land management and energy, and will have a strong potential to contribute to poverty reduction and improved resource management.

However, this assumes UNDP Timor-Leste will conduct appropriate monitoring and evaluation to track progress and identify results.

There were challenges in moving forward on the capacity development of the central government in the implementation of adaptation strategies. Piloting of alternative energy projects was made through the Participatory Rural Energy Development Programme at the community level. There were also efforts towards mainstreaming environmental issues into development planning and fulfilling obligations to environmental conventions and associated capacity development. However, weak capacities and lack of incentives for cross-ministerial cooperation and coordination still pose challenges to mainstreaming.

The evaluation found limited evidence that UNDP was able to advocate effectively within government. This was reported to be because of unstable communication and the lack of continuity in relationships caused by staff turnover within the UNDP Poverty Reduction and Environment Unit. Furthermore, some government stakeholders felt that UNDP interventions focused too much on consultancies and reports and did not provide enough support to stakeholders dealing with threats to the environment, particularly in relation to sustainable land management and biodiversity. These views may be related to a misunderstanding of the scope of the initial Global Environment Facility-funded enabling activities, but clearly there is frustration that after 10 years of programme presence, environmental activities have yet to begin or even be designed.

### **4.3 CRISIS PREVENTION AND RECOVERY**

Three different areas of support comprised the portfolio of crisis prevention and recovery, including: 1) response to crisis: social reintegration and cohesion/peacebuilding; 2) security sector review;

---

93 The Small Grants Programme was expected to start in 2009 but was delayed by three years.

94 USAID, AusAID, Mercy Corps and ConocoPhillips.

and 3) disaster risk management. The following sections analyse each of these programme areas.

### RESPONSE TO CRISIS: SOCIAL REINTEGRATION AND COHESION

The 2006–2007 conflict was the result of the tensions between security forces and a wide range of social groups, such as gangs, veteran groups and martial arts groups.<sup>95</sup> The crisis resulted in loss of life, large-scale destruction and damage of houses and buildings, leaving more than 150,000 displaced people, including two thirds of the population of Dili. The crisis created multiple fracture lines in Timor-Leste society. The UN-supported state- and peacebuilding processes, which had been considered as a success achieved in a short period of time, faced significant reversals due to the crisis. The government requested international assistance to restore security, which led to the establishment of UNMIT. The UN assumed command of national policing. UN and UNDP, along with the international community, supported the recovery and return of the displaced population.

In 2007, addressing the security of the people, the issues of internally displaced persons and the drivers of conflict became the top national priorities for the government. Public safety and

security, including professionalizing the security sector and defining a national defence policy (including its legislative and conceptual framework), were also given priority. In December 2007, the government launched *Hamutuk Hari'i Futuru* (Together Building the Future), a National Recovery Strategy focused on the needs of displaced people and receiving communities.<sup>96</sup>

In a two-year period, considerable progress was made in the return of the displaced population, as indicated by the closing of the 65 internally displaced person camps (officially closed by the government in September 2009). In the security sector, the capacities and the relationship between the police and defence forces improved, and the UN handed over primary policing responsibility to the national police force in March 2011. The government has since shifted its emphasis from recovery to peacebuilding. The 2011-2030 Timor-Leste Strategic Development Plan characterized the country as a post-conflict state that would focus on development.

Despite achievements in support of return and resettlement, the root causes of conflict persist, which cannot be fully attributed to UNDP contribution. These factors include history of the liberation struggle and fundamental divisions within

**Table 20. Social Reintegration and Cohesion Programme**

Name of the project	Duration	Budget (US\$ millions)	Funding
Strengthening Institutional Structures and Mechanisms for Dialogue (also called Dialogue Project)	June 2008 – October 2010	1	Australia, New Zealand, Ireland, UN Peacebuilding Fund
Support to the Trust Building Pillar of the National Recovery Strategy (also known as the HHK NGOs Small Grants Project)	June 2008 – September 2011	1.5	Sweden
Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People	November 2008 – March 2011	2	UNDP, AusAID
Support to the Department of Peace-Building and Social Cohesion in Timor-Leste	October 2010 – September 2013	3	UNDP

<sup>95</sup> See for further discussion United Nations, 'Report of the United Nations Independent Special Commission of Inquiry for Timor-Leste', Geneva, 2 October 2006.

<sup>96</sup> Government of the Democratic Republic of Timor-Leste, 'Hamutuk Hari'i Futuru, A National Recovery Strategy', Office of the Vice Prime Minister of the Democratic Republic of Timor-Leste, 19 December 2007.

and between the uniformed services, multiple claims to land and property, east-west divisions, high youth unemployment rates, poverty and divided political elite. Security sector institutions remain weak with respect to capacity, discipline, respect for human rights, civilian oversight and clear mandates between the police and the army.

The UNDP response to this situation included three complementary projects: two infrastructure initiatives, Strengthening Institutional Structures and Mechanisms for Dialogue and Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People, and the Support to the Trust Building Pillar of the National Recovery Strategy project (see Table 20). Response focused in three areas: social reintegration and cohesion/peacebuilding, security sector development and good governance. The following sections analyse the contribution in each of these areas.

**In response to the 2006 crisis, UNDP's contributions have been important to the return of internally displaced persons, community dialogue and mediation. However, UNDP had limitations in promoting linkages between recovery and addressing the underlying causes of conflict outlined in the national recovery strategy.**

UNDP support to internally displaced persons' return, relocation and reintegration was relevant to the government's National Recovery Strategy (2007), with special emphasis on the trust-building pillar. ADR findings indicate that UNDP's early recovery projects, for their size and scope, contributed to a degree of stability and facilitated the internally displaced persons' return, relocation, reintegration and reconciliation with

receiving communities. These initiatives were largely in humanitarian mode and designed as one-off projects, limiting linkages with long-term livelihood support for sustainable results.

The three UNDP projects (Strengthening Institutional Structures and Mechanisms for Dialogue, Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People and Support to the Trust Building Pillar of the National Recovery Strategy) achieved the stated outputs in enabling the return, relocation and reintegration of internally displaced persons through trust-building activities, a key pillar of the National Recovery Strategy (2007).<sup>97</sup> Mediation and conflict resolution activities of the 40 dialogue team members resulted in the return of 10,000 internally displaced person families (about 70,000 people), and helped in the process of reconciliation between the internally displaced persons and the receiving communities through providing opportunities for engagement to resolve conflicts. UNDP facilitated monitoring of internally displaced person return and relocation, built capacities in the government dialogue teams and contributed to community stabilization activities.<sup>98</sup> The Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People project enabled completion of community infrastructure projects in 21 communities identified by the Dialogue Project as needing further opportunities for reconciliation and reintegration.

The Dialogue Project was perceived by different stakeholders as effective with regard to the return of internally displaced persons. Staff from the Ministry of Social Solidarity managed community conflicts between internally displaced persons and receiving communities and improved

97 The Trust Building Pillar of the National Recovery Strategy "aimed at strengthening trust between the people and the government and throughout society and building social cohesion through dialogue, support for increasing the productive contribution of youth and martial arts groups, internal tourism, monitoring of returns and supporting awareness of a shared and common history". The other four pillars were shelter, stability, socio-economic development and social protection. The return of internally displaced persons was one of the three national priorities for the fourth Constitutional government in 2007.

98 Barns, F., 'Disaster Risk Management Institutional and Operation Systems Development – UNDP Timor-Leste Final Report', UNDP Timor-Leste, 2010.

the public image of national and local state officials by involving them in community dialogues. In the past two years, however, with exceptions, the significance of the dialogue process has waned. The strong persistence of competing narratives around key historical episodes of violence, such as in 1999 and 2006, continues to make promoting national identity a challenge. Given the ongoing need for timely mediation, more institutionalized systems for alternate dispute resolution are needed. If the mechanism for this is dialogue teams, then the capacities of these teams must be significantly strengthened. The present capacities are not sufficient for even a peripheral role.

It was also evident that it is not reasonable to expect that trust-building activities unsupported by economic recovery projects could eliminate societal conflict that has some economic basis. The government's rejection of special economic programmes for internally displaced persons and a failure to address land conflicts or punish the perpetrators of the 2006 violence make durable solutions for internally displaced persons difficult to achieve.<sup>99</sup>

Dialogue team members were hired on government contracts, embedded in the Ministry of Social Solidarity and recruited on the government pay scale to strengthen government ownership. UNDP recruited, trained and paid the Dialogue team staff. The government, as part of the exit strategy, was to establish the Department of Peace-Building and Social Cohesion (DPBSC) in the Ministry of Social Solidarity. Most of the Dialogue team staff was hired to serve in the new DPBSC; hence, the institutional and human resource benefits of capacity-building were retained by the Ministry of Social Solidarity.

DPBSC conducted 17 preparatory meetings at the national level that led to 5 community dia-

logue meetings in 2011. However, progress in strengthening the capacities of DPBSC has been modest. The capacities at the district level were too weak to play a meaningful role in community-level conflict resolution. For example, the evaluation team field visits to Baucau and Ermera did not present an encouraging account of community-level conflict resolution capabilities. In Baucau, the dialogue was better experienced than in Ermera, but they were not in a position to undertake more than a small number of mediations. It was not possible to determine the precise number of conflict situations, their intensity or the need for resolution. The evaluation team was also unable to check if the mediations that were carried out by the dialogue team were effective.

Ermera is a sensitive district in terms of susceptibility to conflict.<sup>100</sup> The Dialogue team did not have the capacity to adequately handle community conflict resolution. It was evident from the discussions with the district-level stakeholders that the dialogue team had received minimal training. The team had mediated approximately nine conflicts since 2008, which is a very small number considering the incidence of conflict in these districts. For violent conflict alone, between October 2011 and January 2012, there were 17 reported incidents in Ermera and 14 in Baucau.<sup>101</sup>

**There are issues in terms of coordination and streamlining of roles and responsibilities of agencies within and outside the Ministry of Social Solidarity (DPBSC, Secretary of State for Security, National Directorate of Land and Property). Different government institutions had overlapping roles and mandates in conflict resolution or crisis prevention. The approach followed by UNDP to institutionalize mechanisms and procedures for consolidating peace was appropriate at the time when the initiative**

99 Barns, F., 'Disaster Risk Management Institutional and Operation Systems Development – UNDP Timor-Leste Final Report', UNDP Timor-Leste, 2010; see p. 34 on of government support for socio-economic recovery of Internally Displaced Persons.

100 Belun and Columbia University Center for International Conflict Resolution, 'Conflict Potential Analysis October 2011 - January 2012', Early Warning and Early Response (EWER) programme report, 2012; available at <http://www.cicr-columbia.org/wp-content/uploads/2012/05/Trimester-IX-Eng-FINAL-3-May-2012.pdf>.

101 Ibid.

**was designed. The overall outcome was not at a desired level, because of poor sequencing of institutionalization of peacebuilding efforts, which was beyond the influence of UNDP.**

Most interventions were fully supported by UNDP. The Ministry of Social Solidarity or UNDP could not predict at that time that the huge veterans' allowance budget would inhibit budget allocations to other areas, including the peacebuilding department and the Conditional Cash Transfers programme. In addition, it was not evident that the government considered it critical to allocate adequate funds for mediation efforts. It is too soon to identify any accomplishments of the DPBSC project, though there were indications that the sustainability of its outputs is uncertain.

Although the government budget is supposed to cover 50 percent of their salaries for 2012, all DPBSC staff remain on short-term government contracts and are still paid by UNDP (this includes former Dialogue team members who were absorbed into DPBSC, but does not include the Department Chief). Budget was allocated in 2012 by the Ministry of Social Solidarity for department staff, but according to the ministry, recruitments were stalled at the level of the Civil Service Commission.<sup>102</sup> Uncertainty about contract renewal and opportunities of higher pay in international organizations have lured away some Dialogue team staff and threatens to undo the capacity development that took place under the Dialogue Project.

Multiple agencies with overlapping mandates proved counterproductive to a coherent response to conflict prevention. The National Directorate for the Prevention of Community Conflict in the Secretariat of State for Security asserts it alone has the mandate under a 2010 Organic Law to engage in conflict prevention. There is considerable resentment from the National Directorate about UNDP support for the formation of DPBSC and the funding of its operations, as

it was seen as undermining the mandate of the National Directorate. UNDP efforts to negotiate between the National Directorate and the Ministry of Social Solidarity for a greater role for DPBSC were resented. The distinction of DPBSC having the mandate on conflict prevention on social issues and not rule of law, as in the case of the National Directorate, was acceptable to other stakeholders with a conflict prevention mandate. The other practical issue was that DPBSC had to depend on the National Directorate for data on conflict incidence, which the latter was reluctant to share. The continuation of DPBSC largely depends on funding support by UNDP, and at the time of the ADR, department representatives were not sure about their continuation in the absence of UNDP funds.

At the time UNDP was asked by the Ministry of Social Solidarity to support the institutionalization of dialogue efforts, it was not known that the Secretary of State for Security would build up a new structure from scratch to carry out similar functions. It was only natural for UNDP to support the decision of the ministry that had the coordinating role of the community peacebuilding efforts under the National Recovery Strategy to sustain the dialogue process to consolidate peace and to prevent future conflict. With the new decree law in 2010, the Secretary of State for Security created the National Directorate for the Prevention of Community Conflict with UNMIT support, and UNDP was subsequently asked to extend support to it. Considering the overlap in the some of the areas of work of DPBSC and the new directorate, UNDP supported the data collection pillar in the latter. There have been ongoing efforts by UNDP to bring coherence to the overlapping functions of the two directorates, and not enough time has passed for institutional reformulations.

**Implementation delays, compounded by weak project management, undermined UNDP contributions.**

---

<sup>102</sup> The staff and budget were transferred to Ministry of Social Solidarity in 2013.

All the projects under the Social Integration and Social Cohesion Programme, including the Dialogue Project, recruited key UNDP staff late or staff positions were not filled, which negatively affected project implementation. The Dialogue Project did not collect baseline data, the NGOs in the DPBSC project had yet to assemble baseline data at the time this evaluation was conducted in February 2012. Monitoring and evaluation frameworks were developed too late to inform implementation of the Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People project and have not yet been devised for the DPBSC project.

The Dialogue Project had some success in engaging nationals. The project recruited university students to serve in dialogue teams, located them in the Ministry of Social Solidarity, trained them in conflict resolution and paid them on the government pay scale. Dialogue teams then trained community leaders in mediation and conflict management. The Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People project followed the same approach, but improvement in the social mobilizers' capacity was at best modest. Both projects made a strong effort to mainstream gender in their activities, and about 20 percent of the dialogue team members were women.

The different capacity-building outcomes in Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People project and the Dialogue Project related to the differences in the calibre of project management leadership. The Dialogue Project benefited from excellent international and national project managers. In contrast, the Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People's international project manager and national manager were recruited eight months after the

project's launch date, and the international project manager, according to several interviews, was very weak. Both projects hired key staff late, including a capacity development mentor.<sup>103</sup>

## SECURITY SECTOR REVIEW

**Security sector projects had limitations in achieving intended outcomes. Government ownership was low for historical and political reasons, resulting in delays, project extensions, and incomplete activities.**

UNDP contributions to national capacity-building in the security sector and developing security expertise were limited, even though the projects supported national priorities (See Table 21 for support provided to security sector activities). A nationwide security perception survey of the sector's needs (approved by the government in 2011) was conducted by an Indonesian academic institute. Some specific training in developing security expertise was effective, such as training national police technicians in radio communications repair and maintenance, the Civilian Guard in the National Directorate for Public Building Security and private security companies.<sup>104</sup> However, these efforts were too *ad hoc* to have an overall impact on the sector.

The training for Timor-Leste's police, a joint programme with United Nations Police, had some measure of success in building national police capacities. The police capacity-building project focus on developing oversight and management capacities was relevant and in line with stated government objectives.

The decision for UNDP to engage in security sector and police support was based on the recommendation of a joint UNDP Bureau for Conflict Prevention and Recovery, UN Department of Peacekeeping Operations and UN Police strate-

103 The Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People project's late recruitment of numerous staff resulted in its failure to mobilize \$1.5 million from donors and the down-scaling of its assistance from 30 to 21 community infrastructure projects.

104 Powles, A., 'Independent Evaluation Report. Independent Evaluation of the Security Sector Review Capacity Development Facility, Timor-Leste', Final Report, 2011, p. 7, pp. 21-25.

gic planning mission in the context of transition for eventual UNMIT drawdown. The joint police project was designed to use UN Police technical expertise. The national police capacity-building project supports the national police/UN Police Joint Development Plan (2011) (as a follow-up to the handover from the UN Police to Timor-Leste's national police force). UN Police civilian advisers constituted the core technical experts to deliver project activities. Key activities that were conducted included a three-month awareness raising course for Timor-Leste's justice sector police officials on the Discipline Decree law governing police conduct and discipline (which educated officers on how to strengthen human rights principles) and improving standards in Vulnerable Persons' Unit offices (for victims of gender-based violence and other crimes against women and children) in police stations, evidence of which the evaluation team observed at the police station in Ermera. Additionally, the project arranged for four Timorese police officers to attend a course in Indonesia to strengthen Timor-Leste's internal police audit policy and systems. However, considering the short duration of the intervention, it is not possible to evaluate it for contribution to results.

In other interventions, outputs were achieved, but without producing any capacity-building outcomes. Notably, the security sector review of the needs and future roles and responsibilities

in the security sector (approved by the President and Prime Minister in November 2011)—the major output of the security sector reform project—was produced by UNMIT's Security Sector Support Unit without government participation. Support was provided for civil society organizations' research on security issues, but without giving the organizations adequate time to conduct the research. International advisers embedded in the government helped draft laws (e.g. National Security Law, National Defence Law, Law on Military Police, Internal Security Law) and policy (e.g. National Security Policy).<sup>105</sup> Some outputs were not achieved at all; the National Defense Institute, envisaged as a think-tank for government security and defence issues, acquired physical infrastructure but not staff or policy outputs.

Some of the short-term interventions moved forward, but their overall contribution to the security sector was too small to assess for results. One of the initiatives supported by UNDP placed advisers in the Office of the President, the Secretariat of State for Defence, the Secretariat of State for Security and the parliament in order to provide technical assistance on security policy, management, legal development and oversight. These institutions identified their capacity-building needs. The support also included short, one-off trainings. Examples include training for civil protection officers in the Secretariat of State for Security's National Directorate; for Civil

Project Title	Duration	End Date	Donors	Total Expenditure (US\$)
Security Sector Review in Timor-Leste	2008–2010	December 2010	Norway, Australia, Ireland, UNDP	1,207,082
Security Sector Review in Timor-Leste – Capacity Development Facility	2009–2010	December 2010	European Union	2,094,653
Strengthening Civilian Oversight and Management Capacity in the Security	2011–2012	August 2012	UNDP Bureau for Crisis Prevention and Recovery	1,295,289**
Strengthening the National Police Capacity in Timor-Leste	2011–2012	July 2012	UN Police, UNDP Bureau for Crisis Prevention and Recovery	1,030,620**

\*\* The figures are allocations

105 Ibid, p. 28.



Protection on operating the national fire emergency number and improving the Directorate's response capability through the establishment of the National Operations Centre; for members of Parliamentary Committee B on oversight of intelligence services; for middle management officers from security oversight institutions on security and defence issues, organized by the Office of the President; and for the National Directorate for the Prevention of Community Conflict staff and focal points on conflict prevention. Interviews suggest that the government wants funding for activities such as these, rather than mere guidance and advice.

The main constraints in the effectiveness of the security sector projects were lack of government ownership and weak UNDP project management, exacerbated by the tenuous division of programme responsibilities between UNDP and UNMIT. Delays in project execution were also due to the Project Management Board's lack of initiative, a reflection also of the political problems. The security sector Capacity Development Facility Project Management Board, the same as that for the security sector review project, had high-level government representation and the power to vet all activities.<sup>106</sup> Yet government ownership, even though UNDP-UNMIT evaluations say it grew during the project, was low.<sup>107</sup> One manifestation of low government ownership was that the Board met only once between December 2009 and June 2010, and only began to meet regularly in the second half of 2010, when the project was scheduled to end. This also led to delays in the review of the draft National Security Policy by the Council of Ministers. The National Defence Institute has been mired in political gridlock over the appointment of the Director. Since

the Director must appoint staff, there were considerable delays in the recruitment of the national adviser and three National Defence Institute staff. The expected training of the staff and the development of curricula and research projects, including on gender and human rights, has therefore not occurred. It follows that sustainability of any accomplishments will be an issue. The Project Management Board did not play an enabling role and, according to ADR discussions, there was a strong perception that the board should have had the power to provide strategic direction, rather than merely a management function.

While the formation of the Project Management Board and the close engagement with the national police and other government stakeholders were intended to enhance national ownership, this was not sufficient to carry forward some of the initiatives after the programme period.<sup>108</sup> Sustainability was not adequately factored into the design of the initiatives. For example, the programme lacked a strategic approach to exploring the possibility of strengthening national institutions while conducting training programmes. With specific reference to the security sector Capacity Development Facility, concerns were voiced that training activities had not been embedded in national training institutions (for example, the National Defense Institute, the police or army training centres or the National University) and that the government had not been required to make any budget contribution. There were efforts by UNDP to explore partnerships with Australia, Ireland, France and Portugal to bring in experts for training events organized by the President's office. Short duration, one-off training did not have the possibility of sustainable outcomes; it could only provide basic orientation.

---

106 The Prime Minister appointed representatives of the Office of the President, the national parliament and the Ministry of Defence and Security. The Secretariat of State for Security, representing the Ministry of Defence and Security, chaired the Project Management Board. UNMIT and UNDP had representation. The European Union, after later requesting representation, was only granted observer status.

107 Powles, Anna, 2010. Independent Evaluation of the UNDP Security Sector Review Capacity Development Facility, UNDP: Dili.

108 The Project Management Board had the power to provide strategic guidance and oversight to the project and to veto all activities undertaken, including concept notes, procurement and recruitment. In its dominant role on the Project Management Board, government representatives vetoed activities and met infrequently, delaying project activities (including projects like the National Defense Institute, which was a government initiative).

The security sector had many other actors with whom the UN had little engagement. The government has longstanding bilateral defence cooperation agreements with Australia, China, New Zealand, Portugal and the United States, which provide defence development assistance.<sup>109</sup> Other international partners included France, Japan, Malaysia, and the International Stabilisation Force composed of Australia and New Zealand. More recent agreements are with Cuba, Indonesia and the Philippines.

UNDP did not have adequate organizational expertise to engage in security sector support. Related issues included the choice of activities, the nature of security sector engagement and the value addition UNDP can bring. Areas such as security sector reform or maritime support are sensitive, and the government was less keen to get UN support. It was evident that security sector reform was not a well-informed choice. The independent final evaluation of the Capacity Development Facility project pointed to a lack of donor coordination in the security sector as the key factor contributing to the poor UNDP outcome in this area.<sup>110</sup> A Monitoring Report of the CDF project perceived the need for increased coordination with bilateral donors in the security sector, such as Australia and Portugal, as there are numerous institutions included in the security sector. On the contrary, ADR findings did not see any role for UNDP in either coordination or even working with bilaterals. The National Priority Working Group on Security was the formal coordination mechanism co-chaired by the Secretary of State for Security and the Secretary of State for Defence; and considering the presence of UNMIT, UNDP is not active in this sector. The UN Security Sector Reform Working

Group, chaired by the UN Security Sector Support Unit,<sup>111</sup> was expected to coordinate interventions and policy advice and the division of labour within the UN System. This mechanism was not effective and stopped functioning after a few meetings, as UN agencies were not active in this sector.

**Weak programme management was a common factor in at least three of the four projects (the police project being the exception). UNDP was unable to gather the requisite team expertise in a timely manner or retain staff for the duration of a project. The ongoing project being unable to mobilize the necessary resources as donors reduced aid to Timor-Leste and/or through multilateral channels.**

UNDP contribution to security sector reform projects was largely administrative, while the technical expertise was provided by UNMIT. All concerned stakeholders pointed to the poor project management on the part of UNDP—cumbersome operational procedures, staff shortages, late recruitment and a manager without managerial experience—which contributed to delays.<sup>112</sup> UNDP's reputation was damaged because of the administrative role it took on in the security sector. There were challenges in administration of the projects, particularly in meeting deadlines, and some of the delays had reasons that cannot be fully attributed to UNDP. It is not unusual in contexts where institutional roles and mandates are emerging that more time is needed for government engagement. This was evident in security sector reform approval, as well as when working with the Secretariat of State for Defence on the National Defence Institute, an initiative of the secretariat.

---

109 Rethinking the UN's Role in Defence Sector Reform, New York.

110 Powles, A., 'Independent Evaluation Report. Independent Evaluation of the Security Sector Review Capacity Development Facility, Timor-Leste', December 2010.

111 International Organization for Migration, UNDP, UNICEF, UNMIT Democratic Governance Support Unit, UNMIT Gender Unit, UNMIT Human Rights and Transitional Justice Section, UNMIT Military Liaison Group, UNMIT Political Affairs Office, UN Police.

112 Powles, A. 'Independent Evaluation of the UNDP Security Sector Review Capacity Development Facility', 2010, pp. 13-14, 37-8, 42-43; UNDP, 'UNDP Management Response, Independent Final Evaluation of the Security Sector Review Capacity Development Facility Project', December 2010.

Following due process to ensure that national institutions clearly expressed their needs for assistance also contributed to delays. The process of getting government approvals for finalizing projects was often lengthy. The second project needed the endorsement of four different government institutions, which caused delays. Weak government ownership and capacities caused delays in convening the Project Management Board, which slowed the process of project implementation. Considering the specialized area of security work, it was extremely difficult to get international and national personnel with both technical and managerial expertise and language capacities (Portuguese, Tetum and English). Frequent last-minute requests and changes on the government side also meant delays. UNDP procedures for procurement were lengthy, further adding to project implementation delays.<sup>113</sup>

While UNMIT and UNDP ensured the project outputs were delivered, some issues affecting joint work need to be resolved at the organizational level. The experience in Timor-Leste shows that, once again, UNDP's work pace was not up to the expectations of UNMIT. For UNDP, the security sector is one of several programmes, and a modest one in terms of size. For UNMIT, it was the key programme. The frustration was stronger on the part of UNMIT's technical staff, as staff members felt that they did all the work but had little control over the use of funds, which they had a significant role in mobilizing. The programme presents an important lesson for both UNDP and UNMIT to allow space for each other to maximize contribution in the sector.

## DISASTER RISK MANAGEMENT

Timor-Leste is highly prone to natural disasters. Timor-Leste's location north of the subduction zone between the Eurasian and Australian plates makes it particularly susceptible to earthquakes

and tsunamis. Moreover, the country's combination of heavy monsoonal rain, high winds, steep topography, shallow soils and prevalent deforestation make it prone to flash floods, landslides, river shifts and erosion. Deaths and casualties caused by landslides onto the road networks are common in the rainy season, but events also affect agricultural land and negatively impact access to local markets and food security. According to government estimates, there were 470 disaster events in the last decade.<sup>114</sup>

Recognition of the country's vulnerability to natural disasters began prior to independence, with the creation of the National Disaster Management Office within the Ministry of Interior in 2000. Since then, the National Disaster Management Office was moved to the Ministry of Social Solidarity and raised to the directorate level—it is now the National Disaster Management Directorate. In 2005, the directorate developed a National Disaster Risk Management Plan, which endorsed a multi-hazard risk management approach. The plan emphasized a multi-sectoral and cross-ministerial approach, which also included the districts and endorsed the development of community-based disaster risk management. The plan established the Disaster Operations Centre within the Ministry of Social Solidarity to coordinate the response of various ministries, the police and the fire brigade. The Operations Centre has an important operational role but has been under-resourced. The National Disaster Management Directorate has found it difficult to mainstream disaster management into other ministries' annual operations planning cycles.

Climate change will exacerbate natural hazards by increasing the frequency of extreme weather events, such as tropical cyclones and causing sea level rise, which will magnify the impact of storm surges and waves on coastal areas. The government has placed increased policy and planning

---

113 Both projects had no-cost extensions. The Security Sector Reform project had two no-cost extensions; Security Sector Reform – Capacity Development Facility project was granted a 6-month extension. Nearly 70 percent of its core activities were still pending Project Management Board approval more than one year into an 18-month project.

114 Data provided by Ministry of Social Solidarity.

emphasis on adaptation and disaster management in the recently completed national adaptation plan of action. Furthermore, there is recognition of the need to coordinate policy development and investment in areas of sustainable land management, forestry and infrastructure, in order to prevent and mitigate climate-induced events. Actual, practical integration of adaptation has yet to be observed.

The flooding events of 2007 and 2008 brought to the fore the need for strengthening institutions, systems and procedures, for strengthening disaster risk management at the district and sub-district levels, and for establishing disaster response linkages between national and district levels. UNDP support was short-term in nature and focused on improving the procedures, tools and communications for disaster risk management at the national and sub-national levels.

UNDP support aimed to establish basic systems for disaster risk reduction and management in Dili, Bobonaro and Lautem, to minimize casualties and the loss of lives, capital and environmental assets in vulnerable communities. The systems also aimed at securing communication channels between communities, District Disaster Operations Centre, National Disaster Operations Centre, and other line government departments for efficient early warning, contingency planning and response. UNDP also supported raising disaster risk management awareness among village chiefs, district administrations, line ministries, civil society and the media (see Table 22).

**UNDP supported basic protocols and guidelines for disaster risk management. While this is essential for disaster management institutions'**

**operations, contributions to disaster risk reduction are less likely considering the scope of UNDP support compared to the institutional and human resource strengthening required. Hazard, vulnerability and risk assessment in Timor-Leste are evolving.**

**There was limited integration of disaster risk reduction in poverty reduction and crisis recovery support. Similarly, synergies between climate change adaptation and disaster risk management are at early stages. At the policy level, opportunities were missed in highlighting the critical need for strengthening disaster risk reduction in national poverty reduction and development interventions. There was considerable scope for UNDP support to be more strategic at the policy level in enabling integrating disaster risk reduction in national development plans.**

UNDP was largely successful in achieving the stated outputs of its initiatives. This was also evident from the findings of the project evaluation.<sup>115</sup> The outputs of UNDP support include developing standard operating procedures and protocols for the District and National Disaster Operations Centres and for ministry disaster risk management teams, and developing disaster risk and damage assessment methodologies and guidelines for contingency planning. While there has been preliminary training to document and use information on disaster incidence, DisasterInfo as a tool is still emerging. Since 2010, when the evaluation of the disaster risk management was carried out, there has been limited progress in term of operationalizing of tools and guidelines at the district. Discussions in Dili

<b>Project Title</b>	<b>Duration</b>	<b>Donors</b>	<b>Approved Budget (US\$)</b>
Disaster Risk Management	2008–2011	European Union, UNDP	521,330
Strengthening Disaster Risk Management in Timor-Leste	2011–2013	UNDP	3,728,480

115 Barns, F., 'Disaster Risk Management Institutional and Operation Systems Development, UNDP Timor-Leste', Final Report, 2010.

also indicate that at the district level, including Bobonaro and Lautem (districts supported by UNDP), systematic documentation of disaster information is still at early stages.

It was evident that UNDP did not use its programmes in poverty reduction or environment to inform development policies of how disaster risk reduction is a key element of poverty reduction or of the linkages among poverty, vulnerability and increased disaster risk. The government acknowledges that its primary focus is on disaster response, and that risk reduction is not getting adequate attention. While an inter-ministerial coordination committee has been established for mainstreaming disaster risk reduction, the progress so far has been limited. A recent report of the Special Representative of the UN Secretary-General for Disaster Risk Reduction highlights the lack of attention given to disaster risk reduction in development strategies.<sup>116</sup> The report also highlights the critical need for such attention in poverty reduction.

Disaster management in Timor-Leste has legislation in place and several government agencies tasked with the responsibility of disaster response and risk reduction. What is lacking is a comprehensive approach to disaster management, an effective disaster response system, a well-coordinated disaster risk reduction strategy and clarity of roles and responsibilities of the various institutions involved. In addition, similar to other institutions in Timor-Leste, the capacities at the national and district level are not sufficient to carry out

the various tasks. Given this context, the UNDP response as a whole in disaster risk management, as well as in other areas, has not engaged on any of these issues. The UN used a cluster approach in response to the 2007 floods. While the early recovery cluster was not operationalized, it was not evident that UNDP used a complex crisis approach in addressing the interrelated issues of disaster and internally displaced person response.

In addition to poverty, vulnerability and climate change considerations, disaster risk reduction assumes importance in Timor-Leste because of the high emphasis given to infrastructure development in national plans. It is critical that disaster resilience is given adequate attention in infrastructure development. In the forthcoming programme, there is scope to explore a more comprehensive support in these areas, in both policy and practice. More importantly, UNDP should ensure that disaster risk reduction is integrated in its poverty reduction initiatives and that synergies are established with environment and climate change adaptation efforts. UNDP Timor-Leste can draw from extensive corporate experience in this area, experiences from countries in the region and programme experiences that have successfully demonstrated that integrating disaster risk reduction into poverty reduction and building infrastructure safeguards development investments.

Chapter 5 analyses the strategic positioning of the UNDP programme and programme management.

---

116 Special Representative of the United Nations Secretary-General for Disaster Risk Reduction, Disaster Risk Management report 2011, unpublished.



# UNDP'S STRATEGIC POSITIONING

From UNTAET to UNMIT, the UNDP programme has supported the Security Council mandate. The different missions each had their own accomplishments and limitations in consolidating peace and building national institutions. In many ways, Timor-Leste's post-independence crisis also brought to the fore the limitations of UN efforts in state-building, and the impact of this on the work of UN agencies—UNDP in particular—whose mandate in governance and rule of law is complementary to the peacekeeping mission mandate.

The current integrated mission is a manifestation of the UN reforms for increased efficiency, coherence and consolidation of UN work in conflict contexts.<sup>117</sup> Since it was first tried in Kosovo, the integrated mission concept has been developed and adapted to UN missions in Afghanistan, Burundi, Cote d'Ivoire, Democratic Republic of the Congo, Haiti, Iraq, Liberia, Sierra Leone, the Sudan and Timor-Leste. Among these missions, Liberia, Sierra Leone and Timor-Leste are considered to be the most successful.

The organizational and programmatic positioning of UNDP in Timor-Leste was determined by the post-conflict context and the Security Council mandate. UNDP programme areas overlap with several priority areas of the UN Mission. Interface with UNMIT, therefore, is a factor in UNDP contributions to development results. Given UNDP's

organizational expertise and mandate to support state-building and poverty reduction, UNDP is often in a key position in peacebuilding, transition and development contexts. This chapter examines how UNDP positioned itself to respond to the post-conflict needs in peacebuilding and state-building and how the interface with the integrated mission shaped UNDP's programme response. The analysis largely pertains to UNDP's interface with UNMIT.

## 5.1 INTERFACE WITH THE SECURITY COUNCIL MANDATE

The various resolutions outlining UNMIT's fundamental mandate were similar to the regular Security Council mandate and did not clearly define the concept of 'integration'. Developing the concept of integration and a common understanding among all UN agencies in Timor-Leste can be credited to the Special Representative of the Secretary-General and the Deputy Special Representative of the Secretary-General/UN Resident Coordinator. To enable coherence in peacekeeping, reconstructing and state-building, a joint framework for collaboration was developed and agreed upon by the UN country team and UNMIT senior management. There is, however, no programme framework to guide the joint work of the UN mission and UN country team (non-mission UN) in response to national strategies and priorities in Timor-Leste.

---

117 See United Nations, 'In Larger Freedom: Towards Security, Development and Human Rights for All', Report of the Secretary-General of the United Nations for decision by Heads of State and Government, September 2005. The reform measures also include agreement by Member States to strengthen the UN work in development, peace and collective security. The setting up of mechanisms such as the Peacebuilding Support Office and the Peacebuilding Fund is intended to provide transitional support in contexts where international efforts shift from stabilization to development, from peacekeeping to peacebuilding. The High-level Panel on System-wide Coherence and the One UN programming that followed are significant developments that explored how the UN system could work more coherently and effectively in development and humanitarian assistance.

**A more strategic engagement with the integrated mission maximized synergies and has been mutually beneficial for UNDP and UNMIT. UNDP has been a constructive partner in supporting the UNMIT mandate. The experience of the integrated mission in Timor-Leste has demonstrated that strengthening relations between security, peacekeeping and development will enhance its contributions to development results.**

Although UNDP did not have a defined strategy to engage with the UN missions (including UNMIT), the partnership with UNMIT was considered by many informed observers as mutually beneficial. The scope and depth of this partnership varied across programme areas. Programme areas such as election support, human rights, support to Provedoria and security sector reforms had strong engagement with UNMIT. In the security sector, UNDP engagement did not involve substantive contributions and was largely limited to contributing financial resources or fund management. The UN Resident Coordinator, who was also the Deputy Special Representative of the Secretary-General, was a key link between the integrated mission and the UN country team, and this in many ways contributed to the coherence of the UN response.

ADR discussions indicated that the flexibility in determining what an integrated approach entailed was seen positively by UN agencies, as it allowed UNMIT leadership to interpret and to adapt the approach to the specific needs of Timor-Leste and the availability of funds. Particularly from the point of view of UNDP, the clarity of the distinct mandates of the overlapping areas such as rule of law and governance, and reconstruction and security, was critical for a coherent approach to respond to national priorities. Promoting a long-term perspective to peacebuilding, transition and development was central to the efforts for greater coherence in the UN response; UNDP contributions to this have been important.

## **5.2 STRATEGIC RELEVANCE**

**During the two country programmes, UNDP support has been responsive to government efforts to simultaneously address the challenges of consolidation of stability and transition to development. UNDP contributions were relevant in different phases of building national institutions and capacities. Despite important contributions to peacebuilding, transition and development, UNDP programmes did not evolve to address emerging issues strategically.**

UNDP programmes have been responsive to national development plans and strategies and have focused on government-identified priorities. In terms of alignment with national development priorities, UNDP support was found to be responsive, and the government particularly appreciated the flexibility of UNDP support. In the governance area, UNDP's neutrality and programme support without a political agenda was positively perceived.

UNDP supported Timor-Leste's efforts to address the structural causes of conflict in all key areas of peacebuilding and state-building. For nearly a decade, UNDP support has been significant in supporting Timor-Leste's efforts to build institutions, including the parliament, judiciary and civil services. UNDP has made important contributions in the areas of electoral cycle support, local governance and setting up the Provedoria for Human Rights and Justice. UNDP supported the return of internally displaced persons following the 2006 crisis. UNDP followed an incremental approach, attuned to the pace of national institutional development. Such engagement provided UNDP with the opportunity to influence a more strategic approach to capacity development in Timor-Leste. Further efforts were found to be needed to respond to the emerging context of Timor Leste.

UNDP programmes in poverty reduction were largely one-off and resources were spread too thin to have sustainable outcomes. Although



UNDP supported advocacy instruments such as the National Human Development Reports, policy engagement in the area of poverty reduction was not commensurate with either the need in Timor-Leste or UNDP's organizational expertise. UNDP should make an effort in the forthcoming programme to develop more focused support by reducing the number of interventions and focusing on those that have greater depth and that have the potential to be viable models for government replication.

Poverty reduction in Timor-Leste required the creation of an enabling policy environment in several sectors that hold the potential for employment generation, including in export-oriented, labour-intensive, non-farm enterprises. A greater thrust was needed in rural development and in support for small- and medium-sized enterprises. At an institutional level, this requires an engagement with more than one ministry and enabling inter-ministerial coordination.

Certain factors constrained contributions to overall results in peacebuilding and development. First, while UNDP strategies were appropriate for the early stages of peacebuilding and transition, the programme was not responsive to emerging needs for greater coherence in national capacity development and linking recovery-related support to long-term development. Second, the synergies between UNDP programmes were weak and therefore did not maximize contributions to development outcomes. A related issue was that, rather than sound programme strategies forming the basis for fund mobilization, UNDP programmes were often reactive to fund availability. Third, UNDP did not adequately balance its fund management and substantive programme roles, resulting in losing programmatic space to other agencies in key areas such as poverty reduction. Lastly, UNDP did not adequately use the successful approaches in poverty reduction and local development adopted by UNDP programmes in other countries with similar contexts. For example, lessons from enterprise development in Cambodia or area development programmes implemented successfully in several countries were not seen as

an option. Though UNDP had the organizational potential to make contributions to local development approaches, it did not systematically pursue such opportunities in local governance.

### 5.3 COORDINATION

**Using the direct implementation modality, UNDP has positioned itself as a service provider to donors, the government and the UN. UNDP's complementary mandate in governance gave added leverage in terms of close links with UNMIT. UNDP is thus in a particularly strong position to support broader peacebuilding and development coordination and to provide fiduciary services in support of the international community's efforts.**

The coordination of peacebuilding and development efforts in Timor-Leste has evolved in the past six years. Efforts to coordinate development support around a set of agreed national priorities improved coherence of national and international efforts. The Timor-Leste National Priorities programme was central to this in articulating the key priorities and their level of urgency. National ownership and support of UNMIT and international agencies have been critical dimensions of these efforts, contributing to greater coordination of peacebuilding and development efforts. There has been progress in harmonizing the National Priorities programme with national budgets. UNDP was the lead assistant to the justice working group of the National Priorities programme. The expertise provided by UNDP and the leadership of the working group chair were among the factors responsible for the success of the justice working group.

Despite important efforts to coordinate international support, multilateral and bilateral spending patterns have not been influenced. The consequences of this, typical of post-conflict contexts, is that there have been poorly coordinated human resource and technical support in some areas, a proliferation of institutions, a thin spreading of resources, poorly sequenced state-building objectives and a push for too many changes at the same

time. There were also considerable disparities in international support with a focus on Dili (particularly strengthening government institutions). UNDP played an active role in facilitating programme implementation by recruiting international staff for various government institutions and managing one-off, quick impact recovery projects, reconstruction activities and procurement. With the exceptions of the justice sector and Provedoria, UNDP's role in facilitating the assessment of capacities and coordination of support around certain priority areas has been limited.

It is evident that the future role in coordination that UNDP envisages should take into account the government's growing professional capacities to lead the development agenda, increasing revenues and decreasing dependence on international assistance, and a move towards sector planning and budget support. The government is also increasingly strategic about choosing its partners and there are indications of less tolerance for procedural and complex programming that have not yielded tangible results in a short time-frame.

Although there were several joint initiatives with agencies in the UN country team, there were fewer substantive collaborations. Collaborations with UN agencies often entailed UNDP playing an administrative role or funding partnerships. Barring a few exceptions, these collaborations lacked substance.

#### **5.4 PROGRAMME MANAGEMENT**

**The staff profile in some areas of the programme, for example in poverty reduction and environment programme, were not commensurate with the programme responses needed in Timor-Leste.**

Limitations in staffing, both in terms of number as well as profile, were major constraints in UNDP's ability to promote new ideas, formulate larger projects, raise resources and manage them effectively. Weak programme management has been a factor in UNDP losing programme space to other agencies. Staff turnover in the poverty

reduction unit and lack of suitable replacements have affected the overall profile and contribution of UNDP's poverty reduction and environment programme. The unit has staff without the requisite thematic expertise. The environment programme has also suffered from staff fluctuations as national staff members who have gained skills are often recruited to advisory positions in the government, which, while contributing to government capacities, have reduced UNDP Country Office capacities to manage Global Environment Facility projects. The unit does not have the requisite human resources to manage and monitor multiple field projects.

UNDP human resource procedures to a certain extent contributed to the delays in recruitment. The Country Office often faced difficulty identifying three qualified candidates (with technical and language skills) and gender balance has delayed recruitments in many cases. This is a recurrent issue in many post-crisis programmes, which the Office of Human Resources should address with urgency.

UNDP has used UN Volunteers in some of the more recent Global Environment Facility projects to fill capacity gaps when national or other international expertise has not been available. While this has generally been a good strategy to ensure that outputs are delivered, UN Volunteers typically serve in a position for only one to two years, adversely impacting institutional memory. Furthermore, government stakeholders have been frustrated by a lack of continuity, which has been detrimental for relationship building and understanding the country context—a key issue in post-conflict/fragile situations.

Building staff capacities is needed in some areas of programming, such as gender mainstreaming. Currently, the Country Office does not have the capacity to ensure a more systematic integration of gender into programming. While the Bureau for Crisis Prevention and Recovery has assigned a gender adviser to Timor-Leste, this was not adequate to ensure systematically addressing gender issues in programming.

**Typical of post-conflict responses, UNDP played an important role in facilitating the implementation of donor programmes and in-fund administration. While UNDP was perceived as having credible, transparent and accountable finance procedures, the timeliness of UNDP procedures was an issue. Complex programme management and administrative procedures are impediments to effective programming. The reputation of UNDP is at risk because delays in executing its fiduciary responsibility are impacting programme implementation.**

Delivering on its fiduciary responsibilities while meeting important deadlines in a post-conflict context has been a challenge for UNDP. Cumbersome UNDP procurement and staff recruitment procedures have often resulted in service delays. Several government representatives mentioned that procurement is a major limitation of UNDP, which is often an impediment to programme effectiveness. There were significant delays across programme areas in procurement and recruitment. Government and donors specifically mentioned that UNDP administrative procedures were a factor in delaying programme implementation. These procedures were also a source of frustration for some UN agencies for which UNDP administered funds. In the security sector reform programme, there were several delays in programme implementation mainly due to procurement. Delays in recruiting a programme manager for the crisis prevention and recovery portfolio slowed the progress of some initiatives. Recently, corporate-level measures have been taken to simplify procurement, although challenges continue in recruitment procedures.

Similarly, the environment programme faced delays because of difficulties in recruiting suitably qualified national managers and consultants to staff the project implementation units. These capacity challenges have led to the need for UNDP to take on a more direct role in implementation; gaps in national capacity have been filled through the recruitment of UN Volunteers, who have been based in the UNDP Country Office and the Office of Secretary of State for

Environment. However, in recent years, staff changes within UNDP and UN Volunteers have resulted in loss of continuity in implementation, which has also contributed to project delays and impacted the quality of communication between UNDP and the government.

There was scope for UNDP to play a more consultative role in programme management in the direct implementation modality and where it had an administrative role. Advisers in the government and in partner UN agencies were of the view that they had limited say in programme management. This issue came up across programme areas, including in the justice sector, security sector reform and environment. In the case of the environment programme, the government counterparts found that Global Environment Facility procedures and programme management were less transparent, and did not adequately engage government stakeholders.

UNDP is moving away from the post-conflict mode of staff profiles and is taking measures to recruit national staff. The operations and finance team is comprised solely of nationals and a similar shift is envisaged in the programme team. However, there have been some delays in making this shift due to issues in recruiting qualified national staff and consultants. For example, there were delays in identifying a suitable crisis prevention and recovery programme manager. Similarly, preparation of the National Biodiversity Strategy and Action Plan was delayed for 18 months because of difficulties associated with finding a qualified national project manager, limited internal staff capacity, and high staff turnover within UNDP. The ongoing first national communication to the United Nations Framework Convention on Climate Change has also been delayed by over a year because of similar problems in recruiting qualified national staff and consultants.

**Programme monitoring continues to be at the activity and output level. Programme monitoring was not systematized and often depended on project managers' discretion.**

Most programme areas have outlined results frameworks, and about 80 percent of the programme has been evaluated at some stage. UNDP also produced periodic monitoring reports for donors and for corporate requirements. The focus of these reports tends to be at activity and output level.

There was considerable variation in the monitoring information, and some projects had better information than others. In the poverty reduction and community development programmes, it was found that there were very basic systems to monitor progress. The ADR evaluation team noted that many projects, particularly those in the first programme cycle, lacked any logical framework or monitoring indicators. Many projects did not have baselines or project-specific evaluations. However, even in the present programme, there are shortcomings in monitoring mechanisms. For example, the COMPASIS project has not set any indicators and baselines. The Community Activation Facilitators in the district operated independently, without much oversight. These concerns are echoed in the midterm evaluation of the COMPASIS project conducted in late 2011,

which noted that the project does not have an integrated work plan and is merely the compilation of disparate agency work plans for their respective outputs. The most significant observation of the evaluation is that the target groups of various agencies are not necessarily the same for the two outcomes of the project.<sup>118</sup> The ADR evaluation team found that limited attention was paid to evaluation recommendations to strengthen monitoring processes.

One of the weak areas of UNDP programming was monitoring and capturing gender-disaggregated data for the UNDP programmes. Despite several corporate tools for enabling this, UNDP lacked a systematic approach to monitoring progress on contribution to gender equality. Individual projects did not monitor performance on a set of indicators to demonstrate contribution to change. The gender adviser had limited power to ensure that adequate gender-related monitoring was integrated into different programme areas.

Chapter 6 provides key conclusions and recommendations based on the analysis of ADR findings.

---

118 Beasca, J., 'COMPASIS Mid-Term Evaluation', November 2011.

# CONCLUSIONS AND RECOMMENDATIONS

UNDP had the challenging task of providing peacebuilding and state-building support to Timor-Leste, particularly during the formative years. The analysis of UNDP support and contribution takes into consideration this context. The broader programme-level conclusions and recommendations presented in this chapter arise from the analysis presented in this evaluation report.

## 6.1 CONCLUSIONS

**Conclusion 1: UNDP contributions have been important in addressing the key national priorities of peace- and state-building in Timor-Leste. The support provided by UNDP has been responsive to government efforts to simultaneously address the challenges of consolidating stability and transitioning to development. UNDP has made relevant contributions to different phases of building national institutions and capacities. During the two programme periods, UNDP supported the UN missions in Timor-Leste.**

Within a decade after independence, Timor-Leste has made significant achievements in simultaneously addressing the challenges of peacebuilding, state-building and development. As a young nation with evolving institutions and rapid economic growth, mainly due to petroleum revenues, Timor-Leste has made progress in consolidating stability and security. Timor-Leste has demonstrated that peacekeeping and peacebuilding are simultaneous processes and not linear phases. Government strategies and policies aim to accelerate stability and development, and there have been strong commitments to democratic institutions and strengthening governance. Another milestone

was the nationally led free, fair and peaceful presidential and parliamentary elections conducted in 2012. Challenges remain in addressing multidimensional poverty, strengthening institutional and human resource capacities, public service delivery and bridging the urban–rural disparities.

UNDP has made important contributions to some of the early achievements in Timor-Leste. The scope and scale of UNDP activities has been significant, and long-term engagement in building institutions has enabled UNDP to position itself strategically, particularly in the governance sector. UNDP facilitated government efforts, at times proactively, in addressing the structural requirements of peacebuilding. UNDP's contributions to building human and institutional capacities of key government institutions and the justice sector have been critical, as these are fundamental in enabling long-term stability and development. The programme has aligned with the priority areas of UNMIT, particularly in supporting the establishment of legitimate and effective governance institutions.

UNDP's strategy to focus on immediate needs in building key governance institutions during the initial phase of peacebuilding proved to be the right approach. The later phases of institutional strengthening, particularly in the past three years, needed a more robust approach and a long-term strategy. UNDP's strategy in enabling this varied across different areas of support and has been coherent in electoral support and the justice sector. UNDP's contributions have been limited in addressing multidimensional poverty and related inequities.

UNDP support, similar to most international support, focused on stability and state-building. The limitation of such an approach to peacebuilding is the lack of adequate attention to some of the drivers of conflict, which are politically sensitive, but have implications for peace and development (e.g. issues related to resettlement, land and property ownership, and treatment of war veterans). While Timor-Leste has made considerable progress towards consolidating peace, resolution of such basic issues needs to be adequately prioritized. Compensation for veterans remains unresolved, and there are associated issues (e.g. risk of impunity), which have the potential to trigger a sense of injustice, with possible repercussions for peace.

**Conclusion 2: The flexibility in interpreting the concept of integration enabled UNMIT to adapt to the country context. The UNDP programme played a central role in supporting UNMIT and has consistently addressed the highest priority areas of the UNMIT mandate. The complementary mandates of UNDP and UNMIT in the area of state-building and peacebuilding contributed to synergies in programming and a natural partnership. Partnership with UNMIT in electoral support and strengthening capacities of national institutions enhanced contribution to peacebuilding results.**

The strong interface with UNMIT was to UNDP advantage in terms of securing an entry point with the government and engaging comprehensively in themes that are central to the mandate of UNMIT and post-conflict transition. UNMIT's strong state-building and development thrust complemented UNDP efforts. UNDP has also benefited from the standing technical capacity of UNMIT (security, elections, rule of law and gender), and at an operational level, from the logistics and field support. The long-term UNDP presence and its mandate complement the short-term renewable mandate of UNMIT in promoting the establishment of peace and long-term stability.

While the governance mandate gave UNDP a central place in relation to UNMIT, the difference in programme orientation of the peacekeep-

ing and development mandates was an inevitable factor that UNDP had to address in its programmes. This difference was also a source of tension with some UNMIT units. The distinct mandates of UN agencies in justice, public administration and security sectors suggests that further efforts are needed to promote coordination mechanisms and integrated approaches. Systematic integration of rule of law in governance reform would have further enhanced UN contributions. The Security Council mandate provided the opportunity to address sensitivities and challenges in dealing with governance issues such as anti-corruption, property rights and land reforms. UNDP did not fully optimize this.

**Conclusion 3: UNDP's contributions in the area of governance have been substantial—in the provision of specialist technical expertise along with human resource support to key government institutions. This has been critical for the functioning of these institutions and an important structural requirement in Timor-Leste consolidating stability and peace, and transitioning to development. UNDP strategy to focus on pressing capacity issues in the early phase of institution formation was appropriate. Sustained efforts are needed to support sector-specific capacity development strategies and a systematic approach to strengthening institutional and human capacities in Timor-Leste.**

Timor-Leste's achievements in the area of governance are significant, considering the short period of time since its institutions were set up and the technical and human resource challenges. As UNDP provided support for an extended period of time, there have been tangible, sustainable results in enabling the functioning of institutions. To its credit, the government has been successful in establishing fairly effective planning and resource management functions. In the past eight years, the capacities and independent functioning of the parliament have been greatly strengthened. There has been progress in strengthening the capacities and powers of the judiciary and oversight institutions. The creation of the Provedoria for Human Rights and Justice and the Anti-Corruption Commission

demonstrates government commitment to transparency in governance. The effectiveness of these institutions, however, depends on the availability of adequate resources and a protected budget.

Overall, the international advisers appointed to assist government institutions responded effectively to the needs of such institutions, and most of the stated objectives were achieved. Although foreseeable, appointing international advisers has contributed to distortions in the civil service structure of Timor-Leste. Such distortions were not addressed early or in a phased manner. Challenges remain in terms of long-term measures, which needed further attention. While important progress has been made in specific institutions supported by UNDP (e.g. civil service bodies, the Provedoria and the parliament), the reliance on international staff is still high. UNDP, jointly with UNCDF, promoted a participatory local development model. The local government institutions are in the formative stages.

Although UNDP contributions to strengthening justice-sector capacities are important, justice institutions are heavily dependent on international legal advisers. This is likely to continue for the next few years. Lack of a strong mentoring component slowed down the strengthening of capacities of national judicial actors. Training for Timorese legal professionals is critical and needs to be expedited, but it should not be at the cost of the quality of judicial services. Although identified in the national policy, adequate attention was not paid to women's access to justice, particularly in fighting crimes against women. Areas such as democratizing customary law and linking it to the formal legal system and a hierarchy of dispute resolution are evolving, and UNDP engagement with them has been peripheral as a strategic choice made to work on strengthening judicial institutions.

**Conclusion 4: The scope of UNDP's activities in the area of poverty reduction was limited and did not adequately respond to the evolving challenges in Timor-Leste. The outcomes of recovery support could have been further enhanced**

**if income-generation activities were linked to long-term sustainable livelihood efforts.**

UNDP poverty reduction programmes had limited influence on broader policy, particularly those relating to addressing inequalities. Lack of adequate upstream investments and poor institutionalization of micro-level projects undermined the UNDP contribution. Although UNDP had a strong policy analysis unit, various areas of support under poverty reduction were compartmentalized. UNDP's effectiveness was compromised due to staff turnover and weak monitoring of programmes. While UNDP facilitated the government policy of cash transfers, efforts are yet to be made to address issues related to equity of the distribution of cash transfers.

Various UNDP-supported initiatives addressed the immediate post-conflict recovery needs. Such initiatives were, however, fragmented, conducted in a semi-humanitarian programme mode and had limited potential to facilitate a coherent approach to poverty reduction in transition and development. The absence of scale and continuity and the lack of institutional support and policy instruments to follow these projects reduced the outcomes of UNDP support. Despite organizational expertise, UNDP's contributions to recovery with a long-term development perspective were lacking. Poverty and unemployment were the drivers of crisis, and opportunity was lost to use recovery work to establish a link with the larger goals of poverty reduction. While UNDP explored new community development models, they lacked traction as models for wider replication. While collaboration with other UN agencies worked relatively well, UNDP did not consolidate various interventions to provide meaningful support to poverty-reduction efforts. Over the years, UNDP lost the niche it once had in the area of poverty reduction.

**Conclusion 5: Understanding the linkages between poverty reduction/livelihood and environmental management is key to facilitating a comprehensive approach to environmental and energy management in Timor-Leste.**

**UNDP support has assisted Timor-Leste in developing initial human capacities, raising the profile of environmental issues and establishing national priorities, particularly in climate change adaptation.**

UNDP contributions have been important in developing foundational capacities through fulfilling the basic obligations of environmental conventions (e.g. National Communications, National Adaptation Programme of Action, National Biodiversity Strategy and Action Plan). The National Adaptation Programme of Action generally met its objectives and enabled the country to define and prioritize areas for climate change adaptation in relation to the six working group outputs, across areas such as food security, agriculture and infrastructure. In the short term, fulfilling environmental convention obligations is a good result, mainly because it has allowed the country to progress towards development and implementation of further medium- and full-size projects, which have the potential to deliver tangible on-the-ground results.

In the medium term, heightened awareness and capacity, particularly those of the government, to address environmental management issues and the National Adaptation Programme of Action leading to the Least Developed Countries Fund adaptation project are important achievements. The ongoing efforts are expected to produce positive changes in the local and national environment, while contributing to global environmental benefits in the long term. Timor-Leste has yet to begin implementation of projects that have the potential to produce tangible results, hence the timescale for these to emerge would be over the next decade, as the portfolio matures and continues to grow.

With over 80 percent of Timor-Leste's population living in rural areas and depending on natural resources for their livelihoods, and with 40 percent living below the poverty line, understanding how resource use is socially and economically structured will be important for any environmental conservation interventions. The

emerging experiences in Timor-Leste indicate that coordination and cooperation require consistent attention, beyond the scope of individual interventions, in order to ensure prioritization and coordination of human and financial resources. Coordination and cooperation among government agencies are critical, as many environmental challenges require cross-sectoral responses that are beyond the mandate of a single ministry.

**Conclusion 6: UNDP's contributions to Timor-Leste's efforts to return internally displaced persons and community dialogue and mediation have been important. While the incremental approach facilitated speedy recovery and return, UNDP efforts were not adequate in promoting linkages between recovery and addressing the underlying causes of conflict outlined in the national recovery strategy.**

UNDP support to internally displaced persons' return, relocation and reintegration contributed to a degree of stability and facilitated their return, relocation, reintegration and reconciliation with receiving communities. Community mediation was effective with regard to the return of internally displaced persons. These initiatives were largely in humanitarian mode and designed as one-off projects, limiting linkages with long-term livelihood support for sustainable results. UNDP contributions to recovery lacked a long-term development perspective.

UNDP inadvertently contributed to institutional proliferation, which led to overlapping mandates among government institutions, a lack of convening power and limited national ownership. The institutional issues further contributed to a fragmented approach to linking recovery to development, and UNDP's contribution to a more coherent institutional response was not evident.

**Conclusion 7: The UNDP approach to providing short-term technical and human resource support was appropriate given the context of nascent institutions and the challenges in human resource and absorption capacities. An important dimension of UNDP support**



**to strengthening human resource capacities is strong national ownership and engagement, and the government is keen to continue these efforts until capacities are adequately strengthened. Lack of coordination in the technical assistance that donor agencies provided to ministries and government organizations undermined a systematic approach to national capacity development.**

In most areas of UNDP support, combining advisory support and national staff skills development contributed to slow capacity-building. While this is an issue typical of post-conflict contexts, UNDP's approach did not address this constraint. Skills transfer from international to national staff did not happen as envisaged, because the international staff predominantly focused on the immediate need to fulfil line and advisory functions. The training component was limited.

The government understands the constraints arising in post-conflict and statebuilding contexts and acknowledged the support of international organizations, including UNDP. The technical and advisory support provided by international advisers was viewed positively. The government also recognizes that the salaries of international staff should be attractive for qualified advisers to accept jobs in a post-conflict country. There were, however, concerns about the continued weak capacities of the national staff and dependence on international staff. The concern was mainly related to the slow process of strengthening the capacities of the national staff to function independently.

There was little incentive for national staff to join civil services. Many capable national staff worked as advisers for international organizations, contributing to the weak capacities of the civil services. UNDP also inadvertently contributed to such practices.

A phased approach was required to adequately address the need for human resources and technical assistance, first substituting the human resource capacities, followed by building and strengthening capacities. As in the case of most

post-conflict countries, challenges remain in adopting a coordinated approach to national capacity development, strengthening national institutions and building human resources. While there was coordination of donor assistance in some areas (e.g. AusAID was responsible for the Budget Department while UN supported the treasury), the same cannot be said of other areas. Multiple agencies providing human resource support in a specific area often led to a lack of cooperation and poor national ownership. Lack of coordination of technical assistance remains a challenge. Considering the large role UNDP played in the governance area, particularly the UNDP support to strengthening parliamentary administration, civil services and the justice sector, this is a lost opportunity.

**Conclusion 8: UNDP was not able to find a balance between the fund management and substantive roles it played in Timor-Leste, resulting in UNDP conceding its programmatic role in areas such as poverty reduction to other agencies.**

UNDP's role in some programme areas was fund management, while technical contributions were provided mainly by partner UN agencies, due in part to donor and UN agency pressures to play the convening agent role, and in part to UNDP's own prioritization of governance and crisis prevention and recovery. This diverted UNDP's focus from policy and technical support in key areas such as poverty reduction and local governance.

Monitoring development results was not adequate or fully developed. There were periodic reports on activities and outputs, as well as evaluations of programmes and projects. This, however, was not sufficient for monitoring development results at the outcome or impact level, or at the local and national levels. Multiple donor reporting, often in varied formats, did not substitute for monitoring requirements, as the emphasis was often not on results but on outputs. UNDP did not adequately use either the data collected by UNMIT or the national data for developing baselines for programme planning and monitoring. This was

a serious limitation in livelihood and community development programmes.

Limited attention was paid to systematic application and monitoring of gender equality indicators. The use of corporate tools, such as the Eight Point Agenda and the Gender Marker, has been uneven, limiting the attention received by gender equality in UNDP Timor-Leste programming.

## 6.2 RECOMMENDATIONS

The current context of Timor-Leste is significantly different from the time of the two earlier UNDP programmes. In order to retain its programmatic relevance, UNDP has to adapt its strategy to address the changed context of significant economic growth and progress in establishing key institutions and policy frameworks—but with continuing development and capacity challenges. The national government is now more forthcoming in filling funding gaps, which in many ways enables more focused development assistance. With donors moving towards bilateral execution modalities and the government emphasis on budget support, it is more likely that the programme funding pattern will be different compared to the past decade.

A positive aspect of UNDP contributions in the last two programme cycles in Timor-Leste is significant national ownership. UNDP is well-placed to play a more substantive role in strengthening national institutions, consolidating earlier contributions. The following recommendations emphasize the need for a capacity development strategy for UNDP, a more substantive focus on limited but key areas of governance, and systematic support to reducing poverty and inequality.

**Recommendation 1: UNDP programmes should provide the right balance of demonstration projects and policy support. As a new nation, Timor-Leste is keen to accelerate development and address short-term needs as part of long-term institutional strengthening, and the UNDP programme should reflect these aspirations. Developing strategic partnerships for institutional and**

**human resource capacity development and identifying areas where its support would complement ongoing development efforts are central to UNDP's contribution to development results in Timor-Leste.**

Although UNDP fulfills an important role in facilitating peacebuilding support, its fiduciary role should not be played at the cost of contributing to policy, planning or implementation. UNDP should desist from *ad hoc* programmes developed in response to budget availability and those covering a broad spread of unrelated activities. The UNDP programme needs clear priorities, in order to be of relevance in the fast-emerging development context in Timor-Leste.

Mobilizing programme resources will be a challenge for UNDP as Timor-Leste moves out of the Security Council agenda. Some traditional donors, who have been important donors to UNDP, are withdrawing aid to Timor-Leste or changing their funding modalities to bilateral support. Notably, the single-biggest donor to Timor-Leste, Australia, accounts for more than 50 percent of total official development assistance and has increasingly gone bilateral. Resource mobilization strategies of the future should include national government contributions.

While contributing to the implementation of Timor-Leste's Strategic Development Plan, UNDP should put specific emphasis on providing the best policy and technical support. For technical assistance in public administration, UNDP should choose areas for more extensive support. Capacity development and technical support are areas where Timor-Leste receives support from other multilateral and bilateral agencies. Considering that more than one agency is involved, clarity of engagement and coordination of responsibilities should be ensured for sustainable results.

**Recommendation 2: UNDP should prioritize support to government policy and programming to address poverty, inequality and unemployment. This approach should facilitate the government's inclusive growth agenda, should**

**take into account the need to bridge rural-urban disparities and should generate employment in the non-oil segment of the economy. UNDP should make explicit linkages between programme assumptions and processes and how interventions contribute to efforts that provide opportunities for the poor in an oil-based economy.**

The high levels of multidimensional poverty and unemployment in Timor-Leste require UNDP to provide the government with viable options for rural development. The new initiative on inclusive growth, as launched under the high-profile Inclusive Growth Forum in Dili, is a new direction for UNDP to rebuild its poverty reduction strategy. Several new themes, such as export-oriented, labour-intensive, non-farm enterprises and cooperatives, offer the potential to inform policy and programming and to provide employment opportunities for the rural poor. UNDP should explore programming models used in other countries that were successful in area-based development and small and medium enterprise development programmes.

UNDP has a comparative advantage in providing a human development perspective to growth and poverty reduction initiatives. UNDP made efforts to provide poverty-related policy analysis, and this should be further strengthened. Building on its strengths, UNDP should be more proactive in advocating for the human development dimensions of growth and poverty reduction, particularly in government programmes. In the past two programmes cycles, UNDP supported the preparation of good quality National Human Development Reports, which not only provided alternative perspectives on key development issues, but also informed the development and transition processes. UNDP should continue its support to such advocacy tools.

UNDP's pro-poor policy unit has the potential to further contribute to government efforts in development planning, particularly periodic macroeconomic and human development analysis. Given the multi-dimensional nature of pro-poor

policy, UNDP should establish partnerships with key ministries to facilitate a human development perspective to poverty reduction. UNDP should explore the possibility of locating this unit in the relevant government ministry. To establish macro-micro linkages, there should be better use of the pro-poor policy unit's in-house expertise in programme design and implementation. The forthcoming programme should ensure that there is in-house expertise to design a comprehensive programme and to mobilize adequate resources to support government efforts in poverty reduction.

**Recommendation 3: Based on its long-term engagement in the governance sector, UNDP is strongly positioned to play a larger role in systematically developing human resource and institutional capacities. To be further effective, in the forthcoming programme, UNDP should be more selective about the programmes in the governance sector and the role the agency plays.**

With the UNMIT withdrawal, UNDP should define the role it can play in coordination and should more proactively engage in facilitating the coordination of human and institutional capacity development and sector working groups that are relevant to UNDP programming.

Reduced donor support for Timor-Leste and the increasing trend of donors to provide assistance directly to the government may impact UNDP's ability to raise resources for governance support. In addition, the withdrawal of UNMIT as outlined in the Joint Transition Plan will have implications for UNDP's forthcoming programme, in terms of more extended scope in strengthening government institutions. UNDP should be more selective about taking over tasks after UNMIT withdraws.

UNDP should continue its support to strengthening justice institutions, with further emphasis on district-level institutions. Specific efforts are needed to ensure that there is a cadre of international staff, with the responsibility of mentoring national justice actors.

Considering the nascence of governance institutions, there is considerable scope for engaging in civil service support, strengthening the Provedoria for Human Rights and Justice and transparency and accountability mechanisms. Local governance support with particular emphasis on service delivery is another area for UNDP support. Discussion of potential areas for a governance programme follows. Irrespective of the area of engagement, UNDP's interventions will need to demonstrate a clear strategic intent to address key governance priorities and provide value for money in an increasingly competitive environment for the provision of technical support and services. UNDP should be selective in its governance support, and initiatives should have sufficient depth and scope in the areas chosen for engagement.

ADR findings present a compelling case for UNDP's future programming efforts to focus on rapidly enhancing human and institutional capacities in key institutions and civil services. In civil services support, more specific attention would be required to reduce, if not eliminate, the discrepancy in remuneration between full-time and consulting positions of national staff, because these have impeded the development of a national civil services cadre. Further attention is needed to building sectoral specializations within civil services and creating new sub-cadres—particularly in economic revenue and public administration services—with further specializations in training and human resource development. This is particularly important given the decision to have a unified national cadre of civil servants without carve-outs into district-level administrative cadres.

**Recommendation 4: UNDP should promote poverty–environment linkages. To improve the continuity of specific initiatives and reduce the administrative burden of national institutions, UNDP should adopt a programmatic approach to the environment portfolio.**

Developing institutional capacities requires long-term engagement, and to understand and operate

in a transitional context, environment and energy programmes should allow adequate time for capacity development. In Timor-Leste, the portfolio of individual projects may add up to less than the sum of its parts, due to projects' lack of a cohesive approach and the longer time frame of engagement required to build capacities in a country emerging from conflict. Developing a programmatic approach will enable more predictable longer-term support to government priorities, rather the start-stop-start approach of individualized enabling activities or full- or medium-sized projects.

A predominantly rural context, in which the majority of the population depends on natural resources for livelihood, needs environment and energy concerns to be integrated into poverty reduction initiatives—which should be reflected in government strategies. The UNDP programme should have a strategic approach to enable this to happen. From the poverty perspective, understanding how resource use is socially and economically structured will be important for any environmental conservation interventions. A relevant entry point is likely to be agriculture, particularly slash-and-burn practices and their relationship to land degradation, which also links to pressures on forest resources, biodiversity and prospects for effective adaptation to climate change.

Coordination and cooperation between various government agencies is critical, as many environmental challenges require cross-sectoral responses that extend further than the mandate of an individual ministry. This is currently lacking in Timor-Leste and requires UNDP to go beyond the scope of individual interventions to ensure prioritization and coordination of human and financial resources.

**Recommendation 5: Now that the building blocks of institutions are in place, UNDP should move away from the semi-humanitarian mode of peace- and state-building, which placed emphasis on substituting human resources, to a more strategic approach of strengthening institutions and**

**human resource capacities. This shift should be made during the remaining period of the ongoing programme, in order to form a strong base for the next programme.**

UNDP should formulate a capacity development strategy for strengthening human resources and institutions. This will also facilitate UNDP's engagement in partnership and resource mobilization. UNDP should base its programme on a thorough capacity assessment of the institutions it is supporting, outlining the inputs and strategies required for building and strengthening capacities. There are UNDP corporate tools and expertise available for carrying out such assessments (e.g. the Capacity Development Framework). Such an assessment would also enable national counterparts and UNDP to monitor progress and agree on appropriate time frames.

UNDP should be selective in choosing areas for capacity development and should focus on fewer areas for more substantive support, which would contribute to overall development results. For example, all outcome areas of the justice sector are interrelated and critical for strengthening the Timor-Leste justice system. UNDP should be selective about areas for greater thrust.

One of the shortcomings of the human resource support provided by UNDP is the lack of a systematic mentoring component. The slow progress in developing national human resource capacities has been a contentious issue with the government. UNDP should develop a strategy to ensure that there is systematic skills transfer, and that international advisers enable national staff to carry out functions—rather than doing it themselves. It should be mandatory that an adequate percentage of UNDP advisers' time be devoted to mentoring activities. A mentoring team should monitor progress on this and should devise appropriate methods for the smooth transfer of skills. Measures also need to be taken to address the anomaly of Timorese nationals securing employment as advisers rather than as government staff.

For sustainable capacity development and the accountability of all actors, UNDP initiatives should have an explicit exit strategy. This has to be developed jointly with government counterparts and the Ministry of Finance, in order to ensure continuity in funding from the national budget when the programme concludes.

**Recommendation 6: The level and extent to which UNDP is prepared to take on various responsibilities following UNMIT's withdrawal needs a clear strategy. While consolidating the progress made in key areas of support so far, UNDP should have a deliberate approach to deciding on focus areas, as it may not be efficient to take on the full range of UNMIT activities that fall within UNDP's purview.**

The end of UNMIT's mandate at the end of 2012 is more likely to have implications for UNDP programming in areas such as election support, the Provedoria of Human Rights and Justice and the justice sector as a whole. While continued UNDP support will be necessary in most of these areas, taking full responsibility in these areas also means that adequate resources will need to be mobilized for additional tasks. It is important that UNDP does not burden its present source of funding with too many activities carried over from UNMIT. UNDP should be selective in choosing the areas in which it will continue its engagement. UNDP should not pursue areas where the government is not receptive to international support or where UNDP does not have adequate technical expertise—for example, security sector reforms and other security sector activities.

The post-UNMIT transition plan is vague about UNDP's role, particularly in governance support. UNDP should ensure that all stakeholders have clarity on the role UNDP will assume in different governance areas.

While geographical coverage is important, it should not be at the cost of programme effectiveness. UNDP should not overextend its programmes, and should demonstrate viable models

for the government to scale up. An option that was successful in other countries is the ‘area development’ model, a multi-sectoral approach for a comprehensive local development.

**Recommendation 7: For effective programmes on poverty reduction and local governance, UNDP should strengthen its presence at the district level.**

The UNDP Country Office is in Dili, with no senior professional staff in the districts. UNDP should strengthen its capacities at the district and sub-district levels, if it is to have a meaningful response to Timor-Leste’s development challenges. These should be full-fledged units that are adequately empowered to play an effective role in implementing sub-national programmes. Considering the resource constraints, UNDP should explore cost-sharing arrangements with the government for more effective support at the district level.

**Recommendation 8: Gender equality is central to achieving peacebuilding and national development results, and is a core UNDP programming principle. UNDP should further strengthen its commitment to promote gender equality and women’s access empowerment, particularly as it relates to development resources and justice in the Timorese context. Leveraging the enabling national environment, UNDP should take a systematic approach to integrating gender equality and women’s empowerment as a key dimension in its programmes.**

The gender dimension is relevant for all UNDP programme areas. There should be immediate efforts to integrate gender as an essential criterion into all UNDP programmes. Gender analysis should inform programme design and implementation of all forthcoming programming. Partnerships with other UN agencies and UNMIT to further gender equality worked favourably for UNDP. In order to maximize results in this area, UNDP should continue to foster such partnerships with agencies that have similar interests.

**Recommendation 9: For more efficient programming, UNDP should review programme management and develop an appropriate strategy to adhere to the principles of New Deal that includes mutual accountability and the use of country systems.**

UNDP should follow through the ongoing measures for piloting use of national systems for wider application in the next country programme, and should gradually transition to national implementation of UNDP programmes. While the systems introduced by the Ministry of Finance are very important, it is expected to take time for them to be effectively used by national institutions. UNDP should conduct capacity assessments to determine the choice of implementation modality.

UNDP should strengthen its own technical and advisory capacities to provide timely short-term advice to the government and to better engage with development partners. Although it has cost implications, UNDP should ensure adequate expertise is available at the senior level in each programme area. Specific attention should be paid to recruiting staff with adequate thematic expertise in areas such as poverty reduction and environmental management. Synergies within a programme area and among different thematic areas should be strengthened. Cost efficiency needs to be systematically addressed, while maintaining professional standards. Similar to the UNDP operations team, which is comprised largely of nationals, the Country Office should actively pursue a strategy to phase out international staff.

One of UNDP’s strengths is its programme, which addresses three key areas of development. UNDP should ensure synergies between and among complementary programme areas to further enhance contributions to results. Synergies and mutual reinforcement should be ensured at the programme design stage. This will also enable UNDP to consolidate its contributions in different areas to address broader structural impediments to state-building.

**Recommendation 10: UNDP should strengthen its own technical and advisory capacity to provide timely short-term advice to the government and to better engage with development partners. UNDP should take specific measures to strengthen results-based monitoring, particularly for programmes at the district and sub-district level. There should be adequate monitoring and oversight of district activities.**

The lack of a comprehensive monitoring system has led to poor result monitoring and multiple reporting formats for different donors, which is common at the activity and output level. Specific efforts should be made to develop a comprehensive monitoring framework to track contributions to results, to be negotiated with all donors. UNDP monitoring should include outcome and results indicators and should follow a systematic approach to document monitoring information. The results indicators should be appropriately linked to the national strategies they support. UNDP should strengthen gender analysis and use of gender-disaggregated data for

all interventions. Adequate human resources and funds should be allocated for programme monitoring and evaluation.

To ensure UNDP credibility in Timor-Leste's post-crisis context, sufficient measures are needed to address programme efficiency issues. This includes timely programme implementation and speedy procurement. While there have been efforts at the corporate level to speed up procurement and recruitment processes, the Timor-Leste experience shows that these have not been sufficient to ensure programmes are delivered on time, in both crisis and development contexts. UNDP headquarters should update relevant administrative procedures and minimize onerous processes that do not always improve accountability. Programme delays have been a recurrent issue in evaluations of UNDP programmes in other post-crisis countries and warrant immediate attention. As is evident in the case of Timor-Leste, any delay in addressing procedural lags will impact UNDP's ability to mobilize resources.





# TERMS OF REFERENCE

## INTRODUCTION

The Independent Evaluation Office of the United Nations Development Program (UNDP) conducts country evaluations called Assessments of Development Results (ADRs) to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level, as well as the effectiveness of UNDP's strategy in facilitating and leveraging national effort for achieving development results. ADRs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy.<sup>119</sup> Based on the principle of national ownership, the Independent Evaluation Office seeks to conduct ADRs in collaboration with the national Government whenever agreed and possible. The purposes of an ADR are to:

- Provide substantive support to the Administrator's accountability function in reporting to the Executive Board;
- Support greater UNDP accountability to national stakeholders and partners in the programme country;
- Serve as a means of quality assurance for UNDP interventions at the country level; and
- Contribute to learning at corporate, regional and country levels.

The ADR in Timor-Leste will be conducted in early 2012 towards the end of the current UNDP programme cycle of 2009–2013 with a view to contributing to the preparation of the new UNDP country programme starting from 2012 as well as the forthcoming United Nations

Development Assistance Framework scheduled to start in the same year.

## CONTEXT

Timor-Leste is a Small Island Developing State that, until recently, has been designated by the United Nations as a least developed country. Since independence in May 2002, Timor-Leste has adopted a constitution providing for a democratic, pluralistic society and fundamental rights and freedoms. The presidential and parliamentary elections were held in 2007 in a free, fair and peaceful manner and the nation is preparing for next round of national elections during the first half of 2012. Recurring internal strife in 2006 and 2007 were hurdles in post-independence state-building. To address this, Timor-Leste's social and economic policies have focused on poverty reduction to address the basic needs, consolidating security and stability and state building through strengthening key state institutions. The peacebuilding and state-building process included strengthening governance and service delivery, particularly the social sectors. The growing economy, boosted by petroleum resources, contributed to the economic growth and prospects of speedy nation building.

The national development plan initiated in 2002 and the subsequent Vision 2020 aimed for nation building in all areas of development. By 2020, the national development plan aimed to reduce poverty in Timor-Leste, promote fair and just economic growth, and provide a good quality of education, health and life for every citizen.

---

<sup>119</sup> [www.undp.org/eo/documents/Evaluation-Policy.pdf](http://www.undp.org/eo/documents/Evaluation-Policy.pdf). The ADR will also be conducted in adherence to the Norms and the Standards and the Ethical Code of Conduct established by the United Nations Evaluation Group ([www.uneval.org](http://www.uneval.org)).

It aimed to increase employment in all sectors, strengthen public infrastructure and improve living standards.

To respond to the recovery and reconstruction needs after the 2006 crisis, the government initiated the National Recovery Strategy in 2007. The strategy specifically aimed to strengthen local economies and communities, promote trust between the government and the people, and address needs of the displaced communities and core issues related to resettlement. The implementation of the Strategy is considered as being successful.

To provide a renewed thrust to post-transition development, while continuing with the state-building process, the government has recently developed a Strategic Development Plan. It is to be implemented in the short-term (one to five years), in the medium term (five to ten years) and in the long-term (ten to 20 years). The strategies and actions set out in the Strategic Development Plan aim to move Timor-Leste from a low-income to upper-middle-income country, with a healthy, well-educated and safe population by 2030. Continuing the priorities of the previous strategies, the Plan aims to develop core infrastructure, strengthen human resources and encourage the growth of private sector jobs in strategic industry sectors—a broad based agriculture sector, a thriving tourism industry and downstream industries in the oil and gas sector. The initiation of the Plan coincides with the efforts towards transition of the country from crisis to development.

With the ongoing efforts of the government and policy initiatives, Timor-Leste has consolidated peace in a short duration and achieved a peace and stability. There has been, over the years, considerable improvement in the capacities of the government. Challenges, however, remain in sustainable development and building institutional capacities; strengthening judiciary and national security systems; institutionalizing peacebuilding capacities; and reintegrating internally displaced persons. While there has been

significant momentum in economic growth primarily due to petroleum resources, the human development indicators of Timor-Leste are comparable to the poorest countries in Asia. The government strategies acknowledge these challenges and constraints.

There has been progress on some MDGs and Timor-Leste will achieve its MDGs by 2025. While there has been reduction in the percentage of population living in poverty, rural poverty remains very high. It has been widely acknowledged that governance is a crucial precondition for meeting development challenges. Although there have been improvements in some areas of governance, challenges remain in strengthening institutional systems and capacities. Across the sectors, both human resource as well as strengthening public service administration are areas that remain weak. The possibility of increase in the government budget in the coming years necessitates sector-specific strategic policies and programmes. A related area is greater transparency and accountability in governance. While there has been improved budget execution, these changes need to be reinforced by the development of a fully-functioning independent audit agency and, more generally, the establishment of effective anti-corruption mechanisms.

Rural-urban disparities are huge in areas such as access to public infrastructure, employment opportunities and social services. A strong focus on developing the rural economy is seen as critical, considering that a large majority of the population lives in rural areas. As the recent Human Development report recognized, developing a strong non-oil economy in a sustainable way is key to reducing rural unemployment and high rate of migration to urban areas. Successful implementation of policies to improve levels of human development requires greater participation in decision-making by those for whom these policies are devised. Strengthened decentralized governance systems that empower rural communities to actively engage in development decisions are in the process of evolving.

Timor-Leste has taken important measures to further gender equality and women's empowerment. Some of the significant measures in the past decade include guaranteeing gender equality under the Constitution and establishing the Office for the Promotion of Equality to advise the various ministries and departments in promoting a culture of equality, empowerment of women and addressing gender-based violence. Timor-Leste has 26 percent women parliamentarians, higher than some of the OECD countries, and appointed women to ministerial positions of key ministries (such as Planning and Finance), and appointed ministers, including the Senior Minister to the Council Ministers, State Administration and Public Works and Vice ministers in four ministries. While efforts have been made to mainstream gender in the National Development Plan, some challenges remain. Gender inequalities in the area of health, employment and education have been very high. Timor-Leste has one of the highest maternal mortality rates in the region. The manifestation of gender-based violence and trauma has been on the increase—an impact of occupation of the country and conflict.

Petroleum resources have provided a considerable boost to economic growth in the country. Timor-Leste has valuable natural resources, including one of the world's most vital commodities, petroleum. In the last three years there has been double-digit economic growth and a general improvement in welfare measures. The development of the petroleum sector can help to secure the foundations of a sustainable and vibrant economy. The revenue from the sector is critical for employment generation, social-sector development, in generating private-sector jobs and infrastructure development. The challenge, however, is managing the expectation that the government set realistic goals through open consultations with communities where the resource is found and prioritised social-sector and human development investments.

## **UNMIT MANDATE**

The United Nations Mission in Timor-Leste (UNMIT) was established in August 2006

(Security Council Resolution 1704) to assist in peacekeeping following the internal conflict and violence in 2006. The UNMIT mandate was subsequently extended four times in 2008, 2009, 2010 and 2011, to include peacebuilding, capacity-building of Policia Nacional de Timor-Leste (PNTL), the National Police of Timor-Leste, strengthening the judiciary, supporting elections and other areas of state-building. This includes assistance to the Timor-Leste government in conducting 2012 presidential and parliament elections. The phased resumption of policing responsibilities by the PNTL was to take place with the drawdown of the UNMIT. In the last resolution, the Security Council also reaffirmed the importance of UNMIT support to the Government of the Democratic Republic of Timor-Leste in further building and reforming the justice sector, coordinating international assistance, reducing poverty, improving education and other areas (Security Council Resolution, 1969, February 2011). The UNMIT presence and mandate has implications for UNDP programming in Timor-Leste.

## **UNDP IN TIMOR-LESTE**

UNDP began its interventions in Timor-Leste in 1999, working initially with the United Nations Transitional Administration in East Timor, in the areas of rehabilitation and reconstruction. Following the independence of Timor-Leste in 2002, UNDP entered into the Standard Basic Assistance Agreement the same year. This provided an early framework for UNDP's intervention in the country and a gradual move in programming focus beyond the necessities of post-conflict recovery and towards a sustainable development programme. As part of the integrated UN response, UNDP supports the UNMIT mandate together with other UN agencies. There have been two country programmes. The first country programme ran from 2003–2005, extended to 2008; the ongoing programme runs from 2009–2013.

The first country programme outline for 2003–2005 aimed to align with the priorities of the

national development plan and the United Nations Development Assistance Framework, both launched in May 2002. The United Nations Development Assistance Framework and the UNDP programme was subsequently extended to 2008, given the country context of internal strife and new displacements in 2006 and 2007, and to allow time to prepare the new country programme based on a common country assessment.

The 2003–2008 programme aimed to respond to transition needs, rehabilitation to institutional and individual capacity-building and upstream policy development. The programme had two main thematic components: governance, and community development and rehabilitation. Capacity development has been the strategic focus of the programme interventions. The governance programme included interventions in the area of enhancing public-sector efficiency and accountability and addressing human and income poverty. This included strengthening institutional capacities of key government institutions such as the parliament, the Public Service Commission, the Electoral Commission, the Office of the Inspector General and the judicial and human rights systems. Most of the interventions have continued into the ongoing programme. In the area of community development and rehabilitation, the UNDP programme included support to recovery processes through promotion of a community-led development approach and the restoration of basic services and policy support to ensure environmentally sustainable development. There was an emphasis on longer-term sustainability of development activities for poverty reduction and sustainable livelihoods through greater community participation and empowerment, including income generation targeted at vulnerable groups such as unemployed youth and women.

Given the context of post-crisis state-building and establishing peace and security, the 2009–2013 country programme document approved by the Executive Board and the country programme action plan a joint partnership framework with the Government of the Democratic Republic of Timor-Leste for the same period, aimed to

align with the national vision statement on “consolidating peace and stability in Timor-Leste.” The country programme was also in alignment with the related United Nations Development Assistance Framework outcomes: (a) democratization and social cohesion; and (b) poverty reduction and sustainable livelihoods.

The emphasis of the 2009–2013 programme was on sustainable long-term development and governance as a means for peace, stability and security in the country. In continuation with the previous country programme, the ongoing country programme intended to support strengthening the institutions of democratic governance, promoting community-based poverty reduction and livelihoods with special focus on youth and women, promoting peace and stability, and providing policy support to the national institutions. The programme also aimed to mainstream environmental sustainability and disaster risk reduction in development policies and programmes. Promoting gender equality has been outlined as the cross-cutting issue.

In the area of poverty reduction, environment and sustainable development, the intended activities included support to (a) macroeconomic policy issues such as human development and MDG-based national development planning, tax reforms, effective and transparent use of the petroleum fund, microfinance policies and energy and environment policies; and (b) rural and urban employment creation specifically targeting vulnerable groups such as returning internally displaced persons, youth, women and food-vulnerable households. Poverty reduction efforts are to be supplemented by small but critical community-based infrastructure initiatives to enhance rural employment and to build appropriate community skills for maintenance of the infrastructure. In the environment sector UNDP support was in the area of mainstreaming environmental issues into poverty reduction and governance strategies, particularly in climate change. Access to energy for vulnerable and isolated communities was to be promoted through alternative and renewable sources of energy.

In the area of democratic governance, UNDP intended to support more efficient governance that is transparent, accountable and responsive to the people. Assistance to electoral processes was envisaged to conform to international standards, strengthen the capacities of the electoral bodies, strengthen the legislative and oversight roles of the parliament and promote greater political involvement of women. In the area of local governance, proposed activities include piloting local government systems, building the capacity of local government and strengthening the capacities of civil society to participate in governance. Support to civil service reform was aimed to develop institutional, organizational and human capacities for reliable, transparent and accountable public management. Another key area of the governance programme that was proposed was support to the justice system to three institutions, viz., the judiciary, the prosecution and the justice ministry.

The primary focus of the crisis prevention and recovery programme was on the structural causes of conflict while laying the foundations for early recovery and development. Close interface with other programme areas was central to this programme area. Specific interventions outlined include support to the National Recovery Strategy for the reintegration of displaced persons to address both the immediate causes of crisis and pre-existing community-level vulnerabilities, promoting an inclusive approach that addresses vulnerability among the returning internally displaced persons and the rest of the community, promoting access to justice as a tool for conflict prevention by supporting relevant information channels and expanding the interface between traditional and formal justice systems.

UNDP also intended to support conflict-sensitive poverty-reduction strategies and establish post-crisis socio-economic structures. The programme specifically emphasises that the roles of women in conflict mitigation, peacebuilding and social cohesion will be harnessed in line with the UNDP Eight Point Agenda on Gender Equality and Women's Empowerment in Crisis and Post-Crisis Environments.

In the ongoing and previous country programmes, governance (which includes a justice programme component) has been the largest component in terms of budget allocation, followed by poverty reduction portfolio (see Figure 1). The finance portfolio for the period 2003–2013 has been \$138.33 million. For the period 2004–2008, it was \$78.21 million and for the ongoing programme it is \$60.12 million.

## SCOPE OF THE EVALUATION

Since this is the first ADR in Timor-Leste, the period covered by the evaluation will include the ongoing country programme (2009–2013) and the previous country programme (2002–2008). While the emphasis will be on the ongoing country programme, the ADR will cover projects and areas of intervention that have continuity from the previous country programmes and the analysis may take a longer-term perspective where appropriate.

The ADR will assess UNDP contribution to the national effort in addressing development and post-conflict humanitarian challenges, encompassing the social, economic and political spheres. It will assess key results, specifically outcomes—anticipated and unanticipated, positive and negative—and will cover UNDP assistance funded from both core and non-core resources. It will cover all UNDP activities in the country including non-project activities and engagement through regional and global initiatives.

The evaluation has two main components: (a) the analysis of the UNDP's contribution to development results through its programme outcomes, and (b) the strategy it has taken. For each component, the ADR will present its findings and assessment according to the set criteria provided below. Further elaboration of the criteria will be found in the *ADR Manual 2011*.

*UNDP's contribution by thematic/programmatic areas:*

Analysis will be made on the contribution of UNDP to development results of Timor-Leste

through its programme activities. The analysis will be presented by thematic/programme areas and according to the following criteria:

- Relevance of UNDP's projects, outputs and outcomes;
- Effectiveness of UNDP interventions in terms of achieving stated goals;
- Efficiency of UNDP's interventions in terms of use of human and financial resources; and
- Sustainability of the results to which UNDP contributes.

**Key questions:**

- Has UNDP played a relevant role in assisting Timor-Leste address its post-conflict recovery, reintegration and reconstruction needs and development challenges, based on the comparative strengths that UNDP brings to the country?
- Did UNDP respond appropriately to the evolving country situation and national priorities by adapting its role and approaches? How responsive were corporate tools in realigning to national priorities?
- How did UNDP address national capacity issues in promoting national ownership of UNDP support and interventions?
- What is the UNDP contribution to strengthening national capacities in the areas of sustainable reconstruction and reintegration; institution building; implementation of governance reforms, justice and security sector reforms; and stimulating pro-poor economic recovery and development?
- What is the UNDP contribution to enabling peace, reconciliation, justice and security?
- Did UNDP effectively respond to national priorities in promoting gender equality in recovery and reconstruction and development?

*UNDP's contribution through its positioning and strategies:*

The positioning and strategies of UNDP are analysed both from the perspective of the organization's mandate<sup>120</sup> and the development and humanitarian needs and priorities in the country as agreed and as they emerged. This would entail systematic analyses of UNDP's place and niche within the development and policy space in the country, as well as strategies used by UNDP to maximize its contribution through adopting relevant strategies and approaches.

The following criteria will be applied:

- Relevance and responsiveness of the county programme as a whole;
- Enhancing comparative strengths; and
- Promoting UN values from human development perspective.

**Key questions:**

- What are the long-term strategic objectives of UNDP in the priority area versus short-term programmes? How did UNDP position itself in addressing long-term strategic objectives in the area of peace, justice, and security and governance?
- How can UNDP consolidate its contribution in priority areas—what can UNDP do, must it do and what areas should it let go?
- What are the lessons from the interface between the integrated mission and UNDP? What is the impact of integrated mission on UNDP programme results and vice-versa?
- How did the UNDP programme address emerging development issues in Timor-Leste, viz., disaster management?

The ADR will address significant factors important to UNDP, which include capacity development, gender, South-South cooperation,

---

120 For UNDP's Strategic Plan, see [www.undp.org/execbrd/pdf/dp07-43Rev1.pdf](http://www.undp.org/execbrd/pdf/dp07-43Rev1.pdf).

## From Findings to Recommendations

**Findings:** factual statement about the programme based on empirical evidence gathered through evaluation activities.

**Assessment:** a judgement in relation to specific evaluation criteria, sub-criteria or question.

**Conclusions:** exploration of broader characteristics of the programme and the causes for reaching the assessments.

**Recommendations:** proposals for action to be taken, including the parties responsible for that action.

partnerships for development and coordination of UN and other development assistance.

Although a judgement is made using the criteria above, the ADR process will also identify how various factors have influenced UNDP's performance. The evaluation criteria form the basis of the ADR methodological process. Evaluators generate findings within the scope of the evaluation and use the criteria to make assessments. In turn, the findings and assessment are used to identify the conclusions from the evaluation and to draw recommendations. The above questions will be further elaborated in the inception report.

### EVALUATION PROCESS

As per the usual practice for conducting ADRs, the preparation and inception phase are distinct with separate visits to the country. However, in the case of Timor-Leste, to minimise the number of visits by the ADR team, the Independent Evaluation Office has combined these two phases. The ADR is therefore set out in the following four phases, representing a specific set of achievements and activities that should be normally completed before the next phase can begin.

1. Preparation and inception phase;
2. Main evaluation phase;

3. Report writing phase; and
4. Dissemination and follow-up phase.

### PHASE 1: PREPARATION AND INCEPTION PHASE

The Independent Evaluation Office has carried out preliminary research to prepare for the evaluation and has uploaded relevant documents to a special website for the evaluation team. The Independent Evaluation manager has undertaken a scoping mission and held discussions with key stakeholders.

**Evaluation design:** Based on the preliminary research and scoping mission, the Independent Evaluation Office task manager prepared the Terms of Reference and the Inception Report outlining the evaluation design.

### PHASE 2: DATA COLLECTION AND ANALYSIS

**Data collection:** Based on a detailed version of the terms of reference, the team will carry out the evaluation by collecting data. The visit to Timor-Leste for data collection and preliminary analysis by the team will be from 23 January to 13 February.

- The field visits and observations should normally be arranged through the UNDP Country Office.
- The team will collect data according to the principles set out in the terms of reference.
- All interviews will be conducted based on indicative interview protocols, and (electronic/Microsoft Word) summaries of each interview will be prepared based on an agreed structure outlined in the Inception Report.

**Data analysis:** The evaluation team will analyse the data collected to reach preliminary assessments, conclusions and recommendations.

- Once the data is collected, the evaluation team should dedicate some time (up to three days) to its analysis;
- Where possible, the evaluation team should develop data displays to illustrate key findings; and
- The outcome of the data analysis will be preliminary assessments for each evaluation criterion/question, general conclusions, and strategic and operational recommendations.

**Feedback workshop:** A validation workshop will be organized at the end of the data collection and analysis phase to present preliminary findings, assessments, conclusions and, possibly, emerging recommendations to UNDP and other key stakeholders, and to obtain their feedback to be incorporated in the early drafts of the report.

### PHASE 3: DRAFTING AND REVIEWS

**First draft and the quality assurance:** A complete draft of the report will be prepared by the Independent Evaluation Office within three weeks after the feedback workshop.

The evaluation report will be in compliance with the terms of reference, the ADR Manual and

other established guidelines, and satisfies basic quality standards. The draft is also subject to a quality assurance process.

**Second draft, verification and stakeholder comments:** The first draft will be revised by the Evaluation Team to incorporate the feedback from the external review process. Once satisfactory revisions to the draft have been made, it becomes the second draft. The second draft will be forwarded by the Independent Evaluation Office to UNDP Country Office and the Regional Bureau for the Asia and the Pacific (RBAP) for factual verification and identification of any errors of omission and/or interpretation.

The Evaluation Team will revise the second draft accordingly. The Independent Evaluation manager will have the overall responsibility of coordinating the revisions and preparing an audit trail that indicates changes that are made to the draft, and submit it as the Final Draft.

**Stakeholder Workshop:** A meeting with the key national stakeholders will be organized in Dili to present the results of the evaluation and examine ways forward. The main purpose of the meeting is to facilitate greater buy-in by national stakeholders in taking the lessons and recommendations from the report forward and to strengthen the national ownership of development process and the necessary accountability of UNDP interventions at the country level. It may be necessary to incorporate some significant comments into the final evaluation report.

### PHASE 4: FOLLOW-UP

**Management response:** UNDP Timor-Leste will prepare a management response to the ADR under the oversight of RBAP. RBAP will be responsible for monitoring and overseeing the implementation of follow-up actions in the Evaluation Resource Centre.<sup>121</sup>

---

121 <http://erc.undp.org/>.



**Communication:** The ADR report and brief will be widely distributed in both hard and electronic versions. The evaluation report will be made available to the UNDP Executive Board by the time of approving a new Country Programme Document. It will be widely distributed by the Independent Evaluation Office and at UNDP headquarters, to evaluation outfits of other international organizations, and to evaluation societies and research institutions in the region. The Timor-Leste Country Office and the Ministry of Economy and Development will disseminate to stakeholders in the country. The report and the management response will be published on the UNDP website<sup>122</sup> as well as in the Evaluation Resource Centre.

## **EVALUATION MANAGEMENT ARRANGEMENTS**

### **INDEPENDENT EVALUATION OFFICE, UNDP**

The Independent Evaluation Office will conduct the ADR in collaboration with the Ministry of Economy and Development of the Government of the Democratic Republic of Timor-Leste. The Evaluation manager will coordinate and lead the evaluation and provide overall management and technical backstopping to the evaluation. The task manager will set the Terms of Reference for the evaluation, facilitate selection of the evaluation team, prepare the evaluation design, provide guidance to the conduct of evaluation, coordinate team work and analysis, organize feedback sessions and a stakeholder meeting, coordinate team inputs in the preparation of the draft report, lead the drafting of the report and manage the review and follow-up processes. The task manager will support the evaluation team in understanding the scope, the process, the approach and the methodology of ADR; provide ongoing advice and feedback to the team for quality assurance. The Independent Evaluation Office will meet all costs directly related to the conduct of the ADR.

### **GOVERNMENT COUNTERPART IN TIMOR-LESTE**

The Ministry of Economy and Development is the government counterpart of UNDP in Timor-Leste. The ministry will facilitate the conduct of ADR by the evaluation team by providing necessary access to information sources within the Government of the Democratic Republic of Timor-Leste, safeguarding the independence of the evaluation and jointly organizing the stakeholder meeting with Independent Evaluation Office. It will be responsible within the Government of the Democratic Republic of Timor-Leste for the use and dissemination of the final outcomes of the ADR.

### **UNDP COUNTRY OFFICE IN TIMOR-LESTE**

The Country Office will support the evaluation team to liaison with key partners and other stakeholders, make available to the team all necessary information regarding UNDP's programmes, projects and activities in the country, and provide factual verifications of the draft report. The Country Office will provide the evaluation team support in kind (e.g. arranging meetings with project staff and beneficiaries; or assistance for the project site visits).

During the entire evaluation processes and particularly during the main mission, the Country Office will cooperate with the ADR team and respect its independence and need to freely access data, information and people that are relevant to the exercise. To ensure the independence of the views expressed in interviews and meetings with stakeholders held for data collection purposes, the Country Office will not participate in them.

The Country Office will ensure timely dispatch of written comments on the draft evaluation report. From its side, the ADR team will act in a transparent manner; will interact regularly with the UNDP Country Office and national government counterparts at critical junctures.

---

122 [www.undp.org/eo/](http://www.undp.org/eo/).

## **COLLABORATION WITH THE GLOBAL ENVIRONMENT FACILITY EVALUATION OFFICE**

In accordance with the agreement between UNDP and the Global Environment Facility Evaluation Office to collaborate while conducting parallel evaluations in a country, the environment programmes of the Global Environment Facility and UNDP in Timor-Leste will be jointly assessed. While there is considerable overlap of projects, as the UNDP environment programme in Timor-Leste is funded mainly by the Global Environment Facility, joint collaboration is also intended to reduce the duplication and burdening the national stakeholders. The Global Environment Facility Evaluation Office will have the responsibility of recruiting an environment expert who will also provide the assessment of UNDP environment programme component. The UNDP Independent Evaluation Office will give additional consultancy days to the Environment expert to provide necessary inputs for the ADR. The Global Environment Facility Evaluation Office task manager and the ADR task manager will coordinate on this.

## **EVALUATION TEAM**

The Evaluation Team will be responsible for conducting the evaluation as described in Section 7 on the process. This will entail, *inter alia*, preparing the inception report, conducting data collection, structured data documentation and analysis, presenting preliminary findings, conclusions and recommendations at debriefings and the stakeholder workshop, and preparing the first, second and final drafts of the ADR report as well as a draft Evaluation Brief.

The Independent Evaluation Office of UNDP will establish an evaluation team to undertake the ADR. The team will constitute the following members:

The Independent Evaluation manager will be a member of the team and provide the design of the evaluation. The task manager will have the overall responsibility for providing guidance and

leadership for conducting the ADR, and for preparing and revising draft and final reports.

Three international Evaluation/Technical experts in the area of security and justice, poverty reduction and environment will support data collection, analysis and report writing. The Evaluation/Technical experts will provide the expertise in specific subject areas of the evaluation and will be responsible for drafting relevant parts of the report. Evaluation/Technical experts will be contracted to cover the following areas: governance, poverty reduction, justice and security. It is estimated that workload of the team specialists would be approximately 40 days each.

Except for the environment, the rest of the team members will be recruited by the UNDP Independent Evaluation Office. The environment expert will be recruited by the Global Environment Facility Evaluation Office to carry out the assessment of Global Environment Facility environment portfolio. The environment expert will provide a separate analysis and report for the ADR, in accordance with the evaluation design outlined for the ADR.

## **TIME-FRAME**

### **EXPECTED OUTPUTS**

The expected outputs from the evaluation team in particular are:

- Detailed terms of reference and Inception Report providing the evaluation design (maximum 20 pages without annexes);
- The first, second and final drafts of the report 'Assessment of Development Results – Timor-Leste' (approximately 60 pages for the main text);
- Draft for the Evaluation Brief (2 pages); and
- Presentations at the feedback and stakeholder meetings.

The final report of the ADR will follow the standard structure outlined in the *ADR Manual 2011*, and all drafts will be provided in English.

## Annex 2

# PROJECTS SELECTED FOR ADR ANALYSIS

### **POVERTY REDUCTION**

Oecusse-Ambeno Community Activation Programme

Access Improvements to Markets in the Eastern Region

Skills Training for Gainful Employment

Programme for Enhancing Rural Women's Leadership and Participation in Nation-Building in Timor-Leste

Recovery, Employment and Stability Programme for Ex-combatants and Communities in Timor-Leste

Ainaro Manatuto Community Activation Programme

Local Development Programme

Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery

Conditional Cash Transfer

Inclusive Finance for Underserved Economy

National Human Development Report

Monitoring the Achievement of the Millennium Development Goals

### **ENVIRONMENT**

Environmental Governance Support Programme and National Capacity Self-Assessment

Participatory Rural Energy Development Programme

National Biodiversity Strategy and Action Plan

Programme of Work for Protected Areas

Initial National Communication on Climate Change

Sustainable Land Management

National Adaptation Programme of Action to Climate Change

Environmental Mainstreaming in Timor-Leste

### **DEMOCRATIC GOVERNANCE**

Justice System Programme (1st phase)

Justice System Programme (2nd phase)

Justice System Programme (3rd phase)

Strengthening Parliamentary Democracy in Timor-Leste (1st phase)

Strengthening Parliamentary Democracy in Timor-Leste (2nd phase)

Human Rights Capacity Building of the Provedoria for Human Rights and Justice

Timor-Leste Local Development Programme

Institutional Capacity Development Support/Support to "Development Posts" Phase I, 2002-2003

Institutional Capacity Development Support/Support to "Development Posts" Phase II, 2003-2005

Institutional Capacity Development Supports Project 2005-2006

Support to Civil Service in Timor-Leste 2006-2009 (revised in 2008)

Human Resource Management (HRM) in Civil Service

Transitional Advisory Support Services Project  
2007-2008

Support to Electoral Cycle Project 2007-2008

Strengthening Parliamentary Democracy in  
Timor-Leste

Capacity Development of the Provedoria for  
Human Rights and Justice

Enhancing the Democratic Rule of Law  
through Strengthening the Justice System  
in Timor-Leste (Revised Justice System  
Programme)

Support to Anti-Corruption Initiatives in  
Timor-Leste

Local Governance Support Programme

Support to Civil Service Reform Project

Support to Electoral Cycle Project (Revised  
Project from 2007–2008)

## **CRISIS PREVENTION AND RECOVERY**

Communications Outreach for Recovery

Communications for Humanitarian Assistance

Servisu ba Dame

Women In Self-Employment

Security Sector Review in Timor-Leste

Security Sector Review in Timor-Leste –  
Capacity Development Facility

Dialogue project

Disaster Risk Management

Support to Reintegration

Small Grants Fund for peace

Strengthening Disaster Risk Management in  
Timor-Leste

Support to the Department of Peace-Building  
and Social Cohesion in Timor-Leste

Strengthening Civilian Oversight  
and Management Capacity in the  
Security Sector

Strengthening the National Police Capacity in  
Timor-Leste

## Annex 3

# EVALUATION CRITERIA AND QUESTIONS

<b>Part A. Development Results</b>	
<b>Criteria/Sub-criteria</b>	<b>Main questions to be addressed by the ADR</b>
<b>A.1 Relevance</b>	
Relevance of UNDP's projects, outputs and outcomes to the most significant changes taking place in Timor-Leste during the period in question, including key economic and political changes and national priorities as stated in Timor-Leste's national plans.	<p>Has UNDP played a meaningful and important role in Timor-Leste's transition from conflict to stability and development?</p> <p>What comparative strengths has it applied and how responsive has it been in realigning its programme to address Timor-Leste's changing development perspectives and needs?</p> <p>Are UNDP activities aligned with national strategies? Are they consistent with human development needs in that area?</p>
<b>A.2 Effectiveness</b>	
Effectiveness of UNDP interventions in terms of achieving stated goals. What are UNDP's contributions to strengthening national capacities?	<p>Did the UNDP programme accomplish its intended objectives and planned results?</p> <p>Did the project or programme implementation contribute towards the stated outcome?</p> <p>Did it result in dynamic changes and processes that have the potential to contribute to long-term outcomes?</p> <p>Are UNDP approaches, resources, models and its conceptual framework relevant to achieving planned outcomes?</p>
Scope of coverage	How broad are the outcomes (e.g. local community, district, regional, national)?
Addressing gender and other equality issues	<p>How did the UNDP programme support advancing gender equality in Timor-Leste?</p> <p>Who are the main beneficiaries (poor, non-poor, disadvantaged groups)?</p>
<b>A.3 Efficiency</b>	
Efficiency of UNDP's interventions in terms of the human and financial resources used in programme implementation.	<p><b>Managerial Efficiency</b></p> <p>Has the project or programme been implemented within deadlines and cost estimates?</p> <p>Have UNDP and its partners taken prompt actions to solve implementation issues?</p>
	<p><b>Programmatic Efficiency</b></p> <p>Were UNDP resources focused on the set of activities that were expected to produce significant results?</p> <p>Was there any identified synergy between UNDP interventions that contributed to reducing costs while supporting results?</p>
<b>A.4 Sustainability</b>	
Responding to capacity needs (institutional and human) at the national and sub-national levels	<p>Are the institutions strengthened with UNDP assistance able to continue to perform their functions to acceptable standards beyond UNDP's period of assistance and are physical outputs such as essential infrastructure constructed of sufficient quality and durability and have maintenance requirements been addressed adequately?</p> <p>Were interventions designed to have long-lasting outcomes / results given the identifiable risks?</p>
Issues for sustainability at the implementation level.	What issues emerged during implementation as a threat to sustainability?
Scaling up of pilot initiatives and catalytic interventions.	Is/was there a plan for scaling up successful pilot initiatives?

<b>Part B. Strategic Position</b>	
<b>Criteria/Sub-criteria</b>	<b>Main questions to be addressed by ADR</b>
Supporting key national priorities	Did the United Nations system as a whole, and UNDP in particular, address Timor-Leste's development challenges and priorities and support the national strategies and priorities?
Leveraging the implementation of national strategies and policies	Did the UNDP programme facilitate the implementation of the national development strategies and policies and play a complementary role to the government?
UNDP approaches	Is there a balance between national and sub-national initiatives? Is there a balance between policy and conceptual models and implementation support?
Programme evolution and responding to the context	Was UNDP responsive to the evolution of development challenges and the priorities in national strategies or shifts in external conditions? Did UNDP have adequate mechanisms to respond to significant changes in the country situation, in particular in crises and emergencies?
<b>Using comparative strengths</b>	
Corporate and comparative strengths	Was the UNDP strategy designed to maximize the use of its corporate and comparative strengths, particularly its expertise, networks and contacts?
UNMIT and coordination among UN agencies	What is UNMIT's contribution to the overall results of the UNDP programme? What are the lessons learned for UNDP from its collaboration with UNMIT projects in related areas such as justice and human rights?
Assisting the government in using external partnerships and South-South cooperation	Did UNDP use its network to bring about opportunities for South-South exchanges and cooperation?
<b>Promotion of United Nations values from a human development perspective</b>	
Support to achieve Millennium Development Goals (MDGs)	Is the United Nations system, and UNDP in particular, effectively supporting the government in monitoring the achievement of the MDGs?
Contribution to gender equality	To what extent is the UNDP programme designed to appropriately incorporate in each outcome area contributions to attain gender equality? To what extent has UNDP supported the achievement of positive changes in terms of gender equality and were there any unintended effects?
Addressing equity issues	Did the UNDP programme take into account the plight and needs of vulnerable and disadvantaged groups to promote social equity?
Credibility of UNDP	Is UNDP considered capable of providing leadership and contributing to substantive and high-level policy dialogue on human development issues in the country, particularly on potentially sensitive issues?

## Annex 4

# KEY STAKEHOLDERS OF THE PROGRAMME AND GEOGRAPHICAL LOCATION OF THE PROJECTS

Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Poverty reduction projects</b>			
Oecusse-Ambeno Community Activation Programme	UNDP, UNOPS	Oecussi District	Ministry of Economy and Development, Ministry of Agriculture, Ministry of State Administration
Access Improvements to Markets in the Eastern Region	UNDP, UNOPS	Viqueque and Lautem Districts	Ministry of Infrastructure
Skills Training for Gainful Employment	UNDP, ILO	National	Ministry of Economy and Development
Programme for Enhancing Rural Women's Leadership and Participation in Nation-Building in the Democratic Republic of Timor-Leste	UNDP, UN Women	National	Secretary of State for the Promotion of Equality
Recovery, Employment and Stability Programme for Ex-combatants and Communities in Timor-Leste	UNDP	National	Ministry of Economy and Development
Ainaro Manatuto Community Activation Programme	UNDP, UNOPS	Ainaro and Manatuto Districts	Ministry of Agriculture
Local Development Programme	UNDP, UNCDF	Bobonaro and Lautem Districts	Ministry of State Administration
Community Mobilization for Poverty Alleviation and Social Inclusion in Service Delivery	UNDP, ILO, FAO, UNFPA, UNICEF, WFP	Ermera and Oecussi Districts	Ministry of Economy and Development
Conditional Cash Transfer	UNDP	National	Ministry of Social Solidarity
Inclusive Finance for Underserved Economy	UNDP, UNCDF	National	Ministry of Economy and Development
Strengthening Community Access to Quality Infrastructure	UNDP	Oecussi District	Ministry of Economy and Development
National Human Development Report	UNDP	National	Ministry of Economy and Development
Monitoring the Achievement of the Millennium Development Goals	UNDP	National	Ministry of Economy and Development

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/EAD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme

Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Environment projects 2002-2008</b>			
Environmental Governance Support Programme and National Capacity Self-Assessment	UNDP	National	Secretary of State for Environment
Participatory Rural Energy Development Programme	UNDP	Dili, Liquica, Ainaro, Manatuto	Secretary of State for Environment
Sustainable Land Management	UNDP	National	Ministry of Agriculture
National Adaptation Programme of Action to Climate Change	UNDP	National	Secretary of State for Environment
National Biodiversity Strategy and Action Plan	UNDP	National	Ministry of Agriculture
Programme of Work for Protected Areas	UNDP	National	Ministry of Agriculture
Environmental Mainstreaming in Timor-Leste	UNDP	National	Secretary of State for Environment
Initial National Communication on Climate Change	UNDP	National	Secretary of State for Environment
<b>Democratic governance projects 2002-2008</b>			
Justice System Programme (1st phase)	UNDP	Dili	Ministry of Justice
Justice System Programme (2nd phase)	UNDP	Dili	Ministry of Justice
Justice System Programme (3rd phase)	UNDP	Dili, Suai, Oecussi, Baucau	Ministry of Justice, Superior Council of Judiciary, Prosecutor General Office
Strengthening Parliamentary Democracy in Timor-Leste (1st phase)	UNDP	Dili	National Parliament
Strengthening Parliamentary Democracy in Timor-Leste (2nd phase)	UNDP	Dili	National Parliament
Human Rights Capacity Building of the Provedoria for Human Rights and Justice	UNDP	Dili	Provedoria for Human Rights and Justice
Timor-Leste Local Development Programme	UNCDF, UNDP	Aileu, Bobonaro, Lautem and Manatuto	Ministry of State Administration

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/A/EAD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme



Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Democratic governance projects 2002-2008</b> <i>(continued)</i>			
Institutional capacity Development Support/ Support to 'Development Posts' Phase I 2002-2003	UNDP, United Nations Mission of Support to East Timor, Capacity Development Coordination Unit of the Government of the Democratic Republic of Timor-Leste <ul style="list-style-type: none"> <li>• Parliament</li> <li>• Council of Coordination of the judiciary sector</li> <li>• Office of the President</li> </ul>	National	The Government of the Democratic Republic of Timor-Leste (all line ministries)
Institutional capacity Development Support/ Support to 'Development Posts' Phase II 2003-2005	UNDP, United Nations Mission of Support to East Timor, Capacity Development Coordination Unit of the Government of the Democratic Republic of Timor-Leste <ul style="list-style-type: none"> <li>• Parliament</li> <li>• Council of Coordination of the Judiciary Sector</li> <li>• Office of the President</li> </ul>	National	The Government of the Democratic Republic of Timor-Leste (all line ministries)
Institutional Capacity Development Support Project 2005-2006	UNDP, UNOTIL, Capacity Development Coordination Unit of the Government of the Democratic Republic of Timor-Leste <ul style="list-style-type: none"> <li>• Parliament</li> <li>• Council of Coordination of the Judiciary Sector</li> <li>• Office of the President</li> </ul>	National	The Government of the Democratic Republic of Timor-Leste (all line ministries), Office of the President, Office of the Prime Minister
Institutional Capacity Building, Office of the Inspector General of the Democratic Republic of Timor-Leste 2001-2002	UNDP, UNOTIL	National	Office of the Inspector General
Support to Civil Service in Timor-Leste 2006-2009 (revised in 2008)	UNDP, Capacity Development Coordination Unit of the Government of the Democratic Republic of Timor-Leste <ul style="list-style-type: none"> <li>• Parliament</li> <li>• Council of Coordination of the Judiciary Sector</li> <li>• Office of the President</li> </ul>	National	The Government of the Democratic Republic of Timor-Leste (all line ministries)
Human Resource Management in Civil Service	UNDP	National	Ministry of State Administration

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/EA/AD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme

Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Democratic governance projects 2002-2008</b> <i>(continued)</i>			
Transitional Advisory Support Services Project 2007-2008	UNDP, Capacity Development Coordination Unit of the Government of the Democratic Republic of Timor-Leste	National	Office of the Prime Minister and key line ministries: Secretary of State for Council of Ministers, Ministry of Foreign Affairs, Ministry of Social Solidarity, Ministry of State Administration and Territorial Division
Support to Constituency Election 2001-2002	UNDP	Nationwide	Ministry of State Administration
Preparatory Assistance Project for Supporting <i>Suco</i> Election (TIM/03/016)	UNDP, STAE, Ministry of State Administration of the Democratic Republic of Timor-Leste, independent electoral supervisory body, UNDP/A/EAD, bilateral and multilateral donors, Timorese political parties, national and international NGOs and CSOs	Nationwide	Ministry of State Administration
Support to Electoral Cycle Project 2007-2008	UNDP, STAE, Ministry of State Administration of the Democratic Republic of Timor-Leste, independent electoral supervisory body, UNDP/A/EAD, bilateral and multilateral donors, Timorese political parties, national and international NGOs and CSOs	Nationwide	Electoral Administration Technical Secretariat, National Electoral Commission
<b>Democratic governance projects 2009-2013</b>			
Strengthening Parliamentary Democracy in Timor-Leste	UNDP	Dili - capital	National Parliament
Strengthening Institutional Capacity of the National Parliament in Timor-Leste	UNDP	Dili - capital	National Parliament
Capacity Development of the Provedoria for Human Rights and Justice	UNDP	Dili with support to four Provedoria for Human Rights and Justice	Provedoria for Human Rights and Justice
Enhancing the Democratic Rule of Law through Strengthening the Justice System in Timor-Leste (Revised Justice System Programme)	UNDP	Dili, Suai, Oecussi, Baucau	Ministry of Justice

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/A/EAD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme

Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Democratic governance projects 2009-2013 (continued)</b>			
Support to Anti-Corruption Initiatives in Timor-Leste	UNDP	Dili	Anti-Corruption Commission
Local Governance Support Programme	UNCDF, UNDP	All 13 districts	Ministry of State Administration
Support to Civil Service Reform Project	UNDP	National	Civil Service Commission, Office of the Prime Minister and key ministries: Ministry of Foreign Affairs, Ministry of Social Solidarity, Ministry of State Administration and Territorial Division, Secretary of State for Council of Ministers
Support to Electoral Cycle Project (Revised Project from 2007-2008 Project)	UNDP, STAE, Ministry of State Administration of the Democratic Republic of Timor-Leste, independent electoral supervisory body, UNDP/PA/EAD, bilateral and multilateral donors, Timorese political parties, national and international NGOs and CSOs	Nationwide	Ministry of State Administration and Territorial Management, CNE and STAE, the Presidency
<b>Crisis preventions and recovery projects</b>			
Communications Outreach for Recovery	UNDP	Dili	Ministry of Labour and Community Reinsertion
Communications for Humanitarian Assistance	UNDP	Dili	Ministry of Labour and Community Reinsertion
Servisu ba Dame	ILO, UNDP	All 13 districts	Ministry of Labour and Community Reinsertion, Ministry of Social Solidarity
WISE – Women In Self-Employment	ILO, UNDP	Dili, Baucau, Maliana, Maubisse and Oecussi	Ministry of Social Solidarity
Security Sector Review in Timor-Leste	UNDP, UNMIT	Dili	Ministry of Defense, Office of the President, National Parliament
Security Sector Review in Timor-Leste – Capacity Development Facility	UNDP	Dili	Ministry of Defense, Office of the President, National Parliament
Dialogue project	UNDP	Baucau, Dili and Ermera	Ministry of Social Solidarity
Disaster Risk Management	UNDP	Dili, Lautem, Bobonaro	National Disaster Management Directorate, Ministry of Social Solidarity

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/PA/EAD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme

Project	Implementing agencies	Geographical location of the project	Government of the Democratic Republic of Timor-Leste counterpart
<b>Crisis preventions and recovery projects</b> <i>(continued)</i>			
Support to Reintegration	UNDP	Dili and Ermera	Ministry of Social Solidarity
Small Grants Fund for Peace	UNDP	Several districts	Ministry of Social Solidarity
Strengthening Disaster Risk Management in Timor-Leste	UNDP	Dili and districts	National Disaster Management Directorate, Ministry of Social Solidarity
Support to the Department of Peace-Building and Social Cohesion in Timor-Leste	UNDP	Dili, Baucau and Ermera	Ministry of Social Solidarity
Strengthening Civilian Oversight and Management Capacity in the Security Sector	UNMIT, UNDP	Dili	Ministry of Defence, National Parliament, Office of President
Strengthening the National Police Capacity in Timor-Leste	UNPOL, UNDP	Dili	National Police

Note: CNE - National Electoral Commission of Timor-Leste; CSO - civil society organization; FAO - Food and Agriculture Organization of the United Nations; ILO - International Labour Organization; NGO - non-governmental organization; STAE - Technical Secretariat for Electoral Administration of Timor-Leste; UNCDF - United Nations Capital Development Fund; UNDP/EAAD - United Nations Department of Political Affairs, Electoral Assistance Division; UNFPA - United Nations Population Fund; UNICEF - United Nations Children's Fund; UNMIT - United Nations Integrated Mission in Timor-Leste; UNOPS - United Nations Office for Project Services; UNOTIL - United Nations Office in Timor-Leste; UNPOL - United Nations Police; UN Women - United Nations Entity for Gender Equality and Women's Empowerment; WFP - World Food Programme

## Annex 5

# DOCUMENTS REVIEWED

- Albanese, F., H. Han and T. Tamata, 'Capacity Building of the Provedoria for Human Rights and Justice: Mid Term Project Evaluation Report', Office of the UN High Commissioner for Human Rights and UNDP, January 2009.
- Asian Development Bank, 'Economic Growth to 2030 in Timor-Leste', 2011; available at: [adb.org/publications/economic-growth-2030-timor-leste](http://adb.org/publications/economic-growth-2030-timor-leste).
- Barnes, F. 'External Evaluation Report for Support to the Trust-Building Pillar of the National Recovery Strategy: NGOs Small Grants Programme and Strengthening Institutional Structures and Mechanisms for Dialogue', 2011.
- Barns, F., 'Disaster Risk Management Institutional and Operation Systems Development, UNDP Timor-Leste Final Report', 2010.
- Beasca, J., 'COMPASIS Mid-Term Evaluation Report', 2nd Revised Edition, 2011.
- Belun and Columbia University Center for International Conflict Resolution, 'Conflict Potential Analysis October 2011 – January 2012', Early Warning and Early Response (EWER) programme report, 2012; available at [cicr-columbia.org/wp-content/uploads/2012/05/Trimester-IX-Eng-FINAL-3-May-2012.pdf](http://cicr-columbia.org/wp-content/uploads/2012/05/Trimester-IX-Eng-FINAL-3-May-2012.pdf).
- Bishop, J., 'Final Evaluation Report. Strengthening Early Recovery for Comprehensive and Sustainable Reintegration of Internally Displaced People (SERC) Project', Conflict Prevention and Recovery Unit, UNDP Timor-Leste, 18 April 2011.
- Bishop, J., 'External Evaluation Report. Strengthening Institutional Structures and Mechanisms for Dialogue Project', Crisis Prevention and Recovery Unit, UNDP Timor-Leste, June 2011.
- Chertkow, M., 'Main Developments from UNDP Justice System Programme's Access to Justice Field teams – Baucau, Suai and Oecussi' Justice System Programme, UNDP Timor-Leste, September 2011.
- Democratic Republic of East Timor  
Constituent Assembly, Constitution of the Democratic Republic of Timor-Leste, 2002, available at: [timor-leste.gov.tl/wp-content/uploads/2010/03/Constitution\\_RDRTL\\_ENG.pdf](http://timor-leste.gov.tl/wp-content/uploads/2010/03/Constitution_RDRTL_ENG.pdf).
- European Commission, 'Final Evaluation of Timor-Leste Rural Development Programme (TL RDP), EU Ref. 2009/208596 (SDC 294 Summary of Findings)' EuropeAid Co-Operations Office, August 2009.
- Fourth High Level Forum on Aid Effectiveness, 'New Deal for Engagement in Fragile States', Busan, 2011.
- Government of the Democratic Republic of Timor-Leste, First Amendment to Law no. 9/2005, of 3<sup>rd</sup> August, Petroleum Fund Law, 2011, available at: [jornal.gov.tl/laws/TL/RDRTL-Law/RDRTL-Laws/Law%2012-2011.pdf](http://jornal.gov.tl/laws/TL/RDRTL-Law/RDRTL-Laws/Law%2012-2011.pdf).
- Government of the Democratic Republic of Timor-Leste, 'Forth National Report to the UN Convention on Biodiversity', 2011.
- Government of the Democratic Republic of Timor-Leste, 'National Adaptation Plan of Action', 2011.

- Government of the Democratic Republic of Timor-Leste, 'Strategic Development Plan 2011-2030', Dili, 2011.
- Government of the Democratic Republic of Timor-Leste, 'Justice Sector Strategic Plan, 2011-2030, Ministry of Justice and Council of Coordination for Justice, 12 February 2010.
- Government of the Democratic Republic of Timor-Leste, 'Labour Force Survey 2010', Secretariat of State for Vocation Training and Employment and National Statistics Directorate, 2010.
- Government of the Democratic Republic of Timor-Leste, 'Millennium Development Goals 2010: Where we are now, where do we want to be in 2015?', 2010, available at: [mof.gov.tl/wp-content/uploads/2011/05/millennium-development-goals-booklet-2010.pdf](http://mof.gov.tl/wp-content/uploads/2011/05/millennium-development-goals-booklet-2010.pdf).
- European Commission, 'Final Evaluation of Timor-Leste Rural Development Programme (TL RDP)', EU Ref. 2009/208596, 2009.
- Government of the Democratic Republic of Timor-Leste and United Nations system, 'The Millennium Development Goals, Timor-Leste', Dili, 2009.
- Government of the Democratic Republic of Timor-Leste and Australian Agency for International Development, 'Review of Public Sector Capacity in East Timor', 2008, available at: [aid.dfat.gov.au/countries/eastasia/timor-leste/Documents/pscdp-public-sector-capacity-east-timor.pdf](http://aid.dfat.gov.au/countries/eastasia/timor-leste/Documents/pscdp-public-sector-capacity-east-timor.pdf).
- Government of the Democratic Republic of Timor-Leste, '*Hamutuk Hari'i Futuru*, A National Recovery Strategy', Office of the Vice Prime Minister of the Democratic Republic of Timor-Leste, 19 December 2007.
- Government of the Democratic Republic of Timor-Leste, 'National Capacity Self-Assessment. Final Report', Dili, 2007.
- Government of the Democratic Republic of Timor-Leste, 'Timor-Leste Survey of Living Standards', National Statistics Directorate, 2007.
- Government of the Democratic Republic of Timor-Leste, 'Natural Resources and Environment: Priorities and Proposed Sector Investment Programme', 2006.
- Government of the Democratic Republic of Timor-Leste, Petroleum Fund Act, Law No 9/2005, National Parliament, 2005, available at: [timor-leste.gov.tl/wp-content/uploads/2010/03/Law\\_2005\\_9\\_petroleum\\_fund\\_law\\_.pdf](http://timor-leste.gov.tl/wp-content/uploads/2010/03/Law_2005_9_petroleum_fund_law_.pdf).
- Government of the Democratic Republic of Timor-Leste, Approving the Statute of the Office of the Ombudsman for Human Rights and Justice, Law No 7/2004, National Parliament, 2004, available at: [jornal.gov.tl/lawsTL/RDTL-Law/RDTL-Laws/Law-2004-7.pdf](http://jornal.gov.tl/lawsTL/RDTL-Law/RDTL-Laws/Law-2004-7.pdf).
- Government of the Democratic Republic of Timor-Leste, 'Local Government Options Study, Final Report', Ministério da Administração Estatal Administração para Governo Local e Desenvolvimento, 2003, available at: [estatal.gov.tl/Documents/DNDLOT/Option Study 2006/LGOS Report.pdf](http://estatal.gov.tl/Documents/DNDLOT/Option Study 2006/LGOS Report.pdf).
- Government of the Democratic Republic of Timor-Leste, 'National Development Plan', 2002.
- Government of the Democratic Republic of Timor-Leste, 'East Timor 2020 – Our Nation, Our Future', Planning Commission, Dili, 2001.
- Government of the Democratic Republic of Timor-Leste and Australian Agency for International Development, 'Review of Public Sector Capacity in East Timor', 2008.
- Government of the Democratic Republic of Timor-Leste and UNMIT, 'Joint Transition Plan: Preparing a New Partnership in a Peaceful and Stable Timor-Leste', 19 September 2011.

- The Economist*, 'Timor-Leste Country Profile', London, 2011.
- Hamutuk, L., 'How much money have international donors spent on and in Timor-Leste? A briefing paper', Timor-Leste Institute for Development Monitoring and Analysis, Dili, Timor-Leste, 2009, available at: [laohamutuk.org/reports/09bgnd/HowMuchAidEn.pdf](http://laohamutuk.org/reports/09bgnd/HowMuchAidEn.pdf).
- Han, H. and T. Tamata, 'Capacity Development for the Provedoria for Human Rights and Justice (PDHJ), Mid Term Project Evaluation Report', UNDP and Office of the UN High Commission for Human Rights, 2009, available at: [erc.undp.org/evaluationadmin/downloaddocument.html?docid=7580](http://erc.undp.org/evaluationadmin/downloaddocument.html?docid=7580).
- Hardman, J., 'Sustainable Land Management in Timor-Leste Capacity Building and Mainstreaming Project. Terminal Evaluation Report', UNDP Timor-Leste, Dili, 2011.
- International Monetary Fund, 'Article IV Consultation – Staff Report', Washington DC, 2012.
- International Monetary Fund, 'IMF Country Report No. 12/24', Washington DC, 2012.
- International Monetary Fund, 'Article IV Consultation', March 2011, available at: [imf.org/external/pubs/ft/scr/2011/cr1165.pdf](http://imf.org/external/pubs/ft/scr/2011/cr1165.pdf) (website accessed March 2012).
- Johnston, N., and A. Stanislaus, 'Mid Term Evaluation of Parliamentary Democracy Project Timor-Leste – 2008', September 2008.
- Koekebakker, W., 'Timor-Leste – Work for Peace Project. Projektu Serbisu Ba Dame. Final Project Evaluation Report', International Labour Organization and UNDP, September 2007.
- Kueller, P., 'Draft Report on Public Administration in Post-Conflict Countries', 2011.
- Mercy Corps, 'Energy for All Programme – Timor-Leste. Baseline Assessment Report', Dili, 2011.
- Norwegian Agency of Development Cooperation, 'Clean Energy for Development', Oslo, 2009.
- Organization for Economic Co-operation and Development (OECD), 'International Engagement in Fragile States: Can't we do better?', OECD Publishing, 2011.
- Patterson, J., T. Pilipataya and S. Gopalan, 'Parliament Project Evaluation and Reformulation Report', August 2009.
- Powles, A., 'Independent Evaluation Report: Independent Evaluation of the Security Sector Review Capacity Development Facility, Timor-Leste – Final Report', 2011.
- Powles, A., 'Independent Evaluation Report: Independent Evaluation of the Security Sector Review – Capacity Development Facility, Timor-Leste', December 2010.
- Serrano, R., 'Advancing Gender Equality and Women's Empowerment in Timor-Leste. Narrative Section. First Semester Report', 1 September 2009.
- United Nations, 'United Nations Integrated Strategic Framework for Timor-Leste. 1 January 2011 – 31 December 2012', 27 March 2011.
- United Nations, 'The Millennium Development Goals for Timor-Leste', Dili, 2009.
- United Nations, 'Delivering as One', High-Level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment, 2006.
- United Nations, 'Report of the United Nations Independent Special Commission of Inquiry for Timor-Leste', Geneva, 2 October 2006, available at: [ohchr.org/Documents/Countries/COITimorLeste.pdf](http://ohchr.org/Documents/Countries/COITimorLeste.pdf).

- United Nations, 'In Larger Freedom: Towards Security, Development and Human Rights for All', Report of the Secretary-General of the United Nations for decision by Heads of State and Government, September 2005.
- United Nations, Security Council resolution S/RES/1969 – Timor-Leste, 2011.
- United Nations, Security Council resolution S/RES/1704 – Reports of the Secretary-General on Sudan, 2006.
- United Nations, Security Council resolution S/RES/1272 – East Timor, 1999.
- United Nations, Security Council resolution S/RES/1257 – Timor, 1999.
- United Nations, Security Council resolution S/RES/1246 – Timor, 1999.
- United Nations Capital Development Fund, 'Mid-Term Evaluation – Local Government Support Programme (LGSP)', July 2010, available at: [estatal.gov.tl/Documents/DNDLOT/LGSP/LGSP\\_Midterm\\_Report\\_2010.pdf](http://estatal.gov.tl/Documents/DNDLOT/LGSP/LGSP_Midterm_Report_2010.pdf).
- UNDP, 'Human Development Report 2010 – The Real Wealth of Nations: Pathways to Human Development', New York, 2010.
- UNDP, 'Justice Sector Strategic Plan for Timor-Leste 2011-2030', Dili, Timor-Leste, 2010, available at: [tl.undp.org/content/dam/timorleste/docs/library/JSSP\\_ENGLISH.pdf](http://tl.undp.org/content/dam/timorleste/docs/library/JSSP_ENGLISH.pdf).
- UNDP, 'Management Response, Independent Final Evaluation of the Security Sector Review – Capacity Development Facility Project', December 2010.
- UNDP, 'UNDP Country Programme for Timor-Leste (2009–2013)', Dili, 2009.
- UNDP, 'Project Document. Support to Civil Service Reform: Strengthened Management of Administrative Support, UNDP Timor-Leste', January 2008.
- UNDP, 'Strengthening the Justice System in Timor-Leste Programme, Independent/ External Mid-Term Evaluation Report', 2007.
- UNDP, 'National Human Development Report 2006: The Path Out of Poverty – Integrated Rural Development', 2006, available at: [hdr.undp.org/sites/default/files/timor\\_leste\\_2006\\_en.pdf](http://hdr.undp.org/sites/default/files/timor_leste_2006_en.pdf).
- UNDP, 'Revised Programme. Strengthening the Justice System in Timor-Leste', December 2005.
- UNDP, 'National Human Development Report 2002: Ukan Rasik A'an – The way ahead', 2002, available at: [hdr.undp.org/sites/default/files/east\\_timor\\_2002\\_en.pdf](http://hdr.undp.org/sites/default/files/east_timor_2002_en.pdf).
- UNDP, 'UNDP Involvement in Security Sector Reform: Ten Lessons Learned from Timor-Leste', undated.
- UNDP and United Nations Population Fund, 'Extension of country programmes, Note of the Administrator', Executive Board document, DP/2013/44, July 2013, available at: [undp.org/content/dam/undp/library/corporate/Executive Board/2013/Second-regular-session/English/dp2013-44.doc](http://undp.org/content/dam/undp/library/corporate/Executive Board/2013/Second-regular-session/English/dp2013-44.doc).
- UNDP and United Nations Population Fund, 'The Evaluation Policy of UNDP', Executive Board Document, DP/2011/3, March 2011, available at: [web.undp.org/evaluation/documents/evaluation-policy.pdf](http://web.undp.org/evaluation/documents/evaluation-policy.pdf).
- UNDP and United Nations Population Fund, 'UNDP strategic plan 2008–2011: Accelerating global progress on human development', Executive Board Document, DP/2007/43/Rev.1, May 2008, available at: [web.undp.org/execbrd/pdf/dp07-43Rev1.pdf](http://web.undp.org/execbrd/pdf/dp07-43Rev1.pdf).
- UNDP and United Nations Population Fund, 'Extension of country programmes, Assistance to East Timor, DP/2000/2', Executive Board Document, January 2000, available at: [web.undp.org/execbrd/pdf/dp00-10e.pdf](http://web.undp.org/execbrd/pdf/dp00-10e.pdf).
- UNDP Timor-Leste, 'Project Document – Enhancing the Democratic Rule of Law through Strengthening the Justice System (Revised Justice System Programme) 2008–2013', December 2013.



- UNDP Timor-Leste, 'Annual Report: Breaking the Cycle of Domestic Violence through Combined Justice System Reform and Women's Economic Empowerment – An Action Research', Access to Justice Unit, Justice System Programme, 2011.
- UNDP Timor-Leste, 'Annual Work Plan 2011, Justice System Programme', revised February 2011.
- UNDP Timor-Leste, 'Customary Law and Domestic Violence in Timor-Leste – Approaches to Domestic Violence against Women in Timor-Leste: A Review and Critique', Justice System Programme, January 2011.
- UNDP Timor-Leste, 'Project Document, Capacity Development for the Provedoria for Human Rights and Justice (PDHJ)', 2011, available at: [tl.undp.org/content/dam/timorleste/docs/reports/TL\\_DG\\_PDHJ%20Prodoc2010\\_2014.pdf](http://tl.undp.org/content/dam/timorleste/docs/reports/TL_DG_PDHJ%20Prodoc2010_2014.pdf).
- UNDP Timor-Leste, 'Strengthening the Justice System in Timor-Leste. UNDP project no.00014955. UNDP Justice System Programme Update. Third Quarter Report', 2011.
- UNDP Timor-Leste, 'Strengthening the Justice System in Timor-Leste. UNDP project no.00014955. UNDP Justice System Programme Update. Second Quarter Report', June 2011.
- UNDP Timor-Leste, 'Strengthening the Justice System in Timor-Leste. UNDP project no.00014955. UNDP Justice System Programme Update. First Quarterly Report', March 2011.
- UNDP Timor-Leste, 'Timor-Leste Human Development Report 2011: Managing Natural Resources for Human Development – Developing the Non-Oil Economy to Achieve the MDGs', 2011.
- UNDP Timor-Leste, 'UNDP Final Report. Strengthening Institutional Structures and Mechanisms for Dialogue. June 2008 – October 2011', 2011.
- UNDP Timor-Leste, 'Progress Report. Preparatory Assistance for a Crisis Prevention and Recovery Strategy for UNDP Timor-Leste. Reporting period from January 2008 to December 2009', 2010.
- UNDP Timor-Leste, 'Participatory Rural Energy Development Programme. Final Report', 2009.
- UNDP Timor-Leste, 'Project Document, Support to Civil Service Reform: Strengthened Management of Administrative Support', 2008.
- UNDP Timor-Leste, 'Progress Report. Communication Outreach for Recovery Project. A follow-on to the Communication Support to Humanitarian Assistance to IDPs Project', April 2007.
- UNDP Timor-Leste, 'Strengthening the Justice System in Timor-Leste Programme, Independent/External Mid-Term Evaluation Report', 2007.
- UNDP Timor-Leste, 'Overview of the Courts in East Timor in 2004', Judicial System Monitoring Programme, Dili, 17 December 2004.
- UNDP Timor-Leste, 'Assessing Environmental Needs and Priorities in East Timor', 2001.
- UNDP Timor-Leste and Government of the Democratic Republic of Timor-Leste, 'Communication Support to Humanitarian Assistance (for IDPs)', Programme Document, 2006.
- UNMIT, Monthly Governance Report, October 2011.
- UNMIT, 'Final Report – National Defence Institute Start-Up Project', 28 December 2010.
- UNMIT, 'The Justice System of Timor-Leste. An Independent Comprehensive Needs Assessment', Dili, Timor-Leste, 13 October 2009.

- UNTAET, 'Building Blocks for a Nation: The Common Country Assessment for East Timor', Dili, 2000.
- United States Central Intelligence Agency, 'The World Factbook 2011', 2011.
- World Bank, 'Doing Business 2011: Making a Difference for Entrepreneurs', Washington DC, 2011.
- World Bank, 'Timor-Leste Country Program Evaluation 2000–2010', Independent Evaluation Group, Washington DC, 2011.
- World Bank, 'Doing Business 2010: Reforming Through Difficult Times', Washington DC, 2010.
- World Bank, 'Timor-Leste – Key Issues in Rural Energy Policy. Asia Sustainable and Alternative Energy Program', Washington DC, 2010.
- World Bank, 'Interim Strategy Note 2010–2011 for the Democratic Republic of Timor-Leste', Washington DC, 2009.
- World Bank, 'Timor Leste Country Environmental Analysis', Washington DC, 2009.

## Annex 6

# PEOPLE CONSULTED

### UNDP, TIMOR-LESTE

Leonilda, Project Assistant, Department of Peacebuilding and Social Cohesion Support Project, MSS/UNDP Timor-Leste

Belo, Jose, CPR Unit Head, UNDP Timor-Leste

Bermudez, Maria Del Mar, Senior Justice Advisor, UNDP Timor-Leste

Freitas, Manuel, Access to Justice Field Officer, UNDP Timor-Leste

Gomes, Rui A., MDG-1 Policy Specialist- Assistant Country Director, UNDP Timor-Leste

Guterres, Jose Caetano, Project Manager, MSS/ UNDP Timor-Leste

Hamajdi, Noura, Deputy Country Director, Head of Governance Unit, UNDP Timor-Leste

Harrington, Andrew, Access to Justice Policy Specialist, UNDP Timor-Leste

Hosgelen, Merve, Intern, Poverty and Environment Unit, UNDP Timor-Leste

Lester, Katherine, Poverty and Environment Unit, UNDP Timor-Leste

Malinen, Anna Maria, UNV, Poverty and Environment Unit, UNDP Timor-Leste

Marciel, Beatriz, Project Coordinator, COMPASIS, UNDP Timor-Leste

Mario, Emma, Acting Head, Environment Unit, UNDP Timor-Leste

Oliveira, Carsiliano, Programme Analyst, Poverty and Environment Unit, UNDP Timor-Leste

Omar, Jawwad, ICT Manager, UNDP Timor-Leste

Quintas, Cesar Dias, Project Manager/ CTA, UNDP Parliament Project, UNDP Timor-Leste

Rodrigues, Jose, COMPASIS, UNDP Timor-Leste

Rodrigues, Yolanda, Program Officer, UNDP Timor-Leste

Sabih, Farhan, Assistant Country Director, Head of Governance Unit, UNDP Timor-Leste

Serrano, Annie, Senior Gender Advisor, UNDP Timor-Leste

Soares, Jose Reinaldo Da Silva, Project Coordinator, COMPASIS, UNDP Timor-Leste

Tanaka, Mikiko, Country Director, UNDP Timor-Leste

Vendinha, Carla, International Advisors' Assistance, UNDP Timor-Leste

Xavier, Livio, Programme Analyst, Poverty and Environment Unit, UNDP Timor-Leste

Yokohama, Masako, Project Assistant, UNDP.

### OTHER UN AGENCIES

Brandenburg, Eric, Chief, Security Sector Support Unit, United Nations Integrated Mission in Timor-Leste (UNMIT)

Carrilho, Luis, Police Commissioner, United Nations Integrated Mission in Timor-Leste (UNMIT)

Cave, Shane, Anti-Corruption Advisor, United Nations Integrated Mission in Timor-Leste (UNMIT)

Celestino, Norberto, Chief of Mission, International Organization for Migration (IOM)

- Del Castillo, Andres, Chief Technical Advisor, UNEST Management Team, UNEST
- Gentile, Louis James, Chief, Human Rights and Transitional Justice Section, Representative, UNHCHR, United Nations Integrated Mission in Timor-Leste (UNMIT)
- Haq, Ameera, Special Representative of the Secretary-General for Timor Leste and Head, United Nations Integrated Mission in Timor-Leste (UNMIT)
- Harbour, Randall, Senior Advisor on Capacity Building, National Staff Capacity Building Project (NSCBP), United Nations Integrated Mission in Timor-Leste (UNMIT)
- Inoue, Ken, Chief Democratic Governance Support Unit, United Nations Integrated Mission in Timor-Leste (UNMIT)
- Luna, Jorge Mario, Representative to Timor-Leste, World Health Organization
- Pangilinan, Gina, Reproductive Health Consultant, United Nations Population Fund
- Pes, Roberto, Chief Technical Advisor, ILO Liaison Office in Timor-Leste, International Labour Organization (ILO)
- Reske-Nielsen, Finn, Assistant Secretary-General, Deputy Special Representative of the Secretary-General for Governance Support, Development and Humanitarian Coordination, UN Resident Coordinator and UNDP Resident Representative, United Nations Integrated Mission in Timor-Leste (UNMIT), UNDP Timor Leste
- Righetti, Alessandro, Chief Technical Advisor, UNCDF Local Governance Support Programme
- So, Man Ho, FAO Country Representative, Food and Agriculture Organization of the United Nations (FAO)
- Suchitta, Pornchai, Representative, United Nations Population Fund
- Symons, John A., Security Sector Adviser, Secretariat of State for Defence, Security Sector Support Unit, United Nations Integrated Mission in Timor-Leste (UNMIT)
- Urdin, Ruben Flamarique, MDGF & COMPASIS Project Manager, Food and Agriculture Organization of the United Nations (FAO)
- Weber, Carsten, Chief, Administration of Justice Support Unit, United Nations Integrated Mission in Timor-Leste (UNMIT)
- Multilateral Banks and Bilateral Development Agencies
- Constantino, Luis F., Country Manager, World Bank
- Dale, Pamela, Justice for the Poor Timor-Leste, World Bank
- Hook, David, Governance Specialist EASPR Timor Leste, World Bank
- Pinto, Rui, Former National design consultant and Former UNDP staff, ADB Coral Triangle Initiative

## **NATIONAL GOVERNMENT**

- Duarte Marcal de Araujo, General Director, Secretariat of State of Professional Training and Employment (SEFOPE)
- Anuno, Paulo, Associate Investigator for Crimes, UNMIT, United Nations
- Soares, Benito, National Advisor, National Directorate for Community Conflict Prevention
- Abilio, Jose Antonio Fatima, Director of Aid Effectiveness, National Directorate of Aid Effectiveness, Ministry of Finance
- Amaral, Joao Rui, Secretary General of the National Parliament, National Parliament
- Araujo, Joao De Corte-Real, Director General, Secretariat of State for Defense

Cabral, Tomas Do Rosario, Director General, Secretary of State for Electoral Administration (STAE)	Fuentes, Lorenzo, Deputy National Director of Fisheries, Ministry of Agriculture and Fisheries
Cosme, Helder, Director, National Directorate of Prisons	Mendes-Goncalves, Joao, Minister of Economy and Development, Ministry of Economy and Development
Da Costa, Abel, Secretariat of State of Professional Training and Employment (SEFOPE)	Mendez, Mario, National Director of Protected Areas, Department of Forestry, Ministry of Agriculture and Fisheries
Da Costa, Bemvinda, Prosecutor, Prosecutor General's Office	Mesquita, Mario, Acting Director of Aid Effectiveness, National Directorate of Aid Effectiveness, Ministry of Finance
Da Costa, Cristiano, Vice-Minister of Economy and Development, Ministry of Economy and Development	Neves, Bernardo F., General Director, National Institute of Public Administration (INAP)
Da Costa, Helder, Head, International Secretariat, G7+Fragile States, Ministry of Finance	Nunez, Mario, UNCCD Focal Point, Senior Forestry Officer, Ministry of Agriculture and Fisheries
Da Silva, Hernani, Chief of Staff, Office of the President	Pessoa Pinto, Ana, Prosecutor General, Dili.
De Carvalho, Lidia Lopes, Director, National Directorate for Community Conflict Prevention	Pereira, Januario Da Costa, Secretary of State for Electricity, Water and Urbanization, Ministry of Infrastructure
De Deus, Agostinho Letencio, Director of Research & Public Administration, Developmen, National Institute of Public Administration (INAP)	Pereira, Eng. Liborio, Chairperson, Civil Service Commission
Dos Santos, Vitor, District Administrator, Ermera	Pinto, Augusto Manuel, CBD Focal Point, Director, National Directorate of the Environment
Faria, Angela Matos, International Judge, Dili.	Sampaio, Luis De Oliveira, Director, Justice Sector Monitoring Project
Freitas, Bendito, Secretary of State for Vocational Training and Employment, Secretariat of State of Professional Training and Employment (SEFOPE)	Soares-Barbosa, Adao, UNFCCC Focal Point, Ministry of Economy and Development
Landem, Luis, International Prosecutor, Prosecutor General's Office	Watanabe, Takeshi, Advisor, National Directorate of Aid Effectiveness, Ministry of Finance
Leonilda, Maria, International Prosecutor/ District Clerk, Prosecutor General's Office	Jesus Ximenes, Claudio de, President of the Court of Appeal, Dili
Lima, Abilio De Jesus, Secretary of State for Environment, Ministry of Economy and Development	Ximenes, Sebastiao Dias, Provedor for Human Rights and Justice (Ombudsman), ???
Fernandes, Augusto, National Director of Fisheries, Ministry of Agriculture and Fisheries	Ximenez, Mario, GEF Operational Focal Point, Ministry of Economy and Development

## **OTHER GOVERNMENTS**

Asman, Jenny, Senior Adviser, Public Finance & Public Administration Management, Australian Embassy - AusAID

Jorge, Ruth Maria, Programme Officer, International Relations/Stability Instrument, Attache, Delegation of the European Union to Timor-Leste

Mosley, Anna, Manager, New Zealand AID Programme, New Zealand Embassy

Prime, Jeff, First Secretary, Australian Embassy

Soares, Augusto Ferreira, Development Programme Coordinator, New Zealand AID Programme, New Zealand Embassy

## **CIVIL SOCIETY AND NGOS**

Baron, William, Program Manager, Sustainable Energy Mercy Corps

Boanido, Gil, Haburas NGO

Berto-Pereira, Felix, Coordinator, National Forestry NGO Network

Da Costa, Helio, Santalum NGO

De Araujo, Adalberto, Director, Santalum NGO

Everett, Silas, Representative, Asia Foundation

Larke, Ben, Advisor, Save the Children

Marcal, Luisa, Project Coordinator, Fatin Hakmatek, Psychosocial Recovery and Development in East Timor (PRADET Timor Lorosa'e)

Mibuel, Abel, Santalum NGO

## **OTHERS**

Baptista, Tonila, Former DIALOGUE staff

Carrasealao, Marcia Angela, 1st year student, Magistrates Course, Legal Training Center

Da Silva, Jeronimo Piedade, 1st year student, Magistrates Course, Legal Training Center

Da Silva, Marcelina Tilman, Director, Legal Training Center

Dewhurst, Sara, Program Manager, Center for Conflict Resolution (CICR), Columbia University, Belun

Dos Reis, Lola, Managing Director, MorisRasik

Fernandez, Bernardo, International Advisor, Coordinator, Legal Training Center, Dili

Guterres, Apolinario, Programme Officer, INFUSE Project Team, UNCDF

Javery, Cedric, Programme Officer, INFUSE Project Team, UNCDF

Jindal, Subhash, Team Lead, Bhartiya Samruddhi Investments & Consulting Services Ltd.-Basix

Maria, Catharina, Peacebuilding & Governance Program Manager, Catholic Relief Services, Dili

Marques, Leonido, Student, Magistrates Course, Legal Training Center, Dili

Soares, Angelo B.C., Chief Executive Officer, Tuba Rai Metin

Soares, Ledia, 1st year student, Magistrates Course, Legal Training Center

Summerlin, Reuben, Regional Financial Inclusion Advisor for INFUSE, Dili

Ximenes, Luis, Director, Center for Conflict Resolution (CICR), Columbia University, Belun





*Empowered lives.  
Resilient nations.*

United Nations Development Programme  
Independent Evaluation Office  
220 East 42nd Street, New York, NY 10017, USA  
Tel. +1 (646) 781 4200, Fax +1 (646) 781 4213  
Web: [www.undp.org/evaluation](http://www.undp.org/evaluation)

ISBN: 978-92-1-126383-1

