



# Timor-Leste National Human Development Report 2018

## Planning the Opportunities for a Youthful Population

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# Outline of the Presentation

- **TL 2018 NHDR**  
Quick facts about the process  
Uniqueness of the report

- **Questions and Answers**

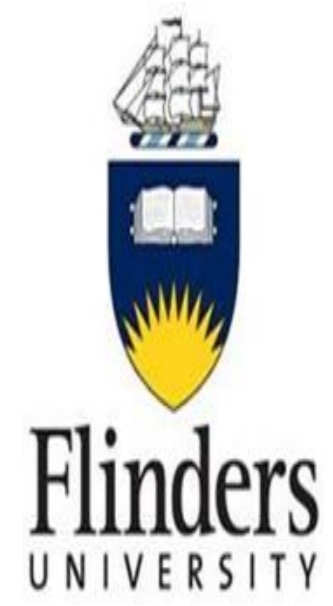
- **Main findings and recommendations of the NHDR**

# TL 2018 NHDR Quick facts about the process & Uniqueness of this report

*An Intensive Training  
on Measuring  
Human Development  
and Youth Well-Being  
in Timor-Leste*

*In the framework  
of Timor-Leste's*

*4th National Human*



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# Quick facts about TL 2018 NHDR preparation process



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- A **collaborative work** between the GoTL, UNDP and Flinders University, Australia
- The proposal was endorsed at the council of Ministers meeting in April 2015 and project **came to fruition in March 2016**
- The draft report is a **product of a diverse team of professionals** consisting of a lead author, 3 principal authors, 4 background paper authors, 13 peer-reviewers and an editor.
- Prepared through **highly consultative processes including primary research** to reflect the diversity of “the youth voices” and provide socially inclusive and responsive policy recommendations
  - 811 youth (420 men 391 women) aged 15-34 were surveyed in all 13 municipalities, 58 of the 67 sub districts and 97 of the 498 villages.
  - Over 400 youth were consulted through focus group discussions and youth forums
  - Nearly 250 stakeholders from government agencies, civil society organizations and donors were consulted through interviews, seminars or workshops.
- **Capacity building integral** to the preparation process
  - 30 DGE enumerators and 20 public officials received training on rolling out a national well-being survey, HDI and well-being analysis



# Images from the field

## Enumerator Training



## Survey Implementation



## Consultative Workshops and Seminars



## Focus Group Discussions



# Uniqueness of TL 2018 NHDR and its innovative elements

1. Focuses on the **youth** because of their crucial **role in harnessing a demographic dividend** in Timor-Leste. To quantify the potential dividends that are on Timor-Leste's horizon, it uses a projection modeling exercise up to 2050 based on three progressive policy pathways.
2. It **uses the well-being framework** as a policy tool to guide efforts to achieve higher levels of human development among youth and prepare the conditions needed for the nation to translate demographic opportunities into socio-economic dividends.
3. TL HDR is the first to collect primary data to inform its analysis. The report uses a perception based **Youth Wellbeing Survey** which consists of **93 questions, 8 domains and 118 variables** to estimate sufficiency or insufficiency/deprivation of wellbeing among the youth.
4. In addition to the Human Development Index calculated purely based on national reports, it includes the calculation of a **Youth Human Development Index**, the first HDI for a segment of the population defined by age.



*‘The wellbeing and success of Timor-Leste’s young people is pivotal to the success of the young Nation of Timor-Leste’*

H.E. Mr. Agio Pereira, Minister of Council of Ministers and Spokesperson of the Government, 6<sup>th</sup> Constitutional Government

Timor-Leste’s current demographic situation has the potential to play an extremely important role in shaping the country’s development in the near future:

- TL has one of the **youngest population in the Asia Pacific region**
- Its median age of 17.4 years makes TL the 15th youngest in the world (behind only Afghanistan and a group of African nations)
- The population below age 35 accounts for 74 percent of the total population.



This report:

- 1) **responds to the development aspirations of the youth, the drivers of TL’s future development.**
- 2) aims to **guide decision makers** along socially inclusive and innovative pathways to **achieve the country’s national development aspirations and harness a potential demographic dividend through unlocking youth’s potential**

# TL's Demographic Transition and Its significance for Policy Makers

Favorable demographic changes in the past decade indicate that a demographic window of opportunity will soon open for Timor-Leste

- The population of Timor-Leste is currently experiencing a **much larger economic burden than the populations of its neighbours** due to its population structure shaped by an exceptionally high birth rate in its recent past.
- Every 100 persons of working age must support 82 individuals (58 of which are children under 15) who are not of working ages, in addition to supporting themselves.

## Dependency Ratios, Select Countries and Regions, 2015

percent

Country, region	Total dependency ratio (No. of children and older persons per 100 persons of working age)
Singapore	37
Thailand	39
Indonesia	49
South Asia	55
Timor-Leste	82

Source: World Bank estimates based on age distributions in World Population Prospects 2017 (database), Population Division, Department of Economic and Social Affairs, United Nations, New York, <https://esa.un.org/unpd/wpp/Download/Standard/Population/>.

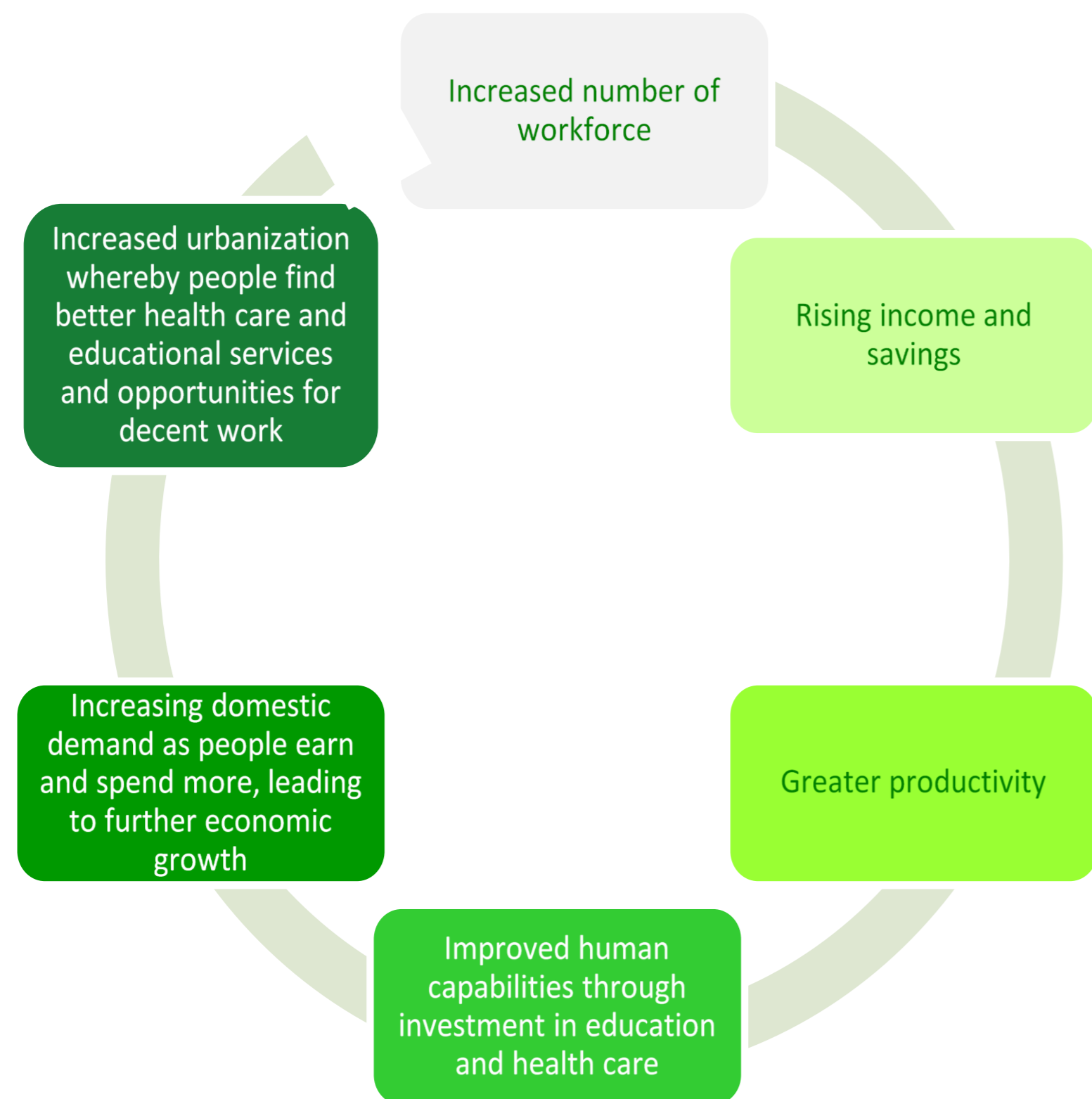
- However, **the reduction in fertility from 7.8 in 2003 to 4.3 in 2016 led to the possibility of a declining dependency ratio (if the trend continues).**
- In a declining dependency ratio scenario, a demographic window of opportunity opens and lasts 30 to 40 years allowing more resources to be generated by the economically active population for investment in education, health and other productive sectors.



# Seizing the Demographic Opportunities

The process is not automatic and requires sound government policies to be implemented well in advance

## Potential Impacts of Favourable Demographic Changes



Source: UNDP 2016.

- **Hastening the onset of the demographic transition and realizing the full potential of a dividend depend largely on policy choices that affect the process.**
- **If this opportunity is seized through strategic policies, good governance and productive employment,** countries can enjoy a demographic dividend, which creates enormous socioeconomic benefits for society.

*In the Asia and Pacific region between 1970 and 2017, the demographic dividend accounted for about 42 percent of the economic growth in developed countries and 39 percent in developing countries.*

- Given the possible dividends on the horizon which this NHDR quantifies, public investment in Timor-Leste must respond to the favorable demographic changes now. A distinct focus on youth and their well-being is therefore fundamental for TL's sustainable future.

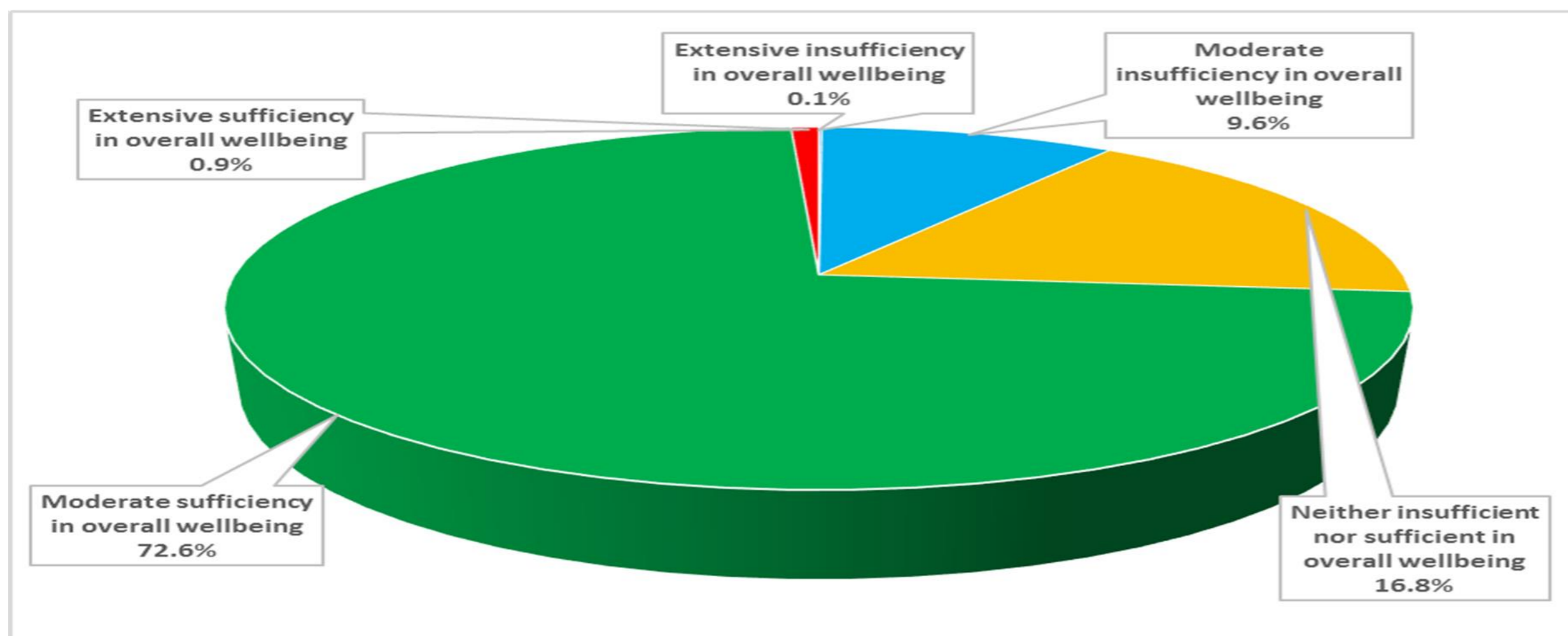
Main Findings on the Well-Being  
Analysis:



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# The state of youth well-being in Timor-Leste

## Distribution of Youth, by Overall Sufficiency in Well-Being



Source: Timor-Leste's Youth Well-Being Survey 2016.

- 74% of youth (71% men and 76% women) enjoy moderate to high satisfaction across all eight dimensions of well-being
- 10% (32,550 youth) are deprived moderately or extensively.
- The rest of 17 percent are neither insufficient nor sufficient in the achievement of overall well-being.
- Larger percentage of men at 11 percent experience well-being deprivations compared with women at 9 percent.
- Deprivations are also 3-4 percentage points larger for younger youth (ages 15-24) and youth living in urban areas.

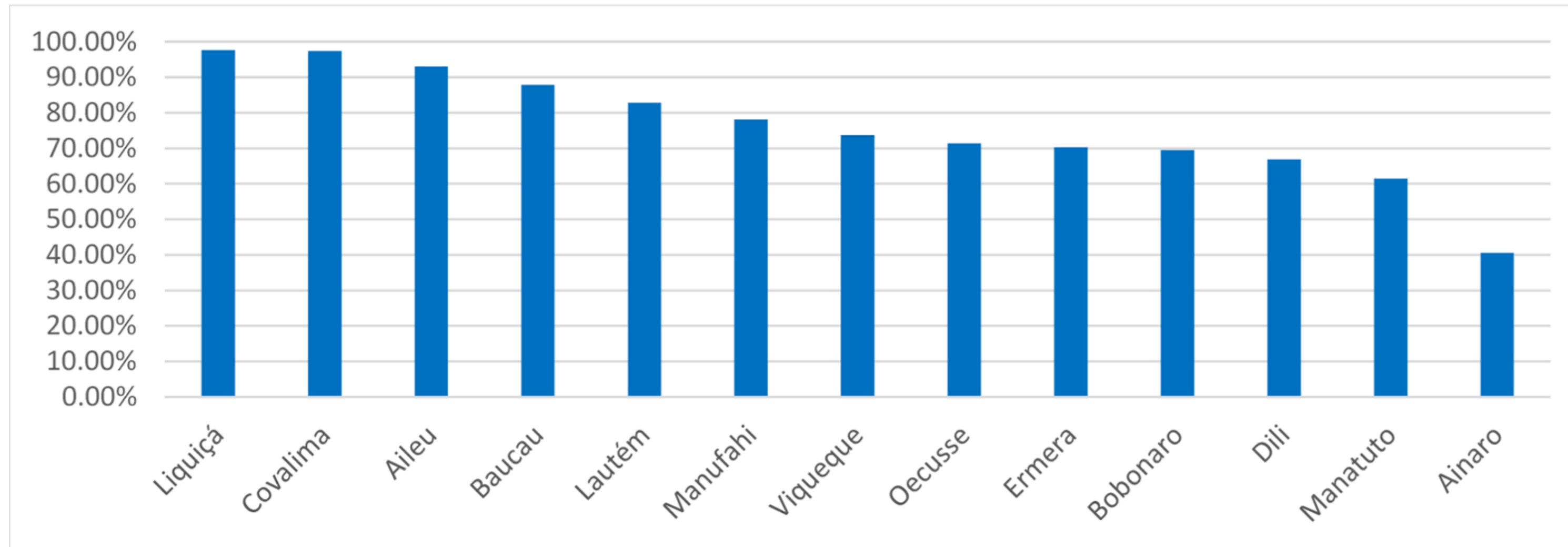
## Youth Well-Being Analysis by Sex, Urban-Rural Location and Age

percent

Indicator	Moderate to extensive insufficiency	Neither sufficient, nor insufficient	Moderate to extensive sufficiency
Men	11	18	71
Women	9	15	76
Urban	12	17	72
Rural	8	17	75
Ages 15-24	11	17	72
Ages 25-34	8	16	76

# Geographical Differences in the achievement of well-being

## Overall Well-Being Headcounts among Youth, by District



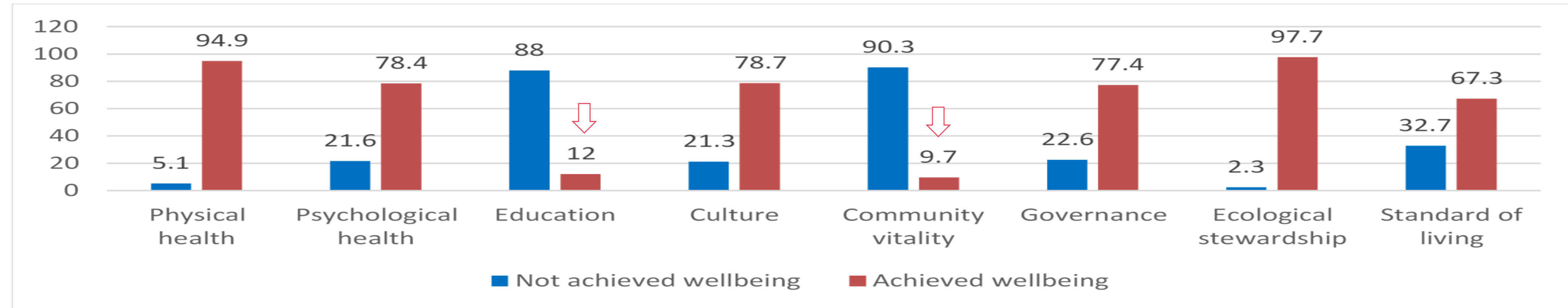
Source: Timor-Leste's Youth Well-Being Survey 2016.

	Male	Female	Difference
Aileu	93.80%	92.30%	-1.50%
Ainaro	40.00%	41.20%	1.20%
Baucau	87.10%	88.60%	1.50%
Bobonaro	59.30%	78.10%	18.80%
Covalima	94.40%	100.00%	5.60%
Dili	62.70%	72.40%	9.70%
Ermera	73.70%	66.70%	-7.00%
Lautém	86.70%	80.00%	-6.70%
Liquiçá	100.00%	95.00%	-5.00%
Manatuto	61.50%	61.50%	0.00%
Manufahi	68.80%	87.50%	18.70%
Oecusse	84.00%	58.30%	-25.70%
Viqueque	70.60%	76.20%	5.60%
Timor-Leste	71.40%	75.70%	4.30%

- Geographically, Ainaro has the largest proportion of deprived youth, followed by Manatuto and Dili.
- Gender difference is highest in Oecusse (at 26% points difference in favour of men) followed by Bobonaro and Manufahi at 19% points (in favour of women)

# Domain level well-being analysis

## Youth Achievement in Well-Being, by Domains of Life

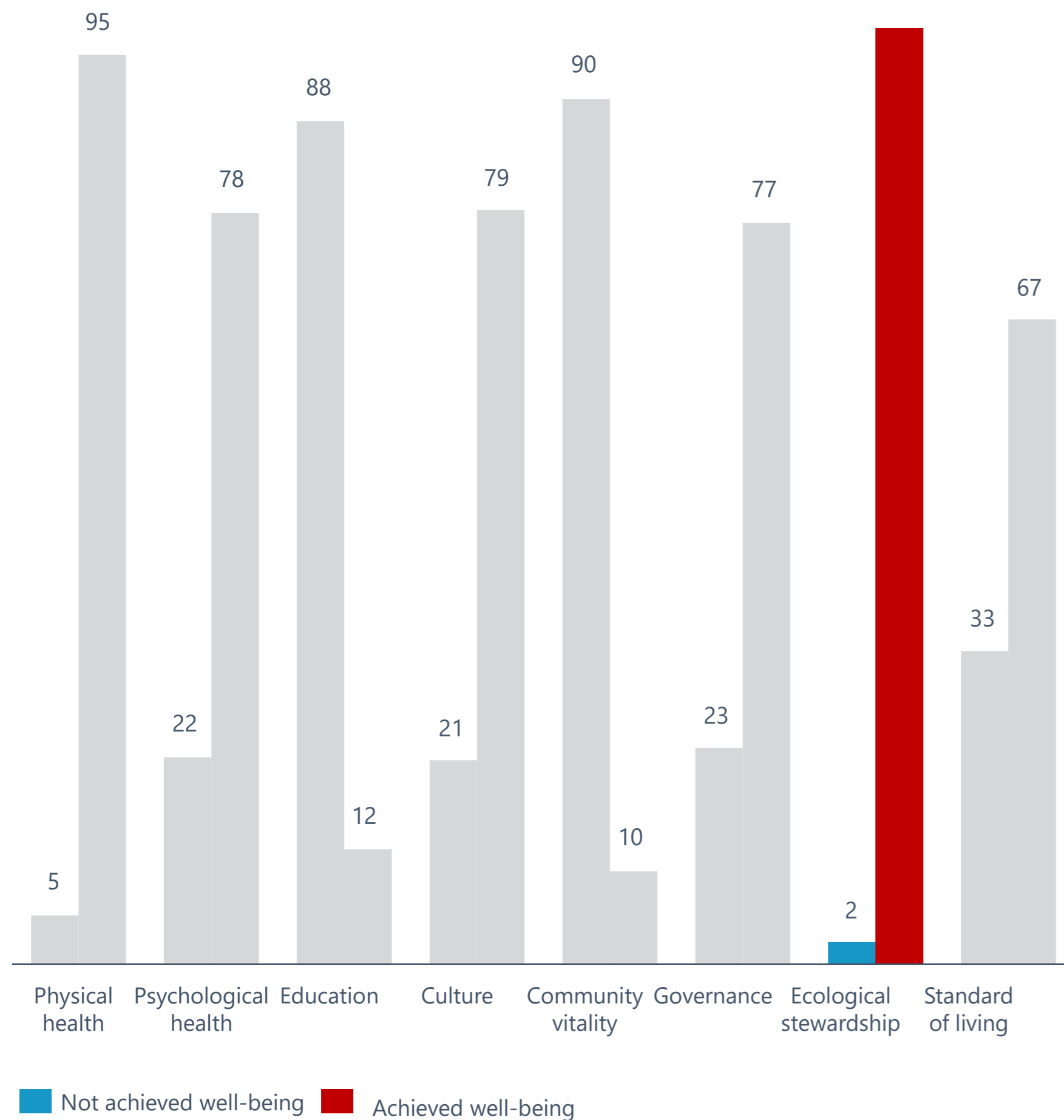


Source: Timor-Leste's Youth Well-Being Survey 2016.

- Promising results are achieved in ecological stewardship and physical health domains followed by cultural diversity, psychological health and governance domains.
- **Major deprivations are experienced in community vitality and education domains.**
- **90 percent deprivation in community vitality indicate fragmented community relations, limited social support that youth can tap into, and poor levels of perceived safety/security among youth**
- **88 percent of deprivation in education point to discrepancies in years of formal education completion, challenges around literacy, core civic values, 21<sup>st</sup> century knowledge, and skills such as confidence in public speaking or ability to manage finance or use of basic ICT and knowledge on good practices in hygiene, nutrition and health.**

# Promising well-being achievements : Strengths

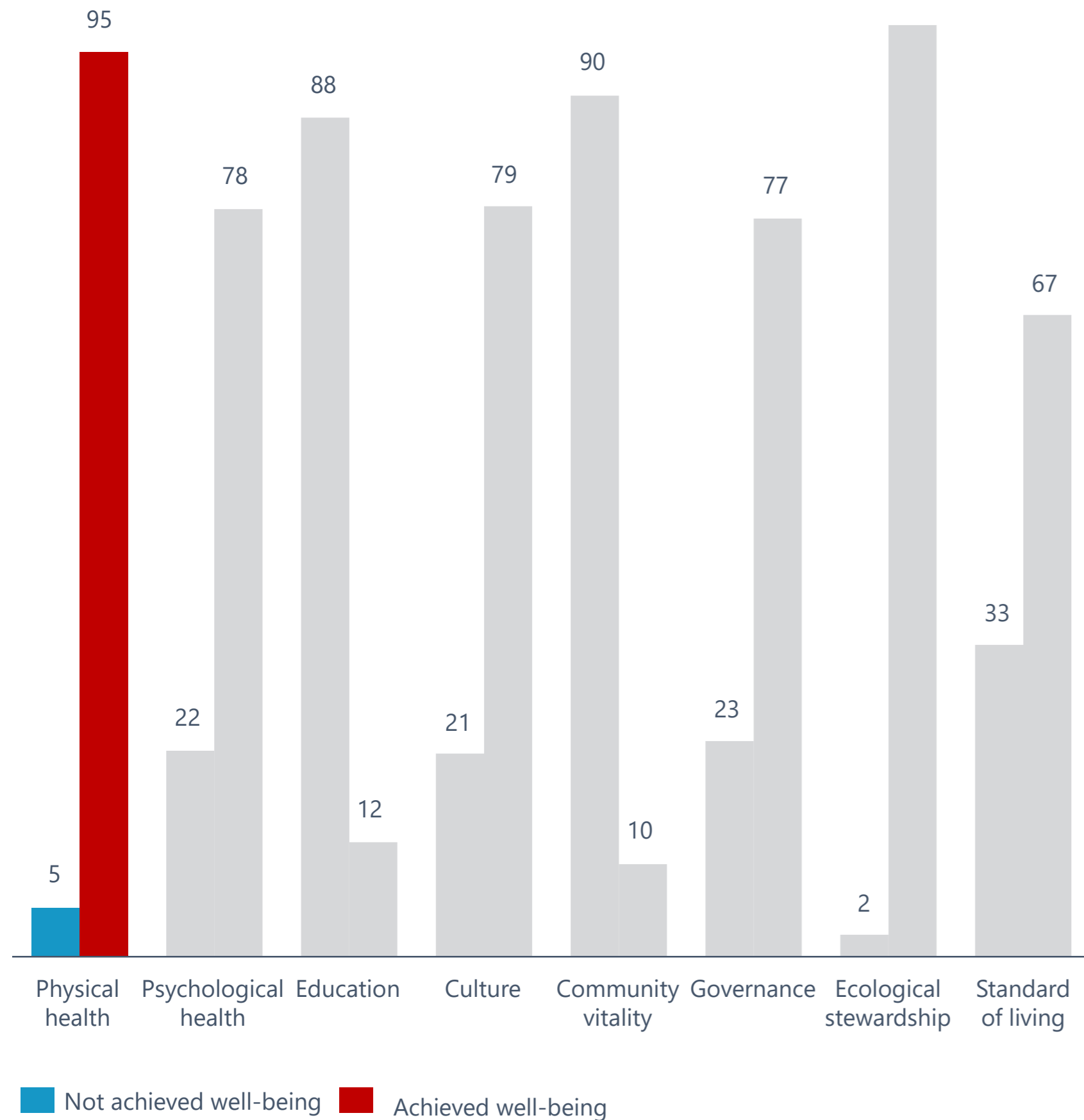
## Ecological stewardship



- Almost **95 percent of youth consider the environment important to livelihoods**, but also in culture, history and spiritual matters.
- Between **70 percent and 80 percent of youth believe that erosion, landslides, drought, flooding and a lack of access to clean water are major environmental issues in Timor-Leste**, and around 60 percent believe deforestation, slash-and-burn farming, and land and air pollution are also issues.
- 86 percent of youth feel responsible for protecting the environment.
- More than 80 percent of youth know about *tara bandu*.
- The recognition of responsibility to protect the environment because of its links with livelihoods, individual spirituality, traditional culture is a clear indicator of the awareness of ecological stewardship among youth. **However, less than half of youth, around 40 percent, have participated in an environmental protection activity. There is thus room to encourage youth to take more responsibility for the environment.**

# Promising well-being achievements : Strengths

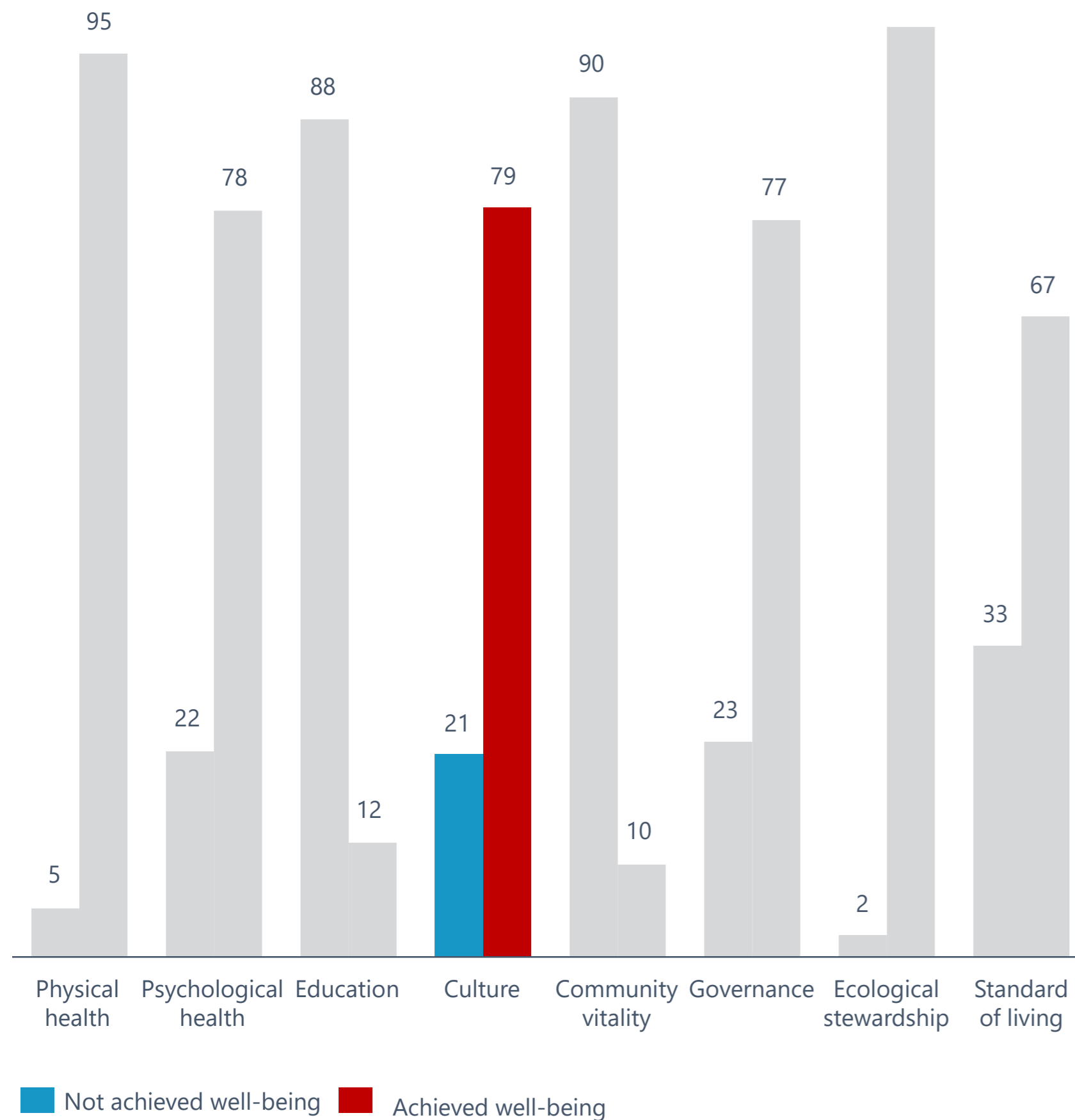
## Physical health



- Only 4 percent report that their physical health is poor and prevents them from performing the activities they would like to perform.
- **28 percent of the youth say their current health condition limits their daily activities to some extent but 95 percent of these still report their overall physical health as good**
- Around 20 percent report they had experienced an illness in their lives that had lasted more than six months. A large share of young people clearly must undergo substantial episodes of poor health during childhood, nonetheless, the vast majority manage to maintain satisfactory physical health as they get older.

# Promising well-being achievements : Strengths

## Cultural diversity



- A majority of youth continue to use their native language during cultural or family gatherings.
- Between **80 percent and 90 percent** are interested in cultural activities such as traditional story-telling, traditional dancing, tais or basket weaving, the construction of a traditional house, tara bandu, and traditional painting or carving.
- Cultural or **ethnic identity is considered important by 80 percent of youth, and religious identity is considered important by 93 percent.**
- With few exceptions, individuals reported they participate in spiritual or religious activities, and **99 percent say they believe in or follow *lulik* (sacred) traditions**, including the *uma lulik*, the sacred huts that dot the countryside and represent a link between the dead and the living and the past and the present.

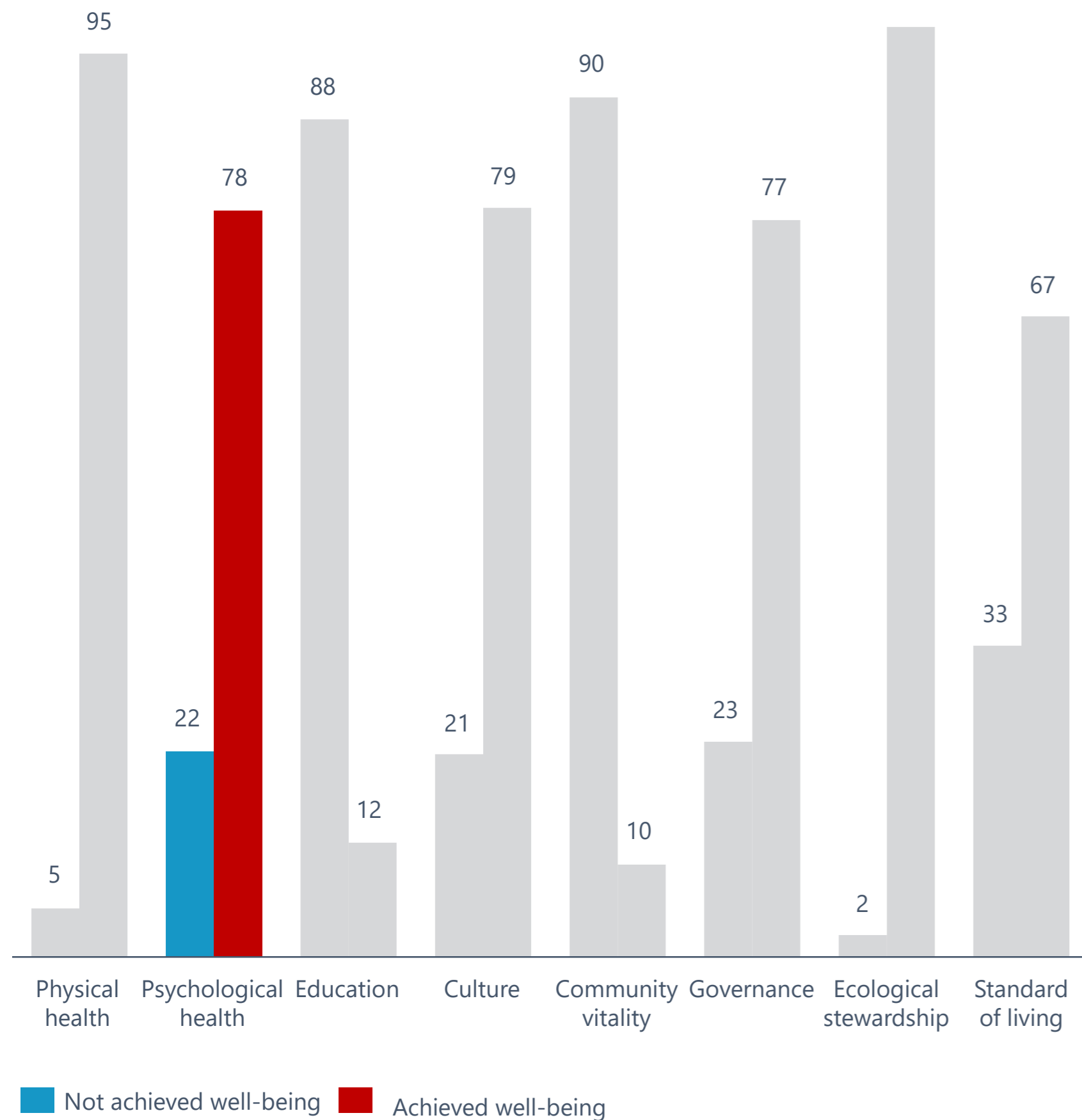


# Promising well-being achievements : Strengths

## Psychological and emotional health



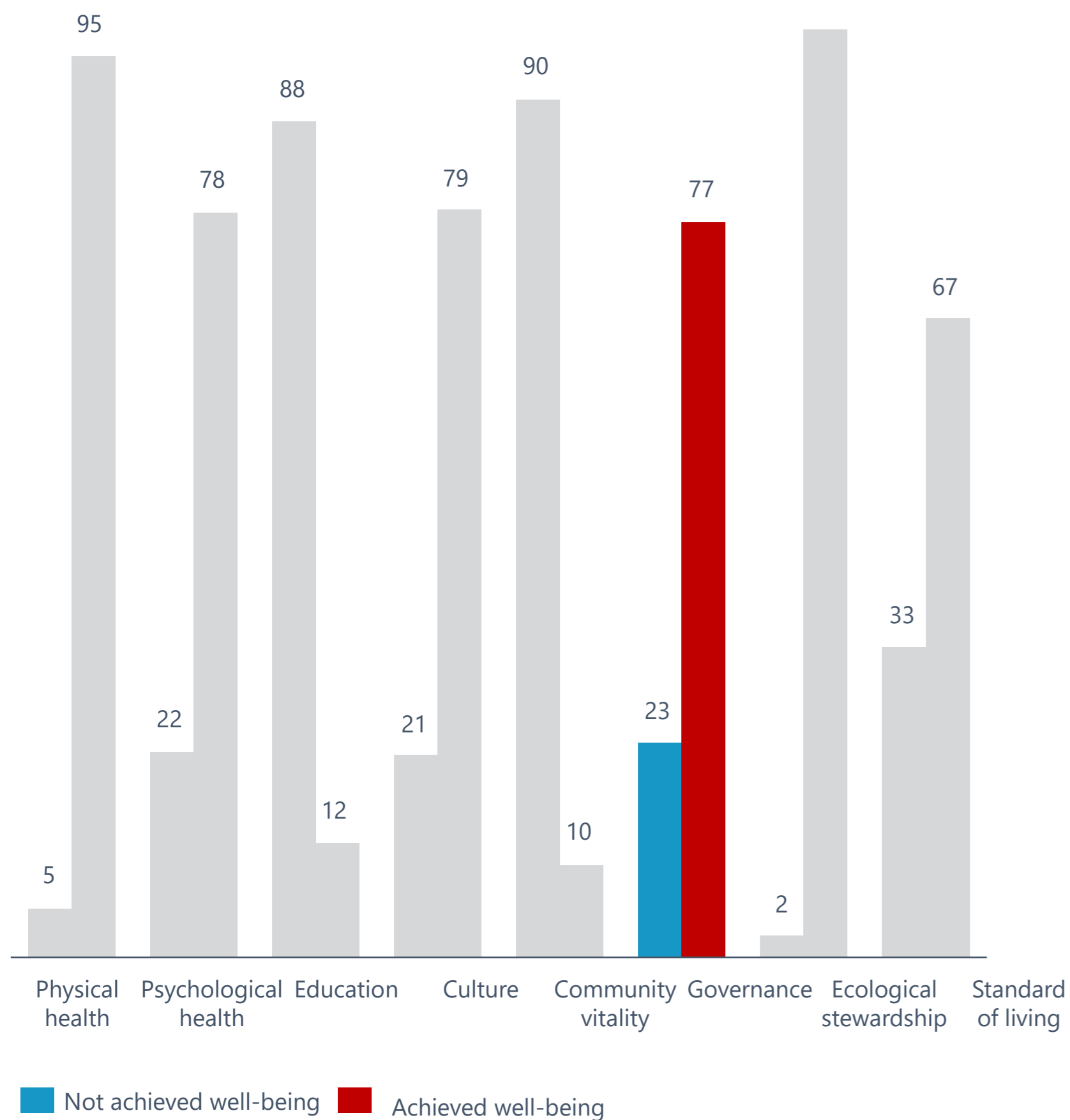
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- 82 percent women and 75 percent men have achieved sufficiency in emotional well-being in this domain.
- While stress because of **financial pressure is experienced by 80 percent of youth** (83 percent by men and 76 percent by women) and due **sickness in the family by 61 percent, a majority of these youth are able to cope with the stress and undertake normal daily routines with confidence**, positive feelings about themselves and trust in their own capacity for decision-making.
- However, **20 percent report they suffer emotionally or physically from the effects of domestic violence**. This rate is 22 percent among men and 19 percent among women.

# Promising well-being achievements : Strengths

## Governance



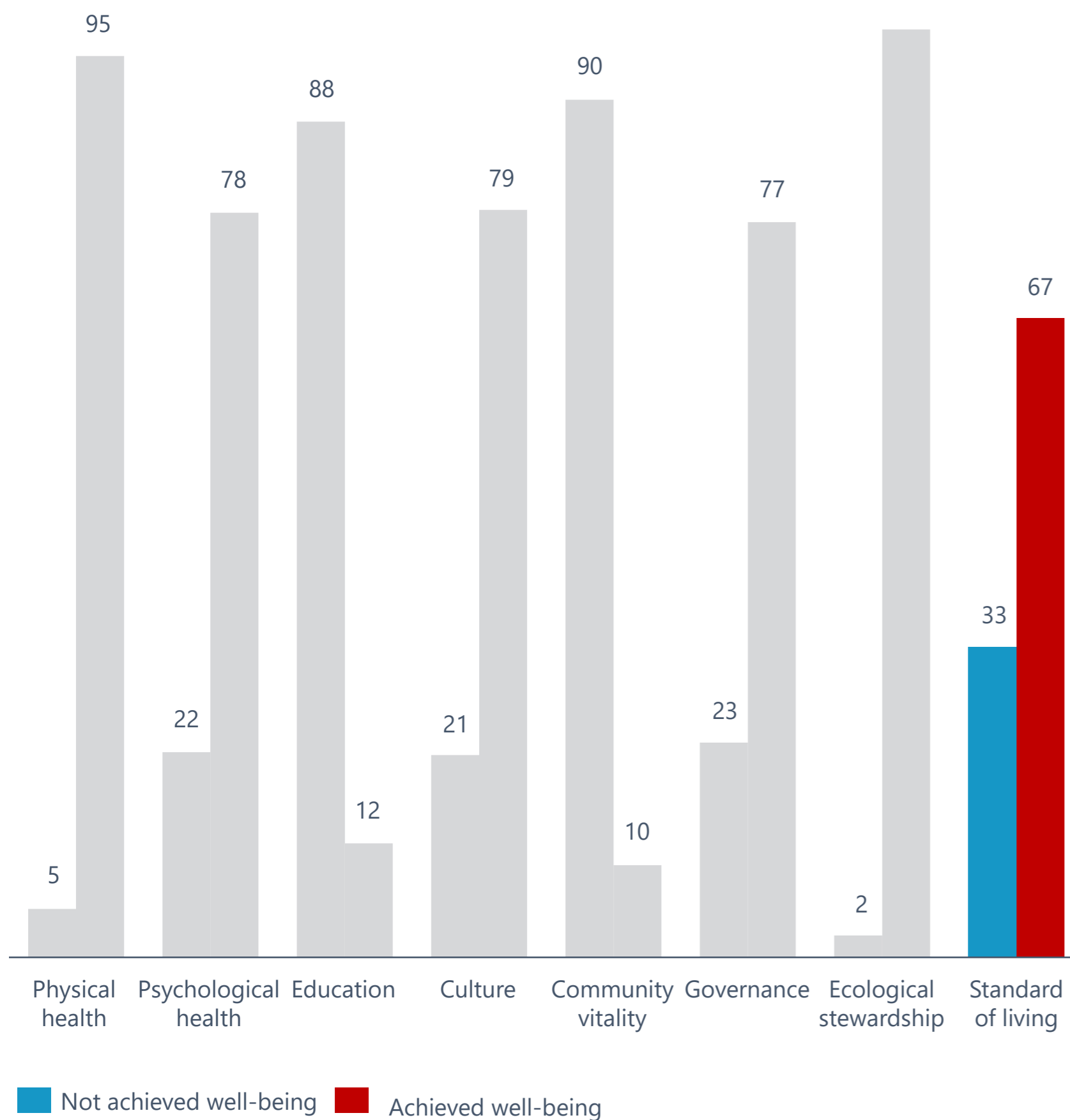
- **Youth exhibit a great deal of interest in national and international political news, and they participate actively in political life by voting or attending public discussions or political debates but only half of youth report they are able to talk openly and freely about political and government-related issues.**
- **Only 50 percent of youth believe they have equal access to public information, employment opportunities in the public sector, and, in access to government services, 10 percent believe they are discriminated. Among those who feel discriminated, 23 percent think that the discrimination is based on either age or language. Nineteen percent feel discriminated based on religion followed by 12 percent based on their sex.**
- **More than two thirds of youth reported they are satisfied with their level of access to and the quality of education and health care services. However, almost half are not satisfied with their level of access to and the quality and range of available skills development and training opportunities or counselling services. 60 percent to 70 percent of youth are not satisfied with the number and variety of livelihood opportunities available to them.**
- **Around 20 percent of youth believe most government officials are corrupt, and 65 percent believe only a few government officials are honest.**
- **Between 55 percent and 60 percent of youth have some level of confidence in government to listen to them and address their problems by, for instance, creating more jobs or investing in training opportunities. Around 20 percent do not have any confidence in politicians to fulfil promises once elected.**
- **Around 80 percent have considerably more confidence in traditional or formal courts to deliver justice in a timely manner.**

# Somewhat promising well-being achievements

## Standards of living



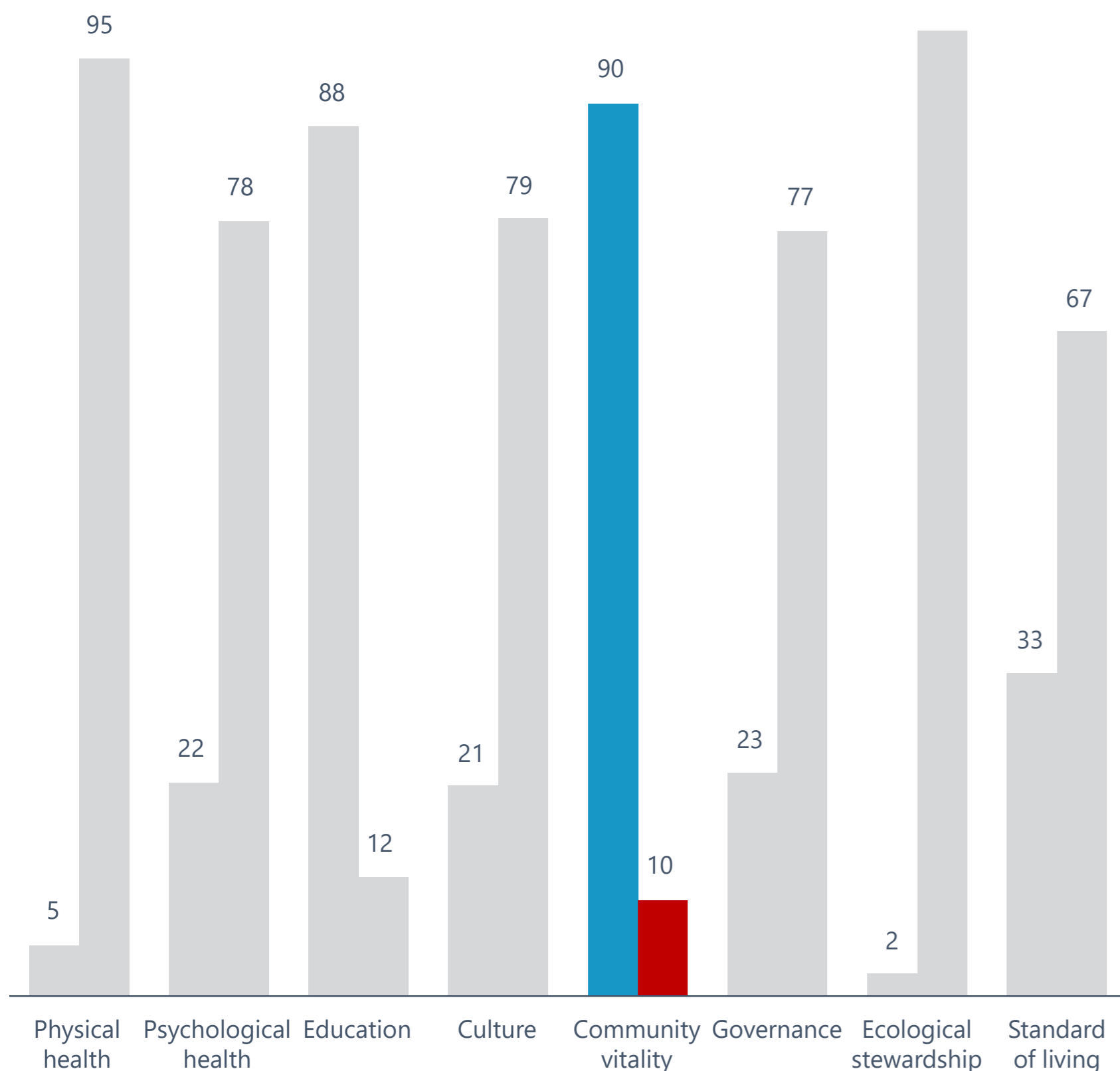
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- **82 percent of youth did not have jobs and only 46 percent** were studying or training. This suggests that a large share of youth are idle.
- **Among youth who are employed, 50 percent each have one or two other people who depended on their income. The remaining 50 percent each have three to nine dependents.** This highlights the **heavy burden that youth bear in supporting dependents and the implications of the high dependency ratios in Timor-Leste.**
- The findings on food security indicate that, while one third of youth reported their households have two meals a day every day of the year, 37 percent stated their households have two meals a day every day for only one month a year. During the years of conflict, people may have developed a tolerance for hunger and the lack of adequate food. Nonetheless, malnutrition is a major problem in Timor-Leste, especially given the effects of inadequate nutrition on the physical and mental development of children. Stunting rates among children reach 50 percent.
- A majority of youth—**80 percent**—**believe they and their peers have a similar economic status.** This means they believe there is widespread economic equality. **Forty percent believe their economic outlook will improve in the next two years.** Only 1 percent expected to experience worsening economic conditions. This indicates there is moderate optimism about the future.

# Concerning well-being deprivations: Fragilities

## Community vitality

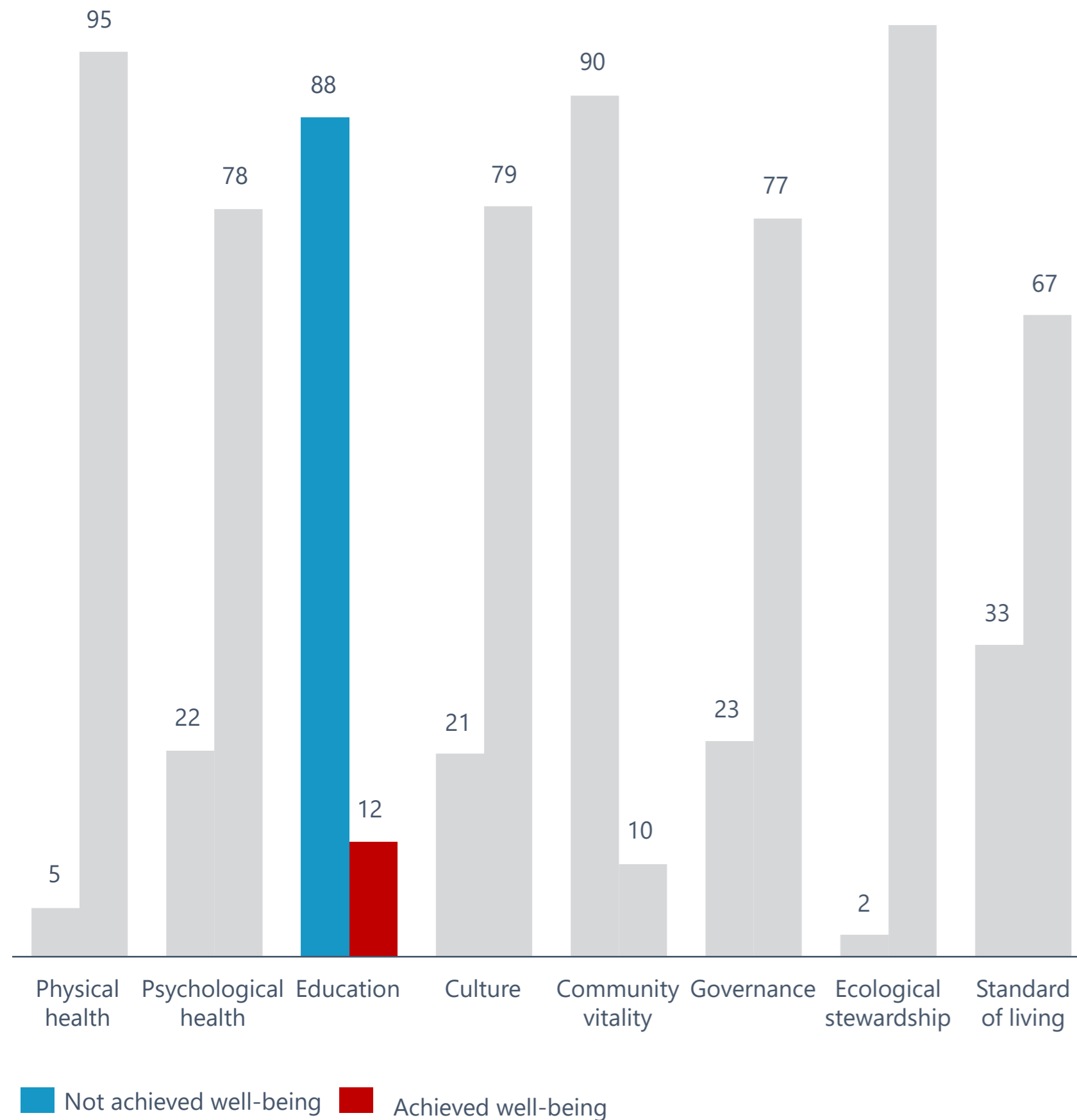


■ Not achieved well-being ■ Achieved well-being

- Almost **80 percent of youth stated that they trust people in their communities, but only 18 percent can always obtain help from their communities when they need it. 35 percent say they can never get help.**
- On voluntarism, **55 percent of youth reported they work with other local people to benefit their communities.** Almost 75 percent say they would volunteer labour, and 50 percent would offer food for community projects, but only one third or fewer say they would contribute money, land, tools, or leadership.
- Around **85 percent expressed concern (some or major fear) for being arrested for a crime they did not commit, being sexually abused, having an accident while travelling home or to work, or being forced to abandon their home.** This was around 75 percent for being a victim of gang violence, leaving or returning home after dark, or being robbed. 67 percent have some fear for being beaten up a family member, or. These fears were shared by both men and women, but more elevated so among women.

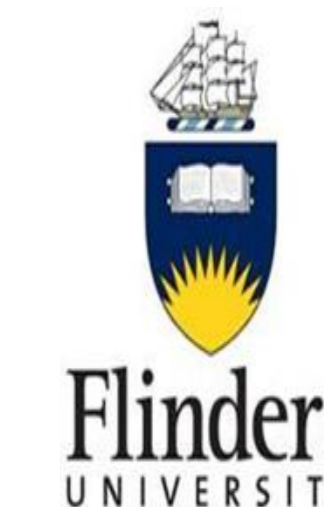
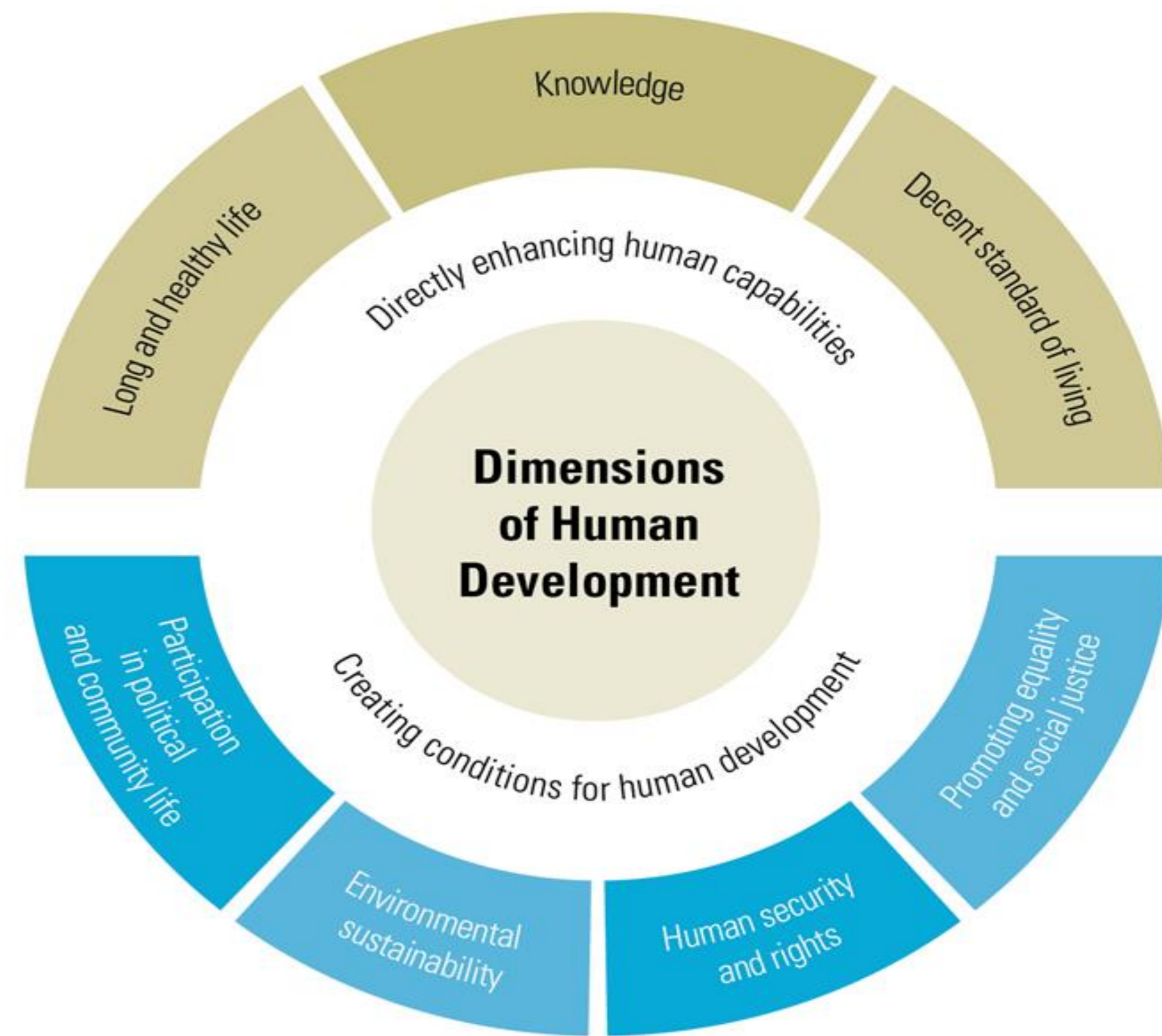
# Concerning well-being deprivations: Fragilities

## Education



- The survey results reveal that 46 percent of respondents are studying or undergoing training.
- **Basic education is the highest level of educational attainment among 45 percent of respondents.** Almost 40 percent have completed secondary education, while 10 percent of youth had attained higher education. Some youth may be prolonging their studies, this cannot be taken as evidence they are seeking better qualifications; repetition rates are quite high.
- Around **60 percent of respondents aspire to undertake further studies or training. However, only about one third of this group reported they have received any training.**
- 30 percent reported that a family member has discontinued studies in the past two years because of a lack of financing.
- **Nearly 75 percent of youth justify (sometimes or always) creating violent conflict or other crimes such as sexual misconduct or abuse.**

# Main Findings on TL's Human Development Index (HDI) Analysis



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# HDI places TL in the medium human development range

The HDI measures the overall level of human development in a society based on three key components, namely, the capabilities necessary to lead a long and healthy life, to achieve a decent standard of living and to have access to education.



A Decent Standard of Living



Access to Knowledge



A Long and Healthy Life

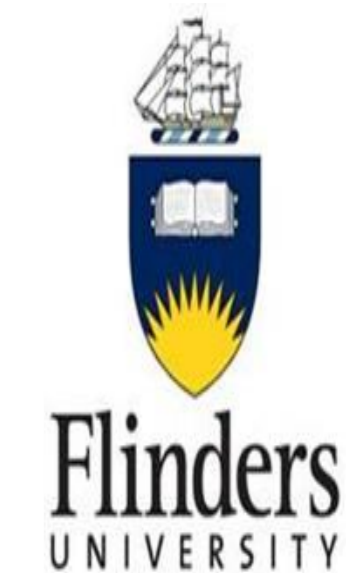
## The HDI, GDI and the HDI Components, Total Population and Youth, 2016

Index	Men and women combined	Men	Women
<i>Total population</i>			
HDI	0.585	0.611	0.553
GDI (HDI of women/men)	0.905		
<i>Youth (ages 15–34)</i>			
HDI	0.600	0.625	0.571
GDI (HDI of women/men)	0.914		
Components of the HDI	Access to knowledge, education index	Access to health, life expectancy index	Living standards, income index
<i>Total population</i>	0.508	0.690	0.569
<i>Youth</i>	0.607	0.778	0.457

Year	HDI value
2005	0.428
2010	0.502

- HDI for the entire population is 0.585 compared with 0.600 for the youth population. **The two HDIs place Timor-Leste and its young population in the medium human development range.**
- Simply because of their age, **youth enjoy better health relative to older cohorts. They also have more opportunities to go to school. However, the youth have much lower access to decent standards of living compared with the general population because of their lower earnings compared to other working adults.** This is mainly driven by the large share of youth who are out of the labour force or unemployed and thus assumed to be living on subsistence incomes.
- **Young women have poorer human development indices (0.571) compared with young men (0.625), but the inequalities are wider across the total population.**

# NHDR Recommendations



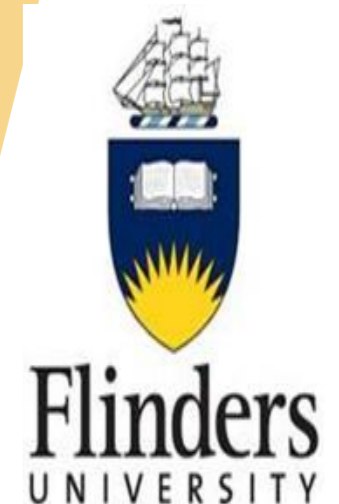
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*What are the main policy directions to drive progress in youth well-being and tap into demographic dividend?*

**Recommendation 1.**

**Greater and quality investment in health care, education and economy is needed now**



# Recommended Policy Pathways in light of NHDR analysis



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*The largest human development gains and the largest demographic dividend can be achieved if interventions in education and the economy are complemented by the use of appropriate family planning programmes.*

## Quantifying Dividends Three Policy Scenarios 2015 -2050

	No intervention	Economic policies	Education policies	Family planning policies
Base scenario	✓			
Policy scenario 1		✓		
Policy scenario 2		✓	✓	
Policy scenario 3		✓	✓	✓

## What are the policy targets? Projection assumptions

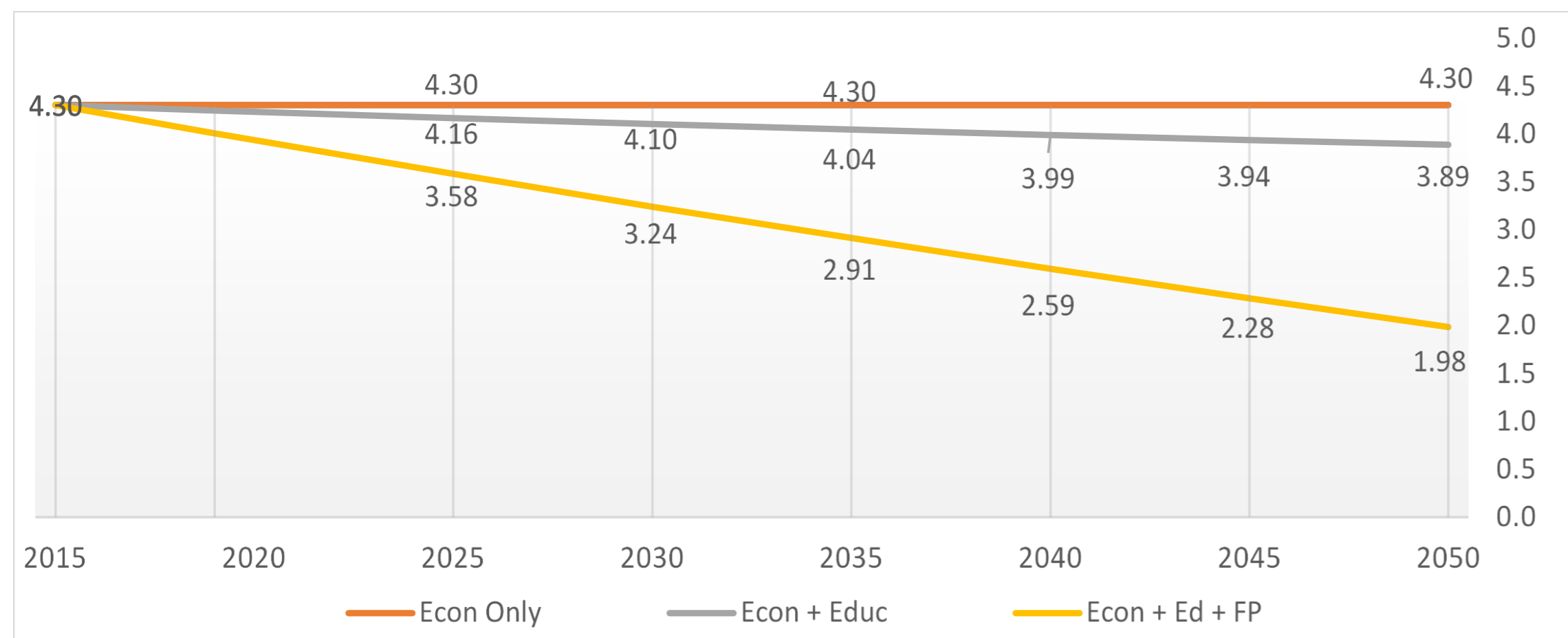
**Education policy:** increases in the mean and expected years of schooling among men and women **to 10 and 17 years respectively by 2050, thereby removing the gender gap in education**

**Family planning policy:** increase in the **contraceptive prevalence rate from 24 percent in 2015 to 39 percent by 2030 and 58 percent by 2050**

**Economic policy targets:** more effective public institutions, imports that are as a share of GDP, greater labour market flexibility and financial market efficiency and greater use of information and communication technology (ICT).

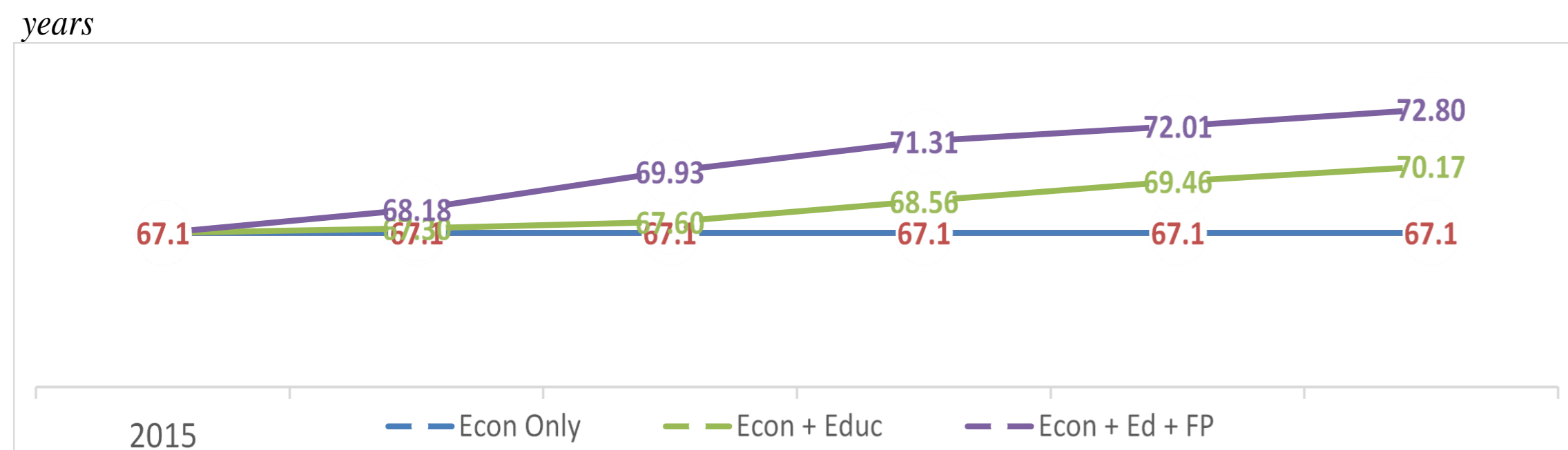
# The demographic trajectory 2015-2050

## Projected Fertility Rates, Different Policy Scenarios, 2015–2050



Note: The results of the base scenario and the economy only scenario (policy scenario 1) are the same; hence, the graph lines representing these scenarios overlap.

## Women's Life Expectancy, Different Policy Scenarios, 2015–2050

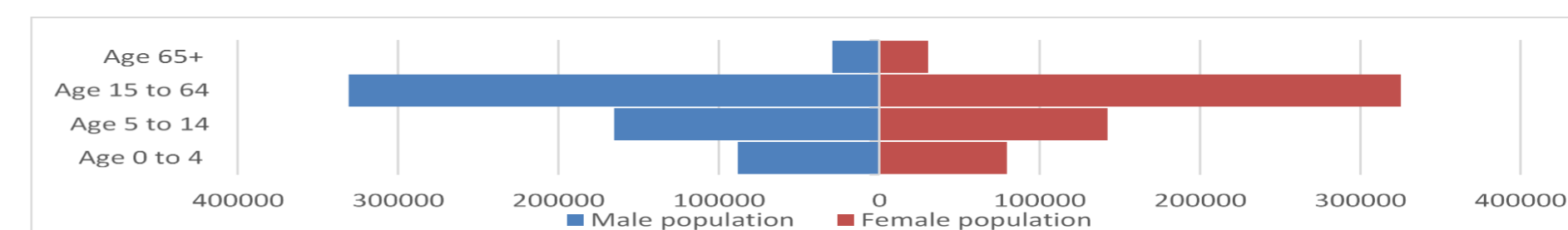


## Projected Total Population, Different Policy Scenarios, 2015–2050

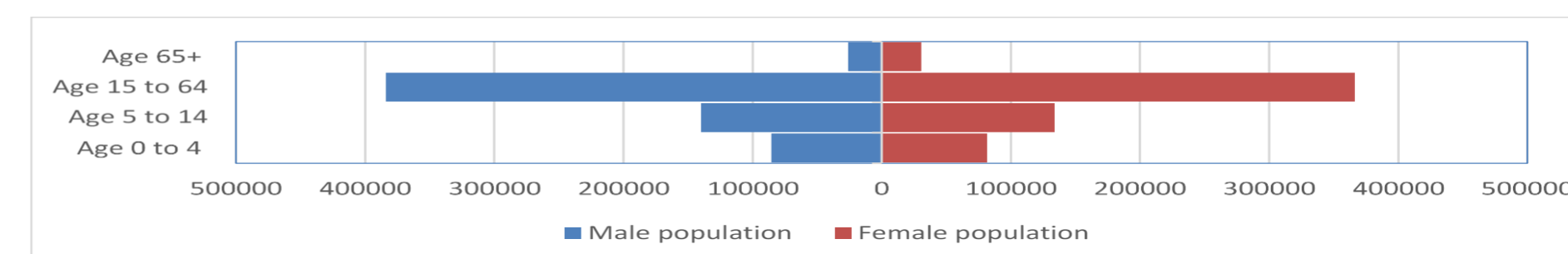
millions

Scenario	2015	2020	2025	2030	2035	2040	2045	2050
1. Economy only	1.20	1.26	1.35	1.46	1.58	1.72	1.88	2.06
2. a + education	1.20	1.26	1.34	1.44	1.56	1.68	1.81	1.97
3. a + b + family planning	1.20	1.25	1.32	1.37	1.43	1.47	1.50	1.52

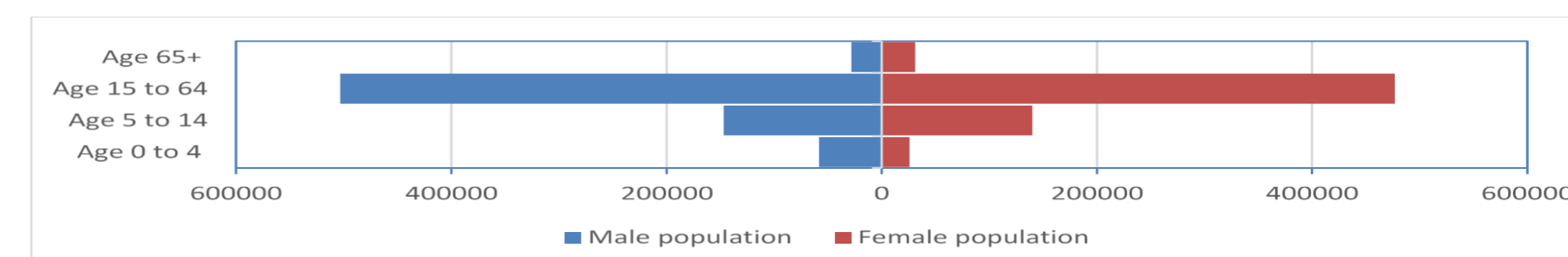
### a. 2015, base scenario



### b. 2030, scenario 3

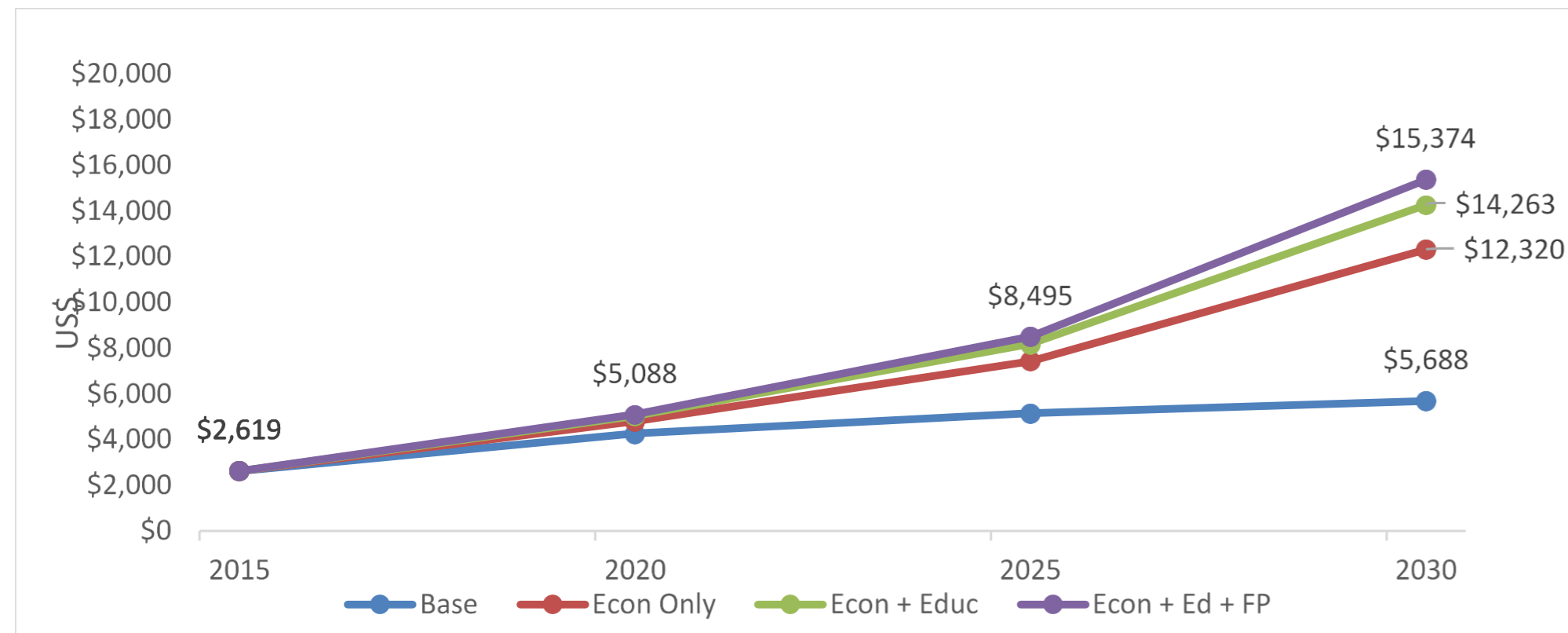


### c. 2050, scenario 3

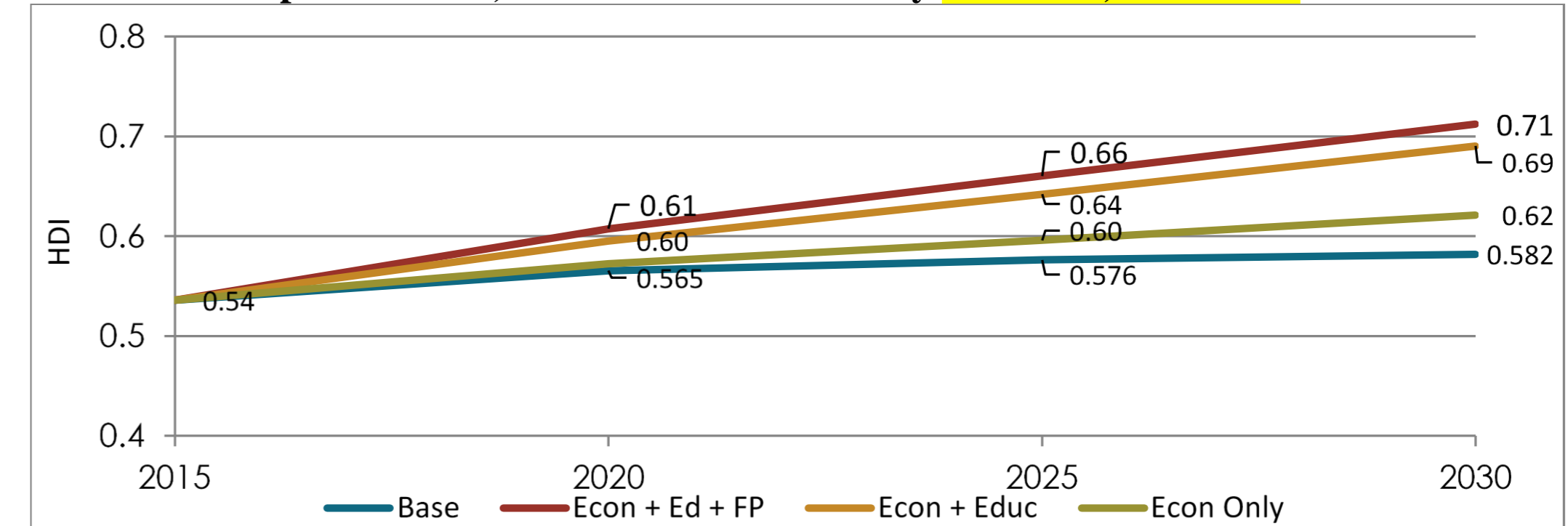


# Economic and Human Development Dividends by 2030 and 2050

**GDP per Capita, Base Scenario and Policy Scenarios, 2015–2030**



**Human Development Index, Base Scenario and Policy Scenarios, 2015–2030**



## Summary Dividends from Policy Scenario 3 by 2030-2050

- The dependency ratio will decline from 83 percent to 50 percent.
- Female life expectancy will increase from 67.1 to 72.8 years, a gain of almost six years.
- Male life expectancy will increase from 64.4 to 70.1 years, a gain of almost six years.
- GDP per capita will grow by a factor of 6 in 15 years, increasing from \$2619 in 2015 to \$15,375 in 2030.
- The lives of 70,000 children (62000 infants) will be saved.
- A total of 5,100 maternal deaths will be averted.
- A Human Development Index value of 0.71 will be reached in 2030.

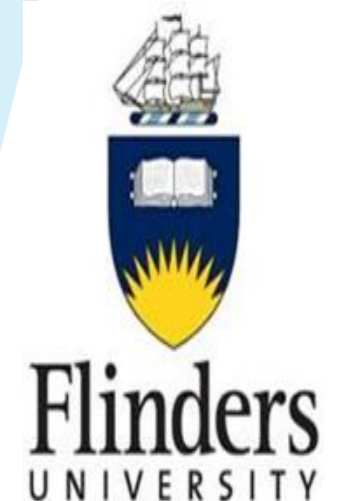
**Human Development, Index and Level, Sample Countries, 2015**

HDI	Sample countries	Level of human development
0.88	Austria, Belgium, Finland, France, Japan	Very high
0.71	Belize, Dominican Republic, Jamaica, Tonga	High
0.69	Botswana, Moldova	Medium
0.54	Kenya, Nepal	Low

*What are the main policy directions to drive progress in youth well-being and tap into demographic dividend?*

## **Recommendation 2.**

**Embrace an economic model to remedy youth deprivations in well-being**



# Timor-Leste should prioritize investments in remedies which can eliminate deprivations in well-being among the youth

The **lack of jobs** has been a perennial issue in Timor-Leste. Timorese youth currently have **extremely limited opportunities for formal employment**. In 2015, 45 percent of the working-age population was inactive.

Sectors	Employment share
Private sector	5%
Agriculture	63%
NGO	2%

- Women are only half as likely as men to find work due to a substantial gender division in labour.
  - The current education system in Timor-Leste does not adequately prepare youth to successfully transit from education to productive work.
- The major **insufficiencies in education and community vitality as the drivers of overall deprivations strongly point to the existence of anomie** in Timor-Leste. As a result of anomie, one may expect to encounter frequent delinquency, crime and violent interpersonal behaviour within a society. This National HDR highlights that these **symptoms of anomie are embraced by Timorese youth** and considered normal.

Experienced particularly in societies recovering from a long conflict, anomie arises when the morally acceptable means of achieving institutionalized goals fail, and people start to use unethical or illegitimate means to achieve their goals. In a state of anomie, goals become so important that people persist in striving to achieve them at any cost.

# Transform job-seekers and the economically inactive into entrepreneurs, especially among the 62 percent of the population currently below age 25



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- **guide and encourage young people** to obtain **knowledge and skills to work in solidarity** with their peers and communities to create social, economic and environmental benefits.
- focus on **knitting together the social fabric, embedding social ethics within society and enhancing national interest** to restore a shared common identity and common goals
- **cultivate values** of democracy, justice, empowerment, creativity, participation and self-management
- **promote the creation of self-generated work opportunities** whereby young people develop their human potential, while providing local solutions to the challenges faced by their communities.
- nourish innovative ways to **promote social entrepreneurship among youth** and alter young people's attitudes so that the potential of generating incomes through small enterprises and other entrepreneurial initiatives can be more willingly sought in agriculture and other sectors of the economy that show potential for growth.

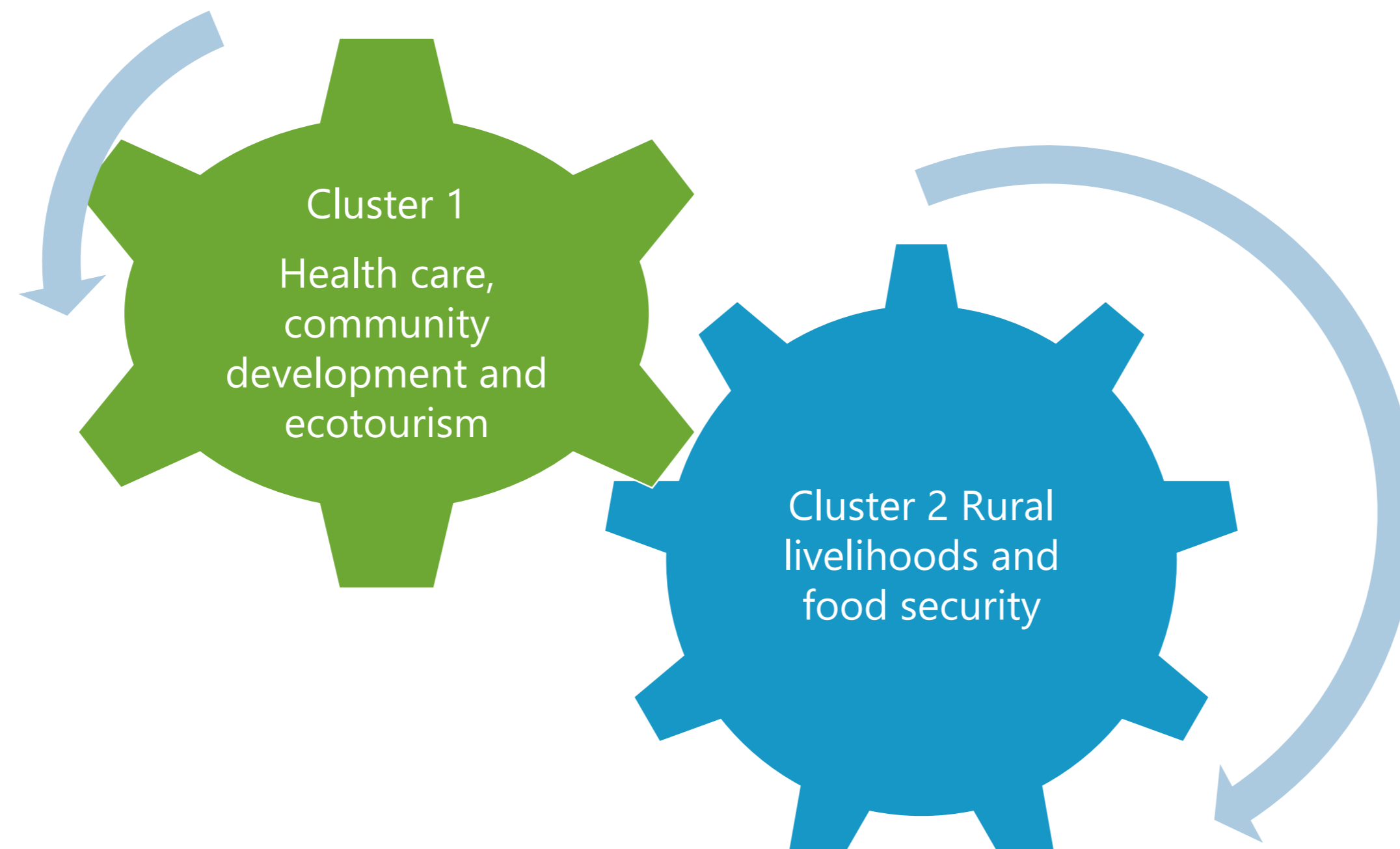
**Solidarity economy** refers to those parts of an economy that aim to redress social and economic inequalities in society.

**Social enterprise** is a means by which people come together and use market-based ventures to achieve agreed social ends. It is characterized by solving a community problem, creativity, entrepreneurship, and a focus on community rather than individual profit.

# Prioritize pro-youth investments to improve young people's access to financial capital, ICTs and opportunities for human capital development

- **responsibility for promoting social enterprises should be assigned to the districts, not only in Dili.** This will enable more young people to gain the skills, confidence and pride they require to embark on social enterprise development that will assist their communities in exiting from poverty.
- **adopt incentives within a cluster development strategy for job creation, while links among industries are being formed.** This would help establish strategic clusters as focal points for investment.

rely on the country's relative strengths through the well-staffed, but underfinanced national health care system, community resilience and immense tourist potential, while eliminating the deficiencies in public health care, community vitality and tourism development



draw on the country's relative strength in customary land tenure and small farming.



*What are the main policy directions to drive progress in youth well-being and tap into demographic dividend?*

### **Recommendation 3.**

**Enhance youth education and human capital development for a knowledge-based society**



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# Increase investment in education to achieve national aspiration

- **Ongoing deficit in education in Timor-Leste and a continuing gender disadvantage.**
- Timor-Leste, aspires to foster a society that is *literate, knowledgeable and skilled*. The National Strategic Development Plan of Timor-Leste sets out **a vision to ensure universal secondary school completion through grade 12 by 2030.**
- Experience elsewhere shows that **raising school completion rates up to grade 12 can become a major factor in reducing youth unemployment.**
- To implement this vision, this National HDR suggests that the **Government draw on international best practice and consider allocating 25 percent of the budget to education and training** to ensure access to quality education among young women and men

## Human Development Fragilities, Timor-Leste and Developing Countries

Indicator	Timor-Leste	Developing countries
Mean years of schooling, 2015	4.4	6.8
Men	5.3	7.3
Women	3.6	5.4
Inequality in education, 2015, %	47.6	32.3
Child malnutrition, stunting under age 5, 2008–2015	50.2	31
Public health expenditure, 2015, % of GDP	1.3	5.6
Public education expenditure, 2005–2014, % of GDP <sup>a</sup>	9.4	4.7
Adult literacy, 2005–2015	67.5	79.9
Labour force participation rate, ages 15+, 2015, %	55.5	64.3

Sources: DGE, 2015; UIS 2015; UNDP 2016; UNICEF 2015.

Note: GDP = gross domestic product.

a. The UNDP data for Timorese investment in education are anomalous; compare with table 6.6.

## Public Budget in Key Sectors, Timor-Leste, 2011–2016

Budget	2011	2012	2013	2014	2015	2016
State budget, \$, millions	1,307	1,674	1,798	1,500	1,570	1,562
Health, % (\$, millions)	3.2 (42)	3.2 (54)	3.8 (69)	5.1 (76)	4.7 (74)	4.2 (66)
Education, % (\$, millions)	6.4 (84)	7.2 (120)	7.9 (142)	11.4 (171)	9.2 (144)	8.6 (135)
Agriculture, % (\$, millions)	1.1 (15)	1.6 (26)	2.0 (36)	2.3 (34)	2.3 (36)	1.9 (30)
Infrastructure, % (\$, millions)	52.0 (682)	53.0 (894)	49.0 (882)	40.0 (598)	36.0 (570)	—

Source: Data of 2011–2016 in La’o Hamutuk (database), Timor-Leste Institute for Development Monitoring and Analysis, Dili, Timor-Leste, <http://www.laohamutuk.org/>.

Note: The data are taken from summaries of the proposed budgets and not rectified actual spending. The 2004–2010 series shown in table 6.4 is derived directly from government budget documents. The format of the state budget documents has been changed. — = not available.

# Improve education quality and eliminate gender gap



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- Support education system by **substantial investment in teacher training, high-quality education facilities including access to libraries, resource materials, and equipment.**
- Education must also be guided by **a well-balanced curriculum that has theoretical and practical application. Agriculture** is currently the largest profession in the country; so **education should be geared towards benefiting this profession.** A new and innovative approach to learning about rural livelihoods that is oriented towards problem-solving can strengthen and intensify subsistence agriculture to produce a reliable surplus, create a local market for food products and address nutrition issues. New teaching units should also be offered that have practical relevance for economic opportunities in rural areas such as tourism, fishing, clean energy solutions, crafts, and dress-making.
- **Education gap should be addressed through a comprehensive approach aimed at training and creating employment for sufficient numbers of teachers, improving the quality of education facilities, promoting universal secondary education completion among all young boys and girls and possibly extending the coverage of school feeding programmes into secondary schools through grade 12.**
- **To eliminate the gender gap in education,** a nurturing schooling environment that responds to the diversity of students needs must be ensured (including sanitation infrastructure) to create **a learning environment that makes youth feel safe and motivated in.** The value of education needs to be continuously communicated to parents and community at large to improve student retention particularly among young girls reaching puberty.

# Prepare youth for the world of work before they graduate from school



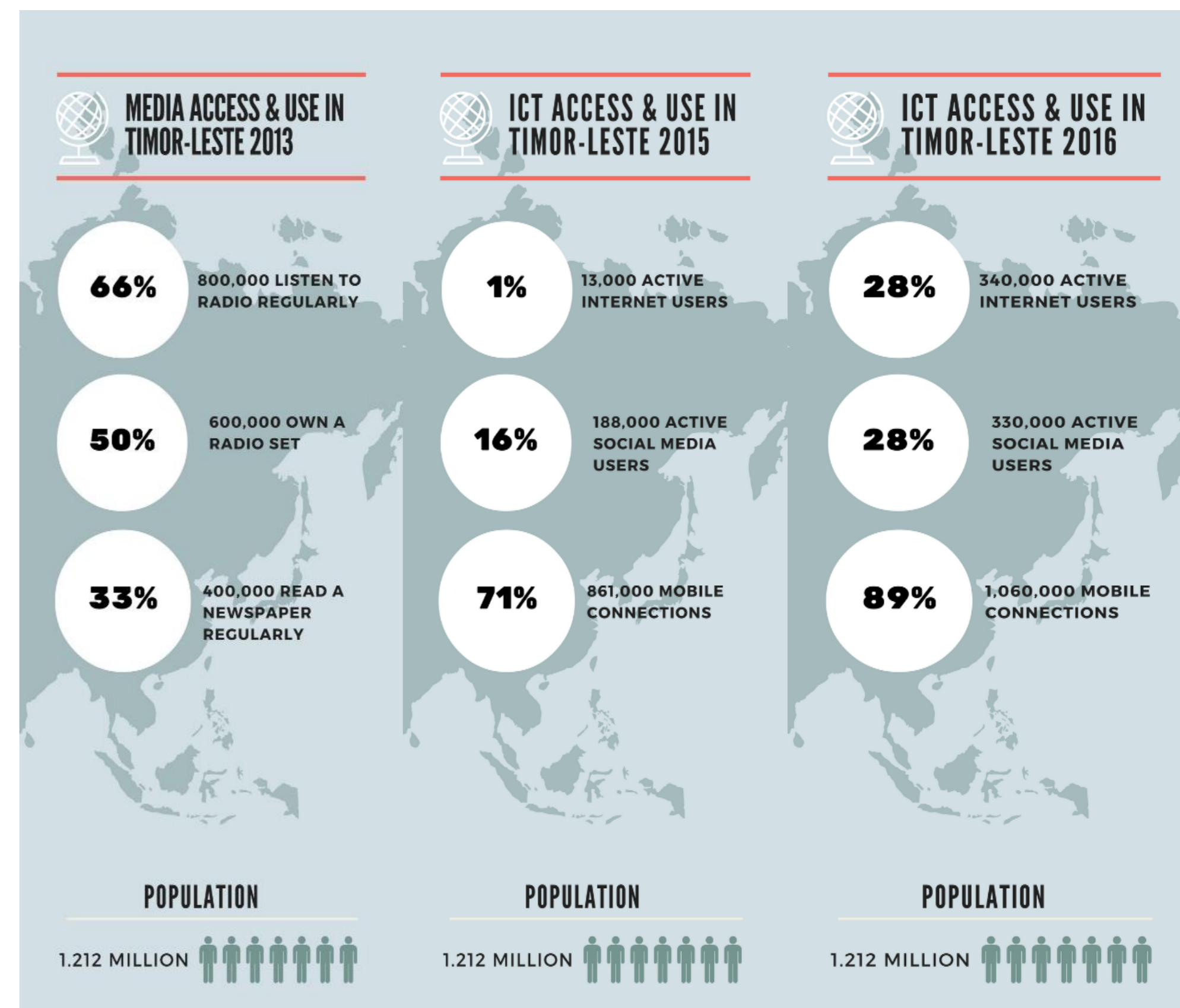
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- The education system should **motivate young people to engage actively in society before they leave school** and to take more responsibility for thinking about their future. For this to happen, young people should be given the **appropriate support through high-quality formal and non-formal education, ICT literacy programmes, information centres and advice from career professionals.**
- High schools should **ensure skills development in planning, organization and management, and bookkeeping and financial record-keeping, including the use of electronic tools.** These skills are required for any profession, whether the student becomes a farmer, a construction worker, a food service worker, a sustainable energy specialist, or a director in a public service department.
- Efforts should also be undertaken to **build skills not readily taught in the classroom, such as teamwork, public speaking, organizational skills, democratic decision-making, outdoor adventure, and conflict resolution.** This can be achieved **through supplementary work placements or non-formal education** to engage youth in the solidarity economy before they leave school.
- Elevating **the financial literacy of youth** is also important and **needs to be tackled by formal and non-formal educational, banking and non-banking institutions.** If access to finance is assured through greater financial literacy, young people will be more well equipped to participate in the solidarity economy and take up enterprise development initiatives.
- **New types of training institutions outside Dili should be established to create local hubs to generate and facilitate discussions among employers, educators and district authorities.** Analysis of the skills and enterprises required in the districts and the generation of new ideas can take place in these local hubs where young school-leavers are exposed to an orientation process for life after school. Social and solidarity economy organizations, such as local coffee co-operatives, microfinance client groups, credit unions and fair-trade offices, could play a key role in helping students at these new types of learning centres to hone their organizational and.

# Dramatic increase needed in the scale of investment in ICT ecosystem

- In Timor-Leste, most people have not yet benefited from the industrial revolutions that have swept across the world since the 18th Century. Most villages rely on **low technology, and young people's access to ICTs are limited.**
- **During the fourth industrial revolution**, which involves robotics, artificial intelligence, biotechnology, and other innovative technologies in the digital age, neighbouring **countries in the region are developing suitable digital strategies, adopting smart governance policies and building a digital network infrastructure to strengthen the human resource base.**
- To take advantage of the latest advances in technology, Timor-Leste **requires a dramatic increase in the scale of investment in an ICT ecosystem that diffuses knowledge sharing and human capital development among the youth (potentially a fibre optic cable infrastructure).** The technology can help lift values around creativity, entrepreneurship and stewardship in Timorese society.
- ICT environment needs to be Training in simple digital or e-literacy alomore supportive of decentralized networking for peer communication, knowledge sharing and education. ne is not sufficient.
- The Government must engage in **purposeful strategies that encourage e-citizenship, alongside policies that lead to greater public access to ICTs, which can then promote meaningful citizen participation, innovation and social enterprise development.**

## Access to New ICTs and Mass Media, Timor-Leste, 2013, 2015, and 2016



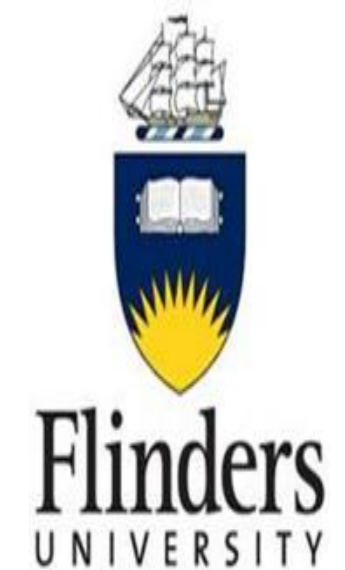
Sources: Data of "Digital in APAC 2016", We Are Social, Singapore, <http://wearesocial.com/sg/blog/2016/09/digital-in-apac-2016>; World Bank 2013.

Note: Statistics on the use of social media are based on monthly user numbers reported by the country's busiest platform and representing active accounts rather than individual users.



Thank you for  
listening

**Questions, Comments?**



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