



Australian Government
AusAID

Annual Program Performance Report for Timor-Leste Program (2008)



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Summary

Working in Timor-Leste

Timor-Leste is the poorest country in Asia. It is also a classic 'fragile' state. The challenges of operating in the country are therefore wide ranging and complex. Over the course of 2008, the agenda for the Australian aid program in Timor-Leste has faced the following challenges.

Poverty has increased—Poverty has increased since 2000, such that more than half of the population lives below the poverty line of US\$0.88 per day. Rural productivity is low with food insecurity affecting up to 80 per cent of households in some districts. The population is one of the fastest growing in the world with women having an average of 6.5 children each, increasing pressure on social service delivery and jobs as well as threatening women's health. These challenges have placed added pressure on the Government of Timor-Leste (GoTL) and donors to deliver tangible improvements in the lives of the people of Timor-Leste.

Economic performance and budget sustainability—While Timor-Leste has experienced high rates of economic growth there has been little sustainable growth in non-oil activity. High levels of unemployment and low levels of private sector investment continue to pose major constraints to opening up the economy. The GoTL's fiscal policy risks running down the US\$4-billion Petroleum Fund. The International Monetary Fund (IMF) and the World Bank have warned that if current budget and revenue trends continue, the Petroleum Fund will be completely exhausted within eight to 10 years unless major new oilfields come on-stream. Increases in budget expenditure are also further pressuring weak government systems. Expenditure has not always aligned with longer-term GoTL priorities and to achieve expenditure increases the Sustainable Expenditure Limit of the Petroleum Fund was breached.

Underlying drivers of conflict—The GoTL has made some progress in addressing the grievances of petitioners and helping internally displaced persons (IDPs) to reintegrate into the community. However reliance on cash payments creates an expectation of further direct benefits. Support for dialogue and reconciliation efforts at the community level did not begin until relatively late in the resettlement process and will require ongoing effort. Unless underlying resentments and rivalries are resolved, peace within communities will remain fragile. The lines of responsibility between the national army and police force are imprecise and still evolving. Underlying rivalries between and within security forces could still pose a threat to Timor-Leste's security.

Corruption—The latest figures from Transparency International indicate that corruption may have worsened. (Timor-Leste ranked 145 out of 180 countries in 2008—a drop from

123 in 2007).¹ Anecdotal evidence also suggests there has been a rise in the number of sole-source and limited-selection contracts.

Donor harmonisation—The more than 40 donors and hundreds of Non-Government Organisations (NGOs) place considerable burden on the GoTL and challenge coordination between donors and alignment with GoTL priorities.

The challenge of operating without a strategy

Australia's development assistance program has demonstrated the flexibility needed to respond to changing priorities, but it has struggled to achieve strategic coherence. The main reason is the proliferation of funded activities across almost every sector (in 2008, \$60 million for about 50 activities). The struggle to achieve coherence is exacerbated by the fact that although most activities are delivered with and through other agencies, there is not always clarity about what Australia expects from these partnerships.

Part of the reason for the proliferation is the absence of a country strategy to guide engagement in Timor-Leste. This has been compounded by the absence of a strongly owned Timorese development plan or nationally owned set of priorities with which the aid program could align. Without a strategy, the flexibility to respond became the guiding force, even though this approach made it difficult to determine priorities. Activities and initiatives therefore proliferated, some driven by budget priorities, others by individual Timorese Ministers or Australian community interest. As the largest donor in the country, Australia has become the program of first and last resort.

The major focus for the Australian aid program in 2008 was on building state institutions. As a result, the focus was in Dili. Achievements have been significant, but largely invisible bureaucratic and legislative reforms relying on the input of internationally recruited technical advisers. Evidence of successful capacity development is hard to find, although expectations need to be tempered by a realistic assessment of the scale of the challenge.

The program's responsiveness and flexibility is welcomed by the GoTL and has contributed to the country's progress over the past 10 years. However, the lack of strategic focus has led the Australian aid program to spread resources too thinly and not achieve consistent development impact.

Some areas of significant impact

Despite the difficulty of working without a strategic focus and the requirement to respond to a wide range of priorities, the aid program's support has contributed to these key results:

¹ http://www.transparency.org/policy_research/surveys_indices/cpi/2007. Note: The apparent downward trend is difficult to verify because data was not available for some indices in 2008. According to the Millennium Challenge Corporation, 'Timor-Leste's Control of Corruption score declines for the second year in a row ... and shows no change in score from last year in Transparency International's 2007 CPI (it ranks in the 53rd percentile). The score is close enough to the median to not be able to discard measurement error as a contributor to the failing score.' http://www.cgdev.org/files/14677_file_Corruption.pdf. Nonetheless, the indicators suggest that careful monitoring of corruption is required.

- > Improved budget execution rates and revenue. Budget execution rates increased from 58 per cent in the 2007 transition budget to 78 per cent on a cash basis in the 2008 budget, largely attributable to Australia's ongoing support for the GoTL's central budget process and revenue collection.
- > Approximately 50 000 beneficiaries were provided with access to clean water and sanitation as a result of Australian assistance since 2002. National water and sanitation sector planning and coordination have been strengthened.
- > Improved food security for more than 2000 farming families through the successful identification and trial of higher yielding staple food crops.
- > Improved Parliamentary oversight and debate of legislation including the national budget. A comprehensive report on 2004–08 state budget execution trends and booklets on 'Engaging Parliamentarians in the Millennium Development Goals' and 'Public Expenditure Management and Poverty Reduction' were produced.
- > Passage of key legislation to underpin the reorganisation of the National Police Force (*Polícia Nacional de Timor-Leste* or PNTL) and improve the chain of command, hierarchy of ranks, remuneration levels and career development opportunities for PNTL officers.
- > Closure of 60 IDP camps and reintegration of more than 100 000 IDPs, supported by Australian humanitarian assistance.

Ratings²

Sector	Objective	Rating	Review against previous rating
GOVERNANCE 28%	Public sector reform Promote a sustainable and effective system of governance and public administration for the delivery of high quality public services in Timor-Leste	Yellow	n/a
	Financial management Strengthen the Government's capacity in financial management and budget execution	Yellow	unchanged
	Political governance Support the development of an inclusive and accountable parliamentary democracy in Timor-Leste	Green	unchanged
SECURITY 16.7%	Justice Contribute to the development of a more effective, accessible and accountable justice system	Red	n/a
	Policing Build the foundations of a more effective and accountable police service	Green	n/a—objective refocused
SERVICE DELIVERY 40.9%	Water and sanitation	Yellow	n/a

² Note: The country strategy for Australia's aid program to Timor-Leste is currently under development. In the absence of a country strategy, this report is framed around the main sectors currently supported by the aid program. Objectives presented in the report articulate what the existing program of assistance is currently aiming to achieve in each sector or sub-sector. Objectives and performance indicators for Australia's future assistance to Timor-Leste will be defined during the finalisation of the country strategy. The table does not include the \$8 million provided to the Timor Sea pipeline which is why the percentages do not add up to 100 per cent.

Sector	Objective	Rating	Review against previous rating
	Expand rural community access to clean water and adequate sanitation, and improve hygiene behaviour		
	Health Improve health service systems and delivery	Yellow	<i>unchanged</i>
	Education Improve work skills and employment opportunities, particularly for Timorese youth	Yellow	<i>unchanged</i>
RURAL DEVELOPMENT 7%	Food security and income generation Improve and protect food security and income generation for target farming families	Green	<i>unchanged</i>
HUMANITARIAN AND EMERGENCY ASSISTANCE 2%	Crisis response and disaster planning Support the sustainable return, reintegration and protection of IDPs Strengthen community resilience through improved disaster risk management	Green	<i>n/a</i>

Main management consequences

The analysis in this annual review points to changes needed throughout 2009 in the management of Australia's Timor-Leste program.

In partnership with the GoTL, Australia will **finalise the new country strategy** as a matter of priority. In agreed areas of assistance, Australia will be a leader in donor harmonisation to reduce the burden on the GoTL and promote consistent, well-informed policy advice. Reflecting this commitment, Australia has upgraded its representation in Dili by appointing a new Minister-Counsellor to lead AusAID's team in Timor-Leste. This will ensure that management decisions are made on the basis of more accurate knowledge and in closer partnership with the GoTL and other donors. New and better targeted expertise will be sought to promote the results achieved and policy dialogue in priority areas. The AusAID team in Canberra will provide high-quality analysis and expertise to improve the quality of assistance and leverage the expertise and interest of the vast array of Australian stakeholders in Timor-Leste.

Reflecting lessons learned from international experience in supporting fragile states, **Australia's assistance will focus on reforms in fewer areas** and adjust the balance of assistance beyond institution-building to improving service delivery (particularly health services) and improving livelihoods in districts. Given that the provision of technical assistance has to date been expensive and not always effective in building the capacity of Timorese institutions and staff, Australia will trial different approaches to capacity building.

These will not be limited to the GoTL's public sector—AusAID will also commit to better using and developing the management and leadership skills of its own Timorese staff.

1 Country performance

Timor-Leste is one of the poorest countries in the world, ranking 158 out of 177 countries in the United Nations Human Development Index. Poverty has increased since 2000, such that half of the population lives below the poverty line of US\$0.88 per day.³ It is likely that only two of the seven Millennium Development Goals (MDGs) will be met by 2015—primary education and gender equality in education. Life expectancy is 60 years and adult literacy is less than 50 per cent.

Most of those living below the poverty line reside in rural areas. Food insecurity affects up to 80 per cent of households in some districts. Social services are not always reaching those most in need. Access to quality maternal and neonatal health services is particularly low, resulting in high maternal and neonatal death rates. Employment opportunities are scarce. With approximately 16 000 young people entering the labour market each year, the rate of youth unemployment is about 40 per cent. Less than half as many women as men participate in the paid labour force. The population is one of the fastest growing in the world, with women having an average of 6.5 children each, increasing pressure on social service delivery and jobs, as well as threatening women's health.

However, in the 10 years since the independence referendum, much has changed. While significant progress is yet to be made on combating poverty, overall stability has improved despite the assassination attempts on the President and Prime Minister in 2008. Most of the more than 100 000 IDPs have now been resettled and Dili is a busy city. The GoTL has signalled a desire to shift investment away from emergency assistance towards broader development goals and is increasingly articulating clear, longer-term national priorities with which the donor community can align. The GoTL, with Australian support, has also elected to participate in the Organisation for Economic Co-operation and Development's (OECD) assessment of how donors operate in fragile states.

Yet how the GoTL's stated priorities will be achieved remains unclear. Despite an economic growth rate of about 10 per cent in 2008, Timor-Leste depends on oil and gas revenue for more than 95 per cent of its national income. To date, the Petroleum Fund has accumulated around US\$4.3 billion, but recent oil price falls and ballooning public expenditure threaten sustainability. Agriculture remains the single most important economic activity for the country

³ World Bank and Government of Timor-Leste study (November 2008) shows that poverty has increased—from around 36 per cent in 2001 to around 50 per cent in 2008. Most of the increase in poverty is attributed to stagnation in non-oil activity. The study also found that more than two thirds of the poor's spending went on food, making them susceptible to food price rises and shortages. The study also noted an increase in urban poverty, with around 45 per cent now deemed poor, against 52 per cent of the rural population. Accessed on 28 May 2009 at <http://pascal.iseg.utl.pt/~cesa/TL-Poverty-in-a-young-nation-25-Nov-2008.pdf>

but this sector continues to be characterised by low productivity and little private sector investment. It is also vulnerable to climate change. The GoTL and donors need to invest in the capacity of the Timorese and government systems so they can deliver the services needed to reduce poverty and reliance on expensive international advisers and parallel systems.

The risk of returning to conflict is exacerbated by the inability to reduce poverty and deliver services outside of Dili, by youth unemployment and by unresolved tensions between security forces. The peace experienced in the country since the February 2008 assassination attempts has to some extent been bought on by the Government's cash transfers of approximately \$100 million to vulnerable groups, including veterans and IDPs. However, this has inflated economic growth and public expenditure without providing dividends from longer-term investment in economic growth. On the other hand, many of the large-scale infrastructure projects implemented have been pushed through without adequate planning or due process.

These challenges define Timor-Leste as a fragile state. In fragile states emerging from conflict, a combination of weak governance, corruption and insecurity work together to lower growth, increase poverty and increase the risk of returning to conflict.

2 What are the results of our aid program?⁴

With around \$100 million to support a country of around one million people, there are plenty of opportunities for the Australian aid program to deliver positive results. The main results monitored over the reporting year are summarised in this section.

This review contends, however, that despite solid results at the initiative level the program can achieve better outcomes if it sharpens its focus on fewer areas.

2.1 Governance sector = 28 per cent

Objective: Sustainable and effective system of governance and public administration for the delivery of high-quality public services in Timor-Leste⁵

■ *The objective will be partly achieved within the timeframe*

Assistance is provided through three programs focused on improving strategic planning, policy coordination, human resource management, administration and the regulatory framework in select line ministries: (1) Public Sector Capacity Development Program (PSCDP) (\$40 million, 2007–11); (2) United Nations Development Programme's (UNDP) Civil Service Reform project (\$250 000, 2009) and the Public Sector Linkages Program (\$1.2 million, 2008–09). The PSCDP is also supporting the GoTL to establish two new oversight bodies—the Civil Service Commission and the Anti-Corruption Commission.

Achievements

- > Key regulations were drafted under the Civil Service Act, as were organic laws for the fourth Constitutional Government to improve ministry operations and establish the Civil Service Commission and Anti-Corruption Commission. Many of these have been agreed to and promulgated.
- > A new public service career structure and work force plans were developed for the ministries of education and agriculture to help guide capacity development.

⁴ The following section describes the main results achieved by the program in 2008. Results are reported against interim objectives (i.e. what the existing program of activities is aiming to achieve in each sector or sub-sector). In the absence of a country strategy, there is no clear timeframe or targets set for objectives, which makes assessments of progress difficult. Moreover, many current objectives are not clearly defined or they represent long-term goals unlikely to be achieved within the next five years.

⁵ Efforts to improve public sector capacity and administration are closely linked to Australia's support for improved financial management and accountability (Objective 2).

- > An updated demographic database of Australian-funded advisers was developed, which aims to provide a basis for improving the effectiveness of technical assistance.
- > A high-level joint Prime Ministerial review (commissioned by Prime Minister Xanana Gusmão and Prime Minister Kevin Rudd) was undertaken to focus public sector reform efforts.

Challenges

Sustained effort will be required over many years to help the GoTL drive the reforms commenced in 2008, to ensure they lead to lasting improvements in service delivery. Similarly, the Civil Service Commission and the Anti-Corruption Commission are yet to be formally established and it will be some years before they are fully functioning in line with their mandates. Reviews have identified the need to further support capacity building and policy coordination at central and district levels.

A key challenge that needs to be addressed is the appropriate size and cost of the civil service. Staff numbers are increasing, salaries are being supplemented and new allowances are being approved, but in an ad hoc manner. This is adding to an increase in payroll liability. Workforce planning is essential, along with measures to improve the effectiveness and quality of the civil service. Australia is assisting through support for the establishment of the new Civil Service Commission and support to the Ministry of Finance for improved budget and financial planning (see below).

A recent review of PSCDP questioned the effectiveness of capacity-building efforts and new approaches are being tested, including the Capacity Building Plans for advisers. Concerns over the sustainability of this support—combined with overly-ambitious objectives—reflect the amber rating given. AusAID will need to continue to review the use of technical assistance in this and in all other of its aid programs to ensure this is the most effective approach to meeting objectives.

Estimated expenditure—Approximately 13 per cent of program expenditure is on civil service reform.⁶

Objective: Strengthen the Government's capacity in financial management and budget execution

■ *The objective will be partly achieved within the timeframe*

Over the past five years, Australia has provided substantial support to the Ministry of Finance to strengthen financial management and support the budget process. Australia's support was initially in project form (the Ministry of Planning and Finance Capacity Building Program), but this has now transitioned to a new multi-donor program—the Public Financial Management Capacity Development Program (PFMCDP)—led by the Ministry of Finance with support from the World Bank. The PFMCDP has attracted the support of seven donor partners, is aligned with the Government's reform agenda and has strong ownership

⁶ Note: All percentage calculations exclude Australia's \$8-million contribution to the Timor Sea pipeline and other non-AusAID Official Development Assistance (ODA).

and backing by the Minister of Finance.⁷ Australia is providing \$13 million over 2008–13, approximately one-third of the program's funding.

Achievements

Finance

- > Australian assistance played a major role in supporting the GoTL to deliver four budgets over a 12-month period, including the 2008 and 2009 national budgets, the transition budget and the rectification budget.
- > Government budget execution rates increased from 58 per cent in the 2007 transition budget to 78 per cent in October 2008—a good achievement given that cash expenditure also grew by around 32 per cent in 2008. Carry-over expenditure declined.
- > Revisions to procurement legislation contributed to a substantial reduction in procurement time frames (from 90 days to less than 30 days).
- > Taxation revenue has continued to grow and has consistently exceeded budget forecasts.

Infrastructure

- > Support through the Asian Development Bank infrastructure program has helped to develop systems and procedures aimed at strengthening contract administration and procurement.

Challenges

Although after five years of Australian assistance the GoTL can now technically better manage its planning, budgeting and budget-execution responsibilities, particularly with a very effective finance minister at the helm, it still relies on 46 international advisers through the PFMCDP. More worryingly, while the PFMCDP is resource-intensive it shows few signs of effectively building the capacity of Timorese officials. Concerns over the sustainability of this support and the challenging external environment reflect the amber rating given.

The change in government, transition to calendar-year budgeting, substantial increases in overall budget expenditure, multiple budgets in a single year and the number of technical advisers who need to be managed by the Ministry of Finance have created enormous pressure on the Government to deliver quality budget outcomes and manage the Petroleum Fund sustainably.⁸ Integration of the upcoming medium-term National Development Strategy with the budget and medium-term expenditure framework will be important in 2009 and beyond.

The transition from project modality to participation in the World Bank-led multi-donor program was not seamless and has resulted in significant delays and further impeded capacity-building efforts. The main challenge for AusAID is the way the Agency works with the World Bank, arguably Australia's most important donor partner in Timor-Leste. AusAID

⁷ The new multilateral program of support commenced in November 2006, although it was significantly delayed due to the security crisis. The program did not become fully operational until January 2009.

⁸ Poor planning of expenditure remains a central challenge for the Government—the up to two dozen cargo ships loaded with a years' supply of government-purchased rice waiting offshore due to limited port capacity are a vivid example.

now has the opportunity to invest more resources, through the new Minister-Counsellor, in building and monitoring the relationship with the World Bank.

Despite some assistance to improve procurement systems, anecdotal evidence suggests that the large increase in the GoTL's budget and the Government's desire to act quickly have led to a rise in the use of limited tender and sole-source contract selections. This represents a worrying trend—it means that government contracts may not deliver the best value for money, or worse, it increases opportunities for patronage and corruption.

Estimated expenditure—Approximately 11.2 per cent of program expenditure is on economic governance.

Objective: Support the development of an inclusive and accountable parliamentary democracy in Timor-Leste

■ *The objective is on track to be fully achieved within the timeframe*

Australian support for this objective is provided to:

1. strengthen the national Parliament through the UNDP, specifically supporting female parliamentarians to network and access resources through a United Nations Development Fund for Women (UNIFEM)-supported Gender Resource Centre (\$5 million, 2006–09—approximately one-third of UNDP expenditure)
2. build up national electoral capacity through projects managed by the UNDP and the Australian Electoral Commission (\$1.6 million, 2006–08)
3. strengthen government accountability and civil-society engagement, through a range of small initiatives (including anti-corruption, media and civil society—\$2.5 million, 2008–10).

Achievements

- > Australian support to the UNDP's Parliamentary Strengthening Program contributed to the successful passing of the 2009 Budget, 15 laws, three treaties and two conventions in Parliament. Additional drafts are under review, including the establishment of an independent Anti-Corruption Commission. The capacity of key oversight committees to debate and review legislation, including those dealing with the economy, finance and corruption, has been strengthened and engagement between Parliamentarians and their constituents enhanced through greater outreach and consultation, including on anti-corruption issues.
- > A Gender Resource Centre has been established, which is helping to support the women's caucus of Parliamentarians including to develop external networks, review legislation and conduct a gender responsive analysis of the 2009 national budget.
- > Support has been provided to help strengthen independent media, including through the establishment of a regional media house in two districts, training programs for journalists and support for local radio and newsletters. There are some indications that this has led to media more actively airing issues of concern, including on corruption.
- > Improved capacity of STAE (the body responsible for managing national, municipal and village (*suco*) elections), through training in strategic and financial planning, electoral management design and voter education.

Challenges

While progress has been made to strengthen administrative functions, developing the capacity of the Parliament's secretariat function remains a challenge. Senior managers within the Secretariat are political appointees and this continues to significantly constrain the delivery of sustainable outcomes in political governance.

Australia's support for anti-corruption activities is embedded in a number of other large aid-funded programs including the PFMCDP; Timor-Leste Police Development Program (TLPDP); Justice Sector Support Facility (JSSF); and the Infrastructure Program. With the most recent Transparency International assessment indicating that corruption may have worsened, it will be important to track progress against AusAID's Anti-Corruption Plan, including the more concrete action plans aimed at individual program levels and systematic reports on anti-corruption.

Estimated expenditure

Approximately 4.5 per cent of program expenditure is being spent in the area of political governance.

2.2 Security sector = 16.5 per cent

Australian development assistance to the security sector addresses three main areas:⁹

1. strengthening justice-sector institutions
2. building the foundations of a more effective and accountable police service
3. improving forensics and information management as well management of investigations by the Office of the Prosecutor General.

Objective: Contribute to the development of a more effective, accessible and accountable justice system

■ *The objective is unlikely to be achieved within the timeframe*

Australia's assistance to the justice sector is provided through two programs:

1. a multi-donor UNDP Justice Sector Development Program which has a main focus on training and mentoring new court actors and improving the operations of legal institutions (including the courts, Office of the Prosecutor General, Ministry of Justice, Legal Training Centre and the Becora Prison) (\$6.3 million 2004–09—approximately 10 per cent of UNDP expenditure in 2009)
2. the JSSF, which has a primary focus on strengthening the administrative functions of justice-sector institutions and also includes a grant scheme to support the emerging needs of core justice institutions, oversight institutions and civil-society organisations engaged in the justice sector (\$28.5 million, 2007–11).

⁹ The Australian Federal Police (AFP) also provides 50 police officers as part of Australia's commitment to the United Nations Integrated Mission in Timor-Leste and the Australian Defence Force makes a substantial contribution to security through the International Stabilisation Force Defence. Expenditure is primarily non-Official Development Assistance eligible and hence not captured in this report.

Achievements

UNDP Justice Sector Development Program

- > National ownership of the justice sector has been strengthened, with the Minister of Justice now leading coordination.
- > Draft legislation for the Juvenile Justice Law, Civil Code and Criminal Code has been finalised.
- > A further 10 judges, prosecutors and public defenders have successfully completed training and assumed probationary positions, taking the total to 37 court actors trained over the life of the program.
- > Services in the districts have improved with four district courts being opened (although operations have been sporadic), court clerks posted to districts, and judges, prosecutors and defenders spending more time in the districts.
- > Oversight by the Office of the Prosecutor General has improved with disciplinary proceedings initiated against some prosecutors, which is having a positive impact on the behaviour of prosecutors.

Justice Sector Support Facility

- > Although the JSSF only commenced in June 2008, it has established coordination mechanisms and provided support to judicial-sector planning including to develop budgets, an interim annual plan and a 'State of the Nation Report'. The budget received and budget execution in the Office of the Prosecutor General has increased.

Challenges

The challenges facing the justice sector are significant and, in some cases, the evidence suggests it is getting worse—for example the prosecution backlog has increased to more than 4000 cases. The lack of strategic direction, weak coordination between institutions and limited human resources impede effectiveness. Demand for justice within the community is low, as is confidence in the formal justice system. Language difficulties also contribute to the sector's poor performance—just four in 1000 Timorese are conversant in Portuguese, yet this is the language of the legal system. This situation limits popular participation in legal processes.

The sector is crowded with donors and too many foreign advisers performing in-line roles and not developing Timorese capacity. An independent review recommendation to plan the phasing out of international advisers from in-line functions has not occurred due to differing donor approaches to capacity building and demand for foreign advisers.

The JSSF has had teething problems in establishing coordination mechanisms, managing expectations and clarifying the focus of program assistance. Administration of small grants to civil-society organisations has also been slow to commence. The red rating reflects the serious challenges in the justice sector as well as the slow progress of Australian initiatives toward achieving objectives.

Estimated expenditure—Approximately 12.2 per cent of program expenditure is in the justice sector.

Objective: Build the foundations of a more effective and accountable police service

■ *The objective is on track to be fully achieved within the timeframe*

The TLPDP supports the development of the PNTL and provides support to the Secretary of State-Security and the Office of the Prosecutor General and their officers in developing the functions and services of areas under their responsibility (\$53 million, 2008–10). The TLPDP commenced in June 2004 as a joint AusAID and Australian Federal Police (AFP) capacity-building program. In 2008 executive authority for the TLPDP was transferred to the AFP. The program is scheduled to finish in 2010 and will be reviewed in 2009.

The new program commenced in July 2008 with the two primary objectives of establishing a:

- > PNTL sufficiently robust to continue operating as a legitimate entity (within the law) when confronted with a serious domestic crisis.
- > policing capability where the governance, values and operational characteristics of the PNTL support increasingly strengthened rule of law in an emerging democracy.

Achievements

- > Several laws were developed and passed in 2008 including the organic law clarifying PNTL functions, accountability and chain of command. A number of operational changes were made, including a new career regime to enhance workforce planning, skills and hierarchies and a new salary regime to harmonise salaries and conditions between the PNTL and the Defence Force.
- > Despite the attempted assassination of the President and Prime Minister, the PNTL did not fracture.
- > The National Directorate for Prevention of Community Conflicts was established to lead the coordination of activities to minimise the effects of conflict.
- > Training was provided for PNTL officers including in basic intelligence gathering, leadership and management.
- > Strategies were developed including the Secretary of State-Security's Five Year Strategic Plan and the National Security Policy, setting the framework for security-sector reform.
- > Support and advice were provided to the Prosecutor General's Task Force looking into the attempted assassination of the President and Prime Minister.

Challenges

Strengthening discipline, accountability and management in the PNTL remain key challenges. With the significant increases in GoTL public sector expenditure, the need for transparency in transactions and effective management of tangible resources are vital elements in improving policing services. Effective implementation of the new laws and operational policies will take considerable time.

The respective roles of the army and police in relation to internal security are still imprecise, and so the risk of tension and conflict remains. The GoTL has expressed preference towards para-military policing models which may impact on attempts to improve the human rights record of the PNTL and instil public confidence in the police. The policing models preferred by

the GoTL and other donors presents a challenge for the TLPDP as the Australian approach reflects a community-based model.

The underpinning factors contributing to instability in Timor-Leste have not been addressed and may generate unrest and pressure on the fragile cohesiveness of the country's security forces.

Estimated expenditure—Approximately 4.5 per cent of AusAID program expenditure is on strengthening the national police service. In addition, the AFP currently contributes 50 officers to the United Nations Police in Timor-Leste.

2.3 Service delivery (health, education and water supply and sanitation) = 40.9 per cent

Objective: Expand rural community access to clean water and adequate sanitation, and improve hygiene behaviour

■ *The objective will be partly achieved within the timeframe*

Australia's assistance in this area is being provided through the 10-year Rural Water Supply and Sanitation Program (RWSSP)¹⁰ (current phase \$28.7 million, 2007–12).

Achievements

- > An independent evaluation commissioned by the ODE found that AusAID, through the RWSSP and its predecessor program, had directly contributed to improved access to water supply and sanitation for 50 000 people since 2002.
- > The project has helped develop an overarching national strategy, a work plan and coordination mechanisms to guide the sector.
- > Capacity development of staff in the National Directorate of Water and Sanitation has commenced, with 10 staff (including two women) undertaking formal training in plumbing maintenance with the aim of educating communities to maintain district water supply systems. Twenty staff are also being supported with scholarships to undertake further training.

Challenges

There is uncertainty over the accuracy of the current national baseline for the percentage of the population with access to clean water and adequate sanitation.¹¹ The GoTL has significantly reduced funding to the sector in the most recent budget, raising concerns over fungibility and GoTL commitment.

An authoritative ODE evaluation suggests that investments in this sector will not be sustainable because responsibility for operations and maintenance is not clear, user fees are

¹⁰ The RWSSP builds on Australia's prior support under the Community Water Supply and Sanitation Program.

¹¹ Recent baseline surveys indicate that current national estimates could be overstating access to water supply and sanitation by as much as 50 per cent. Recognising the need for better national data on access, the program has advocated for the inclusion of internationally accepted questions on water and sanitation in the upcoming 2010 national census.

not being collected in many communities and there is inadequate integration with government systems. Schools and health centres are being built without sufficient provision of clean water and sanitation facilities. The MDG targets will be difficult to achieve within the life of the program.

Less progress has been made in the provision of sanitation services and health hygiene than of water supply. Despite this, the GoTL has requested that the program re-focus efforts on water supply, with less emphasis on sanitation, behavioural change and capacity building. This has the potential to reduce health benefits and sustainability.

Estimated expenditure—Approximately 15.7 per cent of program expenditure is on water and sanitation.

Objective: Improve health service systems and delivery

■ *The objective will be partly achieved within the timeframe*

Australia's assistance to the health sector is primarily provided through two programs:

1. The Health Sector Strategy Plan—Support Program (HSSP-SP), a new program of health sector support being led by the Ministry of Health with support from the World Bank (\$23 million, 2008–11—Australian contribution is 96 per cent).
2. The Australia – Timor-Leste Program of Assistance for Specialist Services (ATLASS), run by the Royal Australian College of Surgeons (\$8.5 million, 2006–2010).

Achievements

- > Timorese doctors and nurses are taking on increasing responsibilities and working relatively independently, particularly in performing minor- to intermediate-level anaesthetic and surgical services.
- > ATLASS surgeons have performed 1338 operations, of which 60 per cent formed part of mentoring and training. The anaesthetist has administered 1500 anaesthetics, of which 97 per cent formed part of training.
- > Three surgical trainees and one anaesthetist received ongoing support to undertake formal training overseas, while a further three doctors received on-the-job mentoring from ATLASS surgeons in Timor-Leste. ATLASS has also supported the training of the first Timorese ophthalmologist.
- > Short-term specialists in the areas of ophthalmology, orthopaedics, paediatrics and reconstructive surgery provided 2128 consultations and 506 surgical procedures.
- > The HSSP-SP has helped lay the groundwork for improved sector planning, including support for a Joint Annual Health Review and an Annual Planning Summit. The program is also helping to support identified gaps in the Ministry of Health budget. While progress has been slow, funding though the HSSP-SP will provide infrastructure (such as maternity clinics), medical equipment, training and procurement assistance.

Challenges

Given the shortage of qualified Timorese surgeons, the sustainability of ATLASS remains a longer-term challenge.

The HSSP-SP program has made very limited progress, with serious delays and no improvements in service delivery. Challenges include delays in disbursements from the World Bank Trust Fund and limited Ministry of Health capacity and experience in dealing with sector-wide approaches (SWAs). Ongoing dialogue, careful monitoring and further support from the World Bank will be required to ensure this program gets back on track.

Estimated expenditure—Approximately 14.4 per cent of program expenditure is in the health sector.

Objective: Improve work skills and employment opportunities, particularly for Timorese youth

■ *The objective will be partly achieved within the timeframe*

Australia is supporting activities which aim to increase vocational skills and employment opportunities for Timorese, particularly young people, including the:

1. Youth Employment Program: a program managed by the International Labour Organisation which aims to provide labour-intensive, short-term work opportunities and skills training and policy support (\$7.6 million, 2008–12)
2. Education Sector Support Program (ESSP): a World Bank managed program supporting the education sector as a whole, including basic education (\$8.6 million, 2007–11)
3. Emerging Priorities Fund (EPF): a grant-making facility (\$8.3 million, 2008–11)
4. Australian Development Scholarships (ADS).

Achievements

- > Through the ESSP Australia has continued supporting the financing of a model of outsourcing public services. This has led to impressive early results, such as the construction and opening of new schools on time, addressing the backlog of construction inherited from Public Works, and establishing an effective procurement model.
- > A total of 32 000 people across all 13 districts have been provided with short-term employment (15 engineers were trained to supervise the program).
- > Employment and Career Guidance centres have been established in Dili, Baucau, Bobonaro and Oecusse. More than 26 500 job seekers and training seekers have registered at these (48 per cent are women and 64 per cent young people aged 15 to 29 years).
- > Approximately 60 teachers from 20 technical schools received training in skills such as entrepreneurship, building and construction.
- > An accreditation system for tertiary education was developed and a review undertaken of institutions. Seven institutions received accreditation, five received a one-year probation and two were recommended for closure.
- > Twenty students were awarded an ADS in 2008-09, the majority of whom were women. This takes the total number of Timorese awardees of ADS to 154 since 2000. Of these, 110 students have completed their studies and are working across a range of private, international and public institutions. Overall drop-out rates have been low, with only six students unable to complete their studies.

Challenges

AusAID-funded programs in work skills and employment opportunities have had varying degrees of success. While short-term employment and training opportunities have been provided, there is no data on how many participants have secured further employment. The short-term nature of employment has limited on-the-job skills training. Women represented only 25 per cent of those employed in short-term work.

The number of small ad hoc activities in the EPF have failed to contribute to a coherent reform agenda or deliver significant outcomes. The ESSP is shifting focus towards basic education rather than vocational education so it is no longer targeting employment outcomes or skills development. Insufficient English-language proficiency is an ongoing constraint to identifying suitable candidates for the ADS program.

Estimated expenditure—Approximately 10.8 per cent of program expenditure is in the education sector.

2.4 Rural development = seven per cent

Objective: Improve and protect food security and income-generation opportunities

■ *The objective is on track to be fully achieved within the timeframe*

There are three main initiatives which contribute to this objective:

1. The Seeds of Life (SOL) program aims to increase food production by identifying and trialling higher yielding and improved crop varieties. This program is being delivered through the Ministry for Agriculture and Fisheries, with support from the Australian Centre for International Agricultural Research (\$10.2 million, 2005–10);
2. The Emerging Infectious Diseases (EID) program aims to strengthen Timor-Leste's capacity to manage and respond to bio-security threats, such as avian influenza (supported by the Food and Agriculture Organisation) (\$5 million, 2006–10)
3. The Peace Divided Trust aims to improve economic opportunities by encouraging international organisations to procure local goods and services from Timorese businesses (\$2 million, 2007–09).

Achievements

- > Since SOL began in 2005 it has directly conducted 2382 demonstration trials of new crop varieties benefiting an estimated 8786 men and women. More than 2000 participating households have grown at least one of the seven new varieties of the four new crops (maize, rice, peanut or sweet potato), experiencing yield increases ranging from 17 per cent to 138 per cent. Seventy per cent of participating farmers replanted new varieties at the first opportunity—a figure that might have been even higher if more planting material were available.
- > The Ministry of Agriculture and Forestry (MAF) assumed responsibility for most local staff and operational costs involved in SOL and staff have improved skills in managing and assessing trials of new varieties, seed replication and conducting on-farm trials.
- > Construction of the Betano research station was completed and is now functioning as planned.

- > Training on investigation of infectious disease outbreaks and assessment of surveillance and reporting systems commenced.
- > The Peace Dividend Trust program established Timor-Leste's first publicly available business procurement database, which contains approximately 2000 business profiles from all 13 districts. The program distributed 190 tenders to 4900 business recipients with a value of approximately US\$5.3 million; processed 250 requests linking purchasers to potential local suppliers with a value of approximately US\$2 million; and processed 1400 micro-matchmaking requests in six rural districts with approximately US\$1 million in transaction value.

Challenges

Insufficient capacity to replicate, distribute and store seed and tuber stock is constraining the ability of the SOL program to scale up and extend the benefits of higher yielding varieties to more farmers. The withdrawal of operational funding from most MAF directorates to expand its program of tractor purchase and distribution could hamper its capacity to deliver support services to rural communities. This is likely to undermine MAF's capacity to scale up the extension of SOL varieties throughout the country and similarly affect other important food security programs. These issues need to be considered in future phases of assistance.

The EID program was planned to start in July 2007, but did not commence until April 2008. In part, this delay was due to changes in ministerial arrangements. There have also been delays in recruitment of key personnel (including the Team Leader). As a result, program achievements have been limited.

The policy framework for rural development is a significant challenge for growth in this sector. Poor transport networks, drought, pestilence, a lack of cold storage and poor market linkages have seriously constrained Timor-Leste's ability to develop the agriculture sector much beyond subsistence. While government rice subsidies helped to address immediate needs, they have also had the undesired effect of reducing the prices received by domestic growers and displacing the private sector, leading to increased dependence on the Government.

2.5 Humanitarian and emergency assistance = two per cent

Objective: Support the sustainable return, reintegration and protection of internally displaced persons, and strengthen long-term community resilience through improved disaster risk management

■ *The objective is on track to be fully achieved within the timeframe*

Initiatives which contribute to this objective include the:

1. International Organisation for Migration, UNDP and a number of NGOs implementing activities to protect and reintegrate IDPs (\$6 million, 2008-09)
2. International Organisation for Migration and the National Disaster Management Office is implementing activities to strengthen the capacity of the GoTL, NGOs and communities in disaster risk management (\$1.85 million, 2008-09)
3. World Food Program and the Ministry of Social Solidarity implementing activities to build food security and GoTL logistics capacity.

Achievements

- > Most IDPs are better informed about their rights and how to access basic and emergency services (such as water, food, shelter and information) from the GoTL and humanitarian organisations.
- > Sixty out of 63 IDP camps have closed and approximately 100 000 IDPs have been reintegrated into their original residences.
- > The GoTL and humanitarian organisations have improved their coordination to manage humanitarian and emergency relief and have developed a plan for 2008–09 wet season preparedness.
- > Strengthened logistical capacity of the Ministry of Social Solidarity staff through improving the warehouse control system and rehabilitating three warehouses across the country.

Challenges

Reintegrating IDPs is an ongoing challenge. While many have returned to their communities, the history of trauma means the situation for many newly resettled IDPs remains fragile. GoTL cash transfers have encouraged reintegration but have also caused some issues, particularly for those awaiting payment.

While overall efforts to respond to the IDP crisis have been well coordinated, there is a need to further strengthen disaster management planning.

Estimated expenditure—Approximately two per cent of program expenditure was on humanitarian assistance.

3 What is the quality of our aid activities?

Initiative name/activity	Total Financial Management and Accountability Act 9 approval \$	Sector	Implem'n progress	Achieve objectives	M & E	Sustainability
Anti-corruption Timor-Leste	2,298,918	Governance	Green	Green	Amber	Green
Justice Sector Development Program (JSSF)	28,500,000	Law and Justice	Amber	Amber	Amber	Amber
Peace Dividend Trust	2,000,000	Rural Development	Green	Green	Amber	Green
Enhanced Humanitarian Response (2007-09)	4,000,000	Humanitarian	Green	Green	Green	Amber
Public Sector Capacity Development Program (PSCDP)	37,500,000	Governance	Green	Amber	Amber	Amber
Seeds of Life (SOL)	9,083,349	Agriculture and Enterprise Development	Green	Green	Green	Amber
Specialised Medical Services Program (ATLASS)	8,391,515	Health	Green	Green	Green	Green
Timor-Leste Community Assistance Scheme (ETCAS)	400,000	Governance	Green	Green	Amber	Amber
Public Financial Management Capacity Development Program (PFMCDP)	13,000,000	Governance	Green	Green	Amber	Amber
National Parliament Capacity Development	5,000,000	Governance	Green	Amber	Green	Green
Law and Justice Development (UNDP)	8,150,000	Law and Justice	Amber	Amber	Amber	Amber
Timor-Leste Infrastructure Program	16,717,000	Infrastructure	Amber	Amber	Green	Amber
Vocational Education Program	24,298,004	Education	Amber	Amber	Amber	Amber
Rural Water Supply and Sanitation Program (RWSSP)	30,500,000	Water and sanitation	Amber	Amber	Amber	Amber
Public Sector Linkages Program	1,200,000	Governance	Amber	Amber	Amber	Amber
Health Sector Strategic Plan-Support Project (HSSP-SP)	23,000,000	Health	Red	Red	Amber	Red

Initiative name/activity	Total Financial Management and Accountability Act 9 approval \$	Sector	Implem'n progress	Achieve objectives	M & E	Sustainability
Timor-Leste Emerging Infectious Diseases (EID)-	5,000,000	Agriculture and Enterprise Development	Amber	Amber	Amber	Amber
Number of high performing activities (i.e. rated 5 and above)			9	7	5	4
High performing activities (as % of total)			53%	41%	30%	24%
Number activities above the line (i.e. rated 4 and above)			15	12	11	11
Activities above the line (% of total)			88%	70%	65%	65%

Definitions of rating scale

Satisfactory (4, 5 and 6)		Less than satisfactory (1, 2 and 3)	
6	Very high quality	3	Less than adequate quality; needs significant work
5	Good quality	2	Poor quality; needs major work to improve
4	Adequate quality; needs some work to improve	1	Very poor quality; needs major overhaul

3.1 Discussion of Quality at Implementation ratings

Stronger-performing initiatives are generally smaller in size, with more clearly defined objectives, which is likely to have contributed to better overall performance and ratings.

Underperforming activities largely use a programmatic modality and are managed by multilateral partners. Underperforming activities experience these common issues:

- > Significant start-up delays, further exacerbated by the change in government. Slow progress appears to be a feature of large sector support programs.
- > Broad mandate and/or overly ambitious objectives.
- > Difficulties embedding assistance within line Ministries and/or building relationships and engagement with the GoTL.

Implementation progress

Most programs experienced some delays or disruptions due to civil disturbances, the change in government and the formulation of the new government's policy priorities.

Achievement of objectives

Only two-thirds of Quality at Implementation (QAI)-rated activities are on track to achieve objectives. In part, this reflects that many objectives are overly ambitious, with unrealistic time frames given the development challenges Timor-Leste faces.

Sustainability

Low overall ratings for sustainability across the program reflect the high reliance on in-line technical advisers. While the aid program has taken steps to increase donor coordination and

government ownership (primarily through increased investment in multi-donor sector SWAp), this shift in emphasis has not yet delivered improved outcomes. Lower ratings on sustainability also reflect Timor-Leste's very low human and institutional capacity.

Monitoring and evaluation

The collection of robust and meaningful evidence on program performance (particularly higher level outcomes and impact) continues to be a challenge. The absence of a formal country strategy or performance assessment framework also makes it difficult to link program interventions to higher-level strategic objectives. While there has been notable improvement in the quality of information provided in QAI reports, performance management (i.e. better linking performance assessments to management decisions and follow-up actions) still requires work. The feedback loop needs to be closed by ensuring that performance assessments and follow-up actions are communicated to implementing partners and counterparts. Several activities also continue to operate in the absence of a formal monitoring and evaluation (M&E) framework.

Forms of aid

Overall, it appears that project modality initiatives and some smaller civil-society activities have delivered more tangible results. Some larger multilateral programs and sector-wide programs have been slow to establish and are also finding it difficult to get early traction on improving service delivery, with most efforts targeted towards setting up planning and coordination mechanisms (e.g. HSSP-SP). This has implications for demonstrating results, given the shift to programmatic modalities.

Assistance to Timor-Leste continues to heavily focus on technical assistance, with high reliance on in-line advisers. While the aid program has increasingly moved towards programmatic modalities, government systems are still in their infancy, posing immense implementation challenges. The evidence suggests that a more sequenced and staged approach to state-building and capacity development is required.

Strategic links to country strategy

In the absence of a country strategy, it is difficult to report on the extent to which the current portfolio of activities aligns with strategic priorities. Even so, these two main observations can be made about the current program:

- > it is large, diverse and thinly spread across a range of sectors, sub-sectors and activities (around 50 active initiatives spread across at least 10 sub-sectors)
- > it is skewed towards building central institutions of state and security. While the portfolio of activities and volume of funding directed towards improvements to service delivery has recently grown, many activities have also had an initial focus on building up central line ministry capacity and systems.

Resources

Resources at AusAID's Post have recently been augmented by a new Minister-Counsellor position expected to provide greater scope to engage in policy dialogue and relationship building, as well as more direct involvement in performance management and reporting.

4 What are the management consequences of this assessment?

Clearly, the first priority is to **develop a new country strategy to streamline the portfolio**. The program currently has 10 objectives; the average size of initiatives is low; and activities are spread across all sectors. The new strategy should define a more focused program with fewer activities. This will require choices, although there is no shortage of worthwhile activities for donors to support. The key to success will be the ability to assign priorities.

At the same time, the program needs to be **rebalanced to contribute more to results for poor people in the districts**. While the aid program has made more recent moves to redress the imbalance (for example by increasing support for service delivery in health, education and water and sanitation), assistance still largely focuses on strengthening the capacity of central ministries to deliver these services. And important though this is, it is also important to strike a balance between strengthening central institutions of state and improving service delivery.

Independent assessments, particularly the ODE review of water and sanitation, confirm that the program needs to **improve capacity in policy analysis and dialogue**. In 2008, advisory capacity concentrated on justice and education. Capacity in economics, rural development and health needs to be developed. Specific areas for further analysis include the:

- > macroeconomic context, including the implications of the global economic crisis and sustainable management of revenues (including forecasts of petroleum revenue)
- > analysis of conflict so underlying drivers are understood to ensure the program does no harm, reduces the triggers of conflict, and is equipped to adapt to different security scenarios
- > affordability of governance—implications for recurrent costs of current and planned institutions
- > updated gender analysis and preparation of a gender plan (identifying gender results expected in each program and modifying implementation plans to achieve them).

The program relies on key multilateral partnerships, particularly with the World Bank, to deliver many of its intended outcomes, but there have been significant delays. Lessons should be learned from this to **ensure approaches are more realistic**, particularly in the assessment of counterpart capacity and the implications of this for timing. In 2009, the program will pay more attention to the design of multi-donor programs and shift engagement from discussions about management and implementation progress to participation in supervision missions and policy discussions. An important element in future collaborations will be the willingness of multilateral partners to provide adequate Dili-based leadership.

The quality of the program's performance information is poor. In 2009, the program will **build capacity to report on and manage performance** in two ways. It will develop and establish a performance framework as part of the development process for the country strategy. It will also use the expertise developed in AusAID's Indonesia and East Timor branch in Canberra to build individual skills in performance reporting and management.

Australia is mentoring the GoTL as it undertakes an OECD-led exercise in monitoring application by donors of *The Principles for International Engagement in Fragile States and Situations*. As AusAID streamlines the program to reflect new country strategy priorities the Agency will **undertake a careful assessment of the program against Paris, Accra and Fragile States standards**.

Analysis in 2008 showed the **damage that can be caused when developing programs create parallel management arrangements**. The recent ODE review of the water and sanitation sector, for example, suggests that in fragile states AusAID should adopt a strategy to move from project modalities to the use of country systems to improve sustainability. If parallel assistance is provided, it must have strong government ownership and be executed to reinforce the legitimacy of the state. Where it is not appropriate to use country systems, AusAID will use shadow alignment techniques so the activities and initiatives can be adopted by the GoTL and incorporated into its management with minimum transaction costs.

There are few good examples of technical assistance working to build local capacity in Timor-Leste. As a result, the program will look at **developing a more effective model to support the building of capacity of Timorese institutions**. At the same time, AusAID will investigate opportunities to scale back on non-essential technical assistance, which has become a high-cost way of doing business in the country. The Agency needs, therefore, to push back more frequently when approached by Ministers for ad hoc technical assistance which does not contribute to national priorities.

AusAID also needs to **more strategically engage advisers and contractors**.

Agency advisers and contractors are deeply engaged with counterparts on key policy and developmental issues and need to use their knowledge and experience more effectively to guide strategic thinking, decision making and reporting. This could also potentially improve efficiency and effectiveness.

An element of the program under-developed to date is the **promotion of government accountability to citizens**. This would ideally include social-accountability mechanisms in service-delivery activities. To the same end, AusAID must work with NGOs to link with and reinforce government's role and accountability for service delivery.

Finally, AusAID needs to **update its Public Diplomacy program** and integrate it with the Department of Foreign Affairs and Trade's own plan. The emphasis of communications in the first instance will be to ensure that the GoTL, the opposition, other donors, and visiting Australians are aware of the scope, scale and achievements of Australia's aid program. AusAID will also pay attention to branding aid activities while ensuring that GoTL ownership and accountability is not undermined.

Expectations over the next 12 months

Objectives	Time frame/responsibility
Establish and institutionalise a new country strategy in partnership with the GoTL	Draft by end of second quarter Final by end third quarter 2009
Identify (as part of developing the country strategy) the areas in which the program may either scale back or terminate activities	Mid-2009
Reduce the number of initiatives	Commence mid-2009
Clarify management responsibilities between Desk and Post	Mid-2009
Review the quality and practice of program policy dialogue, including through technical assistance	Third quarter 2009
Strengthen deep knowledge of key-sector and cross-sector areas	Four reviews undertaken in 2009
Strengthen understanding of how capacity building can work in Timor-Leste	End 2009
Strengthen policy dialogue capacity	End 2009
Improve management of principal partnerships	Third quarter 2009
Strengthen performance orientation	End 2009
Plan to strengthen public relations	August 2009

Evaluations and reviews planned over the next 12 months

Planned evaluations	Time frame/responsibility
Project Cycle Evaluation of the UNDP Strengthening Parliamentary Democracy in Timor-Leste	September 2009
Review of HSSP-SP	Mid-2009
Review of technical assistance	End 2009
Drivers of conflict analysis	End 2009
Gender analysis	End 2009
Economic analysis	End 2009

Acronyms

ADS	Australian Development Scholarships
AFP	Australian Federal Police
ATLASS	Australia – Timor-Leste Program of Assistance for Specialist Services
EID	Emerging Infectious Diseases
EPF	Emerging Priorities Fund
ESSP	Education Sector Support Program
GoTL	Government of Timor-Leste
HSSP-SP	Health Sector Strategy Plan–Support Program
IDP	internally displaced persons
ILO	International Labour Organisation
IMF	International Monetary Fund
IOM	International Organisation for Migration
JSSF	Justice Sector Support Facility
MDG	Millennium Development Goals
M&E	monitoring and evaluation
NGO	Non-Government Organisation
ODE	Office of Development Effectiveness
OECD	Organisation for Economic Co-operation and Development
PFMCDP	Public Financial Management Capacity Development Program
PNTL	National Police Force (Policia Nacional de Timor-Leste)
PSCDP	Public Sector Capacity Development
QAI	quality at implementation
RWSSP	Rural Water Supply and Sanitation Program
SWAps	sector-wide approaches
SOL	Seeds of Life
STAE	Secretariado Tecnico Administracao Eleitoral
TLPDP	Timor-Leste Police Development Program
UNDP	United Nations Development Programme