

Partnership to Strengthen Village Development and Municipal Administration

Final draft

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Disclaimer

This Mid-term Review (MTR) was undertaken by Greg Ellis and Graham Teskey (Co-Team Leaders), Anne Lockley (GEDSI specialist), Alberto Correia (Governance and Community Development specialist), and Geordie Fung (Monitoring and Evaluation specialist). The views expressed in this report are those of the review team and do not necessarily reflect those of the Government of Timor-Leste, the Australian Government, Department of Foreign Affairs and Trade (DFAT) or Abt Global.

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Acronyms and Abbreviations

AIMR	Annual Investment Monitoring Report
BESIK	Rural Water Supply and Sanitation Program (former Australian-funded program)
CBDRM	Community Based Disaster Risk Management
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CSO	Civil Society Organisation
DFAT	Department of Foreign Affairs and Trade
DPP	DFAT Timor-Leste Development Partnership Plan
EOIO	End of Investment Outcome
EU	European Union
EVAWC	Ending violence against women and children
FRC	Fibre-Reinforced Concrete (road)
GEDSI	Gender equality, disability, and social inclusion
GMF	Facility Management Group (for water systems)
GoA	Government of Australia
GoTL	Government of Timor-Leste
IDD	Investment Design Document
IO	Intermediate Outcome
KEQ	Key evaluation question
KII	Key Informant Interview
LADV	Law Against Domestic Violence
LGA	Local Governance Adviser
M&E	Monitoring and Evaluation
MERLA	Monitoring, Evaluation, Research, Learning and Accountability
MoSA	Ministry of State Administration (Timor-Leste)
MTR	Mid-Term Review
NAP	National Action Plan
NDC	Nationally Determined Contribution
NGO	Non-Government Organisation
OPD	Organisations of People with Disabilities
PARTISIPA	Partnership to Strengthen Village Development and Municipal Administration
PHD	Partnership for Human Development
PNDS	National Program for Village Development (GoTL program)
PNDS-SP	National Program for Village Development – Support Program (former Australian-funded program)
PROSIVU	Partnership for Inclusive Prosperity (Australian-funded program)
RAEOA	Special Administrative Region Oecusse-Ambeno
R&D	Research and Development
R4D-SP	Roads for Development – Support Program (former Australian-funded program))
RRMPIS	Rural Roads Master Plan and Investment Strategy
SDG	Sustainable Development Goal
SDP	Strategic Development Plan
SMASA	Municipal Service for Water, Sanitation and Environment
SOP	Standard Operating Procedures
ToC	Theory of Change
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change

Executive Summary and Recommendations

PARTISIPA ('the Program') is a ten-year initiative over two phases, 2021–2031, with an initial budget of AUD59,442,000 for phase 1, 2021–2026. The program focuses on enhancing village access to infrastructure and services, and has four components: PNDS support, sub-national governance strengthening, operations and maintenance, and sub-national roads. The central aim is to strengthen administrative systems and build government staff capacity at national and sub-national levels to improve the delivery of infrastructure and services to rural communities.

This Mid-Term Review (MTR) team assessed the strategic balance, effectiveness, relevance, efficiency, cross-cutting issues and sustainability of Phase 1 activities. The review provides guidance for refining a Phase 2 investment (July 2026 - June 2031, still to be approved) by reflecting on lessons learned to date, examining program alignments with anticipated Timor-Leste and Australian Government priorities, and evaluating PARTISIPA's delivery approaches to ensure that they remain appropriate.

Effectiveness and progress

The review found that PARTISIPA has made positive contributions to policy development and decision-making, transitioning smoothly from the previous PNDS-SP program. It has effectively supported municipal planning, clarified roles in rural water management, and introduced innovations in rural road management. Flexibility and evidence-based practices underpin its adaptability, particularly in response to external disruptions like COVID-19 and the 2021 Dili Floods.

New partner relationships following the change of government in 2023 point to the need for a clearer and more joined-up engagement approach by the Australian Embassy and PARTISIPA. This will help minimise the risk that future crises or events (such as elections) destabilise program operations.

Relevance and Sustainability

PARTISIPA objectives align well with the Government of Timor-Leste's (GoTL) priorities in decentralisation, infrastructure, and rural development. Potentially severe fiscal contraction in the medium term coupled with a political preference for extending rather than maintaining its current extensive road network presents challenges for a roads investment program that relies heavily on a sustained GoTL commitment to funding.

The Program's adaptability to changing government priorities, its ability to engage with senior officials to support sound policy development, and address challenges in inter-government communications are critical for its continued relevance. There are three further threats to PARTISIPA's sustainability: (i) changes in government policy; (ii) staff turnover; and (iii) potentially - an increasingly constrained fiscal environment.

Gender equality, disability inclusion and climate change:

Development of PARTISIPA's GEDSI strategy and increased resourcing have significantly increased attention to GEDSI within PARTISIPA. In an environment where there is often some distance between government rhetoric and implementation reality, the program's strategy of testing approaches with different functions and levels of government is sensible. PARTISIPA has worked to build understanding of GEDSI and nurture government commitments across a range of actors, but these efforts are negatively impacted by government staff turnover and weak accountability mechanisms. Prioritising investment in the capability of PARTISIPA staff, particularly at the sub-national level, ensures consistent attention and support through periods of instability. The Review supports increased gender equality and disability inclusion focus on municipal planning and decision making. This will need to be sensitive to the risk that it may be seen as an externally promoted agenda and thus accorded a lower priority. Different framing will be required for different stakeholders.

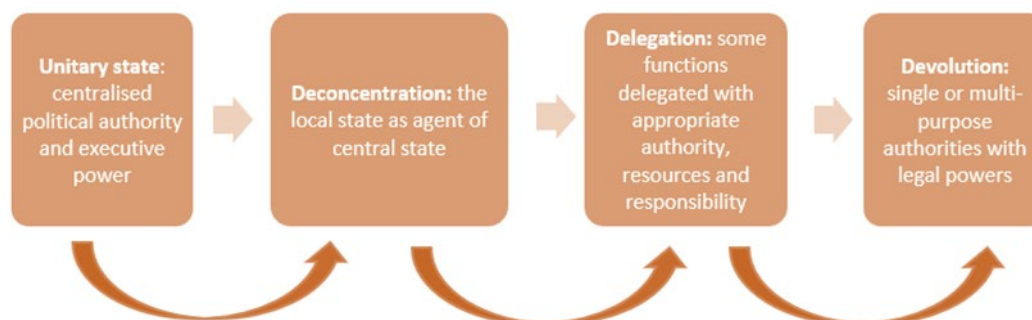
PARTISIPA's integration of climate change has focussed on resilience – ensuring the design and operations and maintenance systems for community infrastructure account for climate change to maximise the longevity of rural investment. As climate adaptation becomes more urgent, PARTISIPA should extend its focus to helping government apply climate data to inform planning, decision making and implementation to

minimise the threat that extreme climate events will pose to the efficacy and sustainability of infrastructure and services.

Recommendations for Phase 2

The review team affirms the centrality of sub-national administrative strengthening objectives. The team recommends that the program give more thought to how best to support sub-national administrations as they transition into sub-national governments. This is a major feature of Timor-Leste’s contemporary political economy. Regardless of whether the GoTL acts to deconcentrate, delegate, or devolve mandates (Figure 1), it is one policy priority that is sure to survive and will inform future PARTISIPA operations.

Figure 1 Timor-Leste’s decentralisation policy



DFAT should consider the ongoing sustainability of its investment in roads. While PARTISIPA’s focus on supporting road network management makes sense in terms of rural development priorities, given the government’s current and likely future budget constraints, it is unlikely that Australia will be able to commit the resources needed to have a significant and sustained impact in the sector.

Conclusion

PARTISIPA is the only donor-supported initiative that engages at both national and municipal levels of government in a substantive way. Given that 70% of the population live in rural areas, there is a strong ‘first principles’ case for supporting the delivery of infrastructure and services to the majority of the population. It provides a solid and complementary contribution to Australia’s wider aid investments in support of the goal of a prosperous, resilient and stable Timor-Leste.

PARTISIPA is on track to achieve its EOIOs, though ongoing adaptation and cooperation with the GoTL and other stakeholders in a dynamic environment is necessary. The experience of implementation to date through its investment in a competent network of mostly national advisers, together with the recent strengthening of MERLA and a revised GEDSI strategy, position the program well for an effective second phase.

Table 1 summarises the findings of the review against the six key evaluation questions (KEQs). Figure 2 maps the engagement of PARTISIPA and the levels of government and identifies a range of interrelated programs and processes that inform the delivery of infrastructure and services to rural communities.

Table 1 MTR key findings and recommendations

Key evaluation questions	Key findings (KFs)	Recommendations
1. Strategic balance	<ul style="list-style-type: none"> It is appropriate that PARTISIPA maintains support at the municipal level and provides sufficient (but reduced) support at the national level There is a strong rationale for PARTISIPA’s ongoing support to PNDS to manage policy and implementation risks connected with the decentralisation of PNDS functions 	<p>REC1.1: Maintain support for PNDS to lay the groundwork for municipal capability as functions are increasingly decentralised and reassess the need and scope of Australian support for Phase 2</p> <p>REC1.2 Given the significance of sustainability threats, DFAT and PARTISIPA should transition out</p>

Key evaluation questions	Key findings (KFs)	Recommendations
2. Relevance	<ul style="list-style-type: none"> Municipal strengthening best reflects PARTISIPA’s strategic rationale and rightly constitutes PARTISIPA’s core sector/component The transition of Australian support from R4D-SP to PARTISIPA has been well managed and adopts a more effective approach to rural road management PARTISIPA’s support for rural water is proving effective but is operating at a small scale (10% of PARTISIPA’s component spend) It is appropriate that PARTISIPA prioritise allocation towards positions supporting municipal functions (noting above commentary on municipal strengthening being PARTISIPA’s core focus) but maintain a sufficient engagement in central agencies 	<p>of sub-national roads by the end of Phase 1 of PARTISIPA (this is discussed in full in Annex 3)</p> <p>REC1.3: Extend rural water objectives from community-level water systems to supporting municipal planning and coordination for rural water moving towards climate adaptation planning for water resource management in line with future water resources (see <i>Cross-Cutting Issues</i>)</p> <p>REC1.4: Prior to Phase 2, PARTISIPA should establish long-term visions for each sector/component (sub-national strengthening, PNDS and water) to the end of 2031 (including strategies to exit or phase out support to sectors and to prioritise support for municipal strengthening (see below))</p> <p>REC1.5 PARTISIPA should balance its national and sub-national footprints based on the rate of the rate of decentralisation, municipal demographics, development needs, and municipal capability. This will require a differentiated advisory footprint in each municipality that reflects particular capacity building needs. A continued presence nationally is required to support the maintenance of policy and program alignment at all levels.</p>
	<ul style="list-style-type: none"> PARTISIPA is generally well aligned with both government’s policies and priorities, however, DFAT’s policy position on decentralisation is unclear GoTL’s priorities appear to have shifted from demand for support at the central level to demand for support at the sub-national level 	<p>REC2.1: As decentralisation is a primary objective for the GoTL, PARTISIPA (and DFAT) should clarify how the program is best able to support this policy. This should include reflecting on the ability of the government to decentralise and examining the appropriateness of current delivery modalities for phase 2 should decentralisation efforts accelerate.</p> <p>REC2.2: Maintain sufficient engagement and adviser positions at national level to ensure national policies for decentralisation are understood and that strong feedback loops between the central and sub-national levels are in place</p> <p>REC2.3: Contingent on GoTL and GoA openness for PARTISIPA support for decentralisation, there is a strong rationale for the program to support GoTL to develop plans for how functions will be decentralised given PARTISIPA’s insights working with both national and sub-national government structures</p>
3. Effectiveness	<ul style="list-style-type: none"> There is good evidence of PARTISIPA’s positive contribution to GoTL policies, strategies and decisions, noting that changes in government following the 2023 elections have limited PARTISIPA’s contributions to policy and decision-making with MoSA PARTISIPA has demonstrated strong capability to adapt its activities both to the changing political context as well as external events outside of PARTISIPA’s scope 	<p>REC3.1 DFAT and PARTISIPA (together with the GoTL) should establish a process of joint, structured reflection focusing understanding the status of GoTL decentralisation, appetite for PARTISIPA support from GoTL and establishing a shared understanding of the key indicators that will be used to assess whether EOIOs are met by 2031. This will enable informed decisions to be made regarding Rec 2.2 and 2.3</p>
4. Efficiency	<ul style="list-style-type: none"> All parties (MoSA, DFAT and PARTISIPA) would benefit from more periodic information sharing, including at a technical level, to ensure that PARTISIPA’s activities are aligned with MoSA’s strategic priorities 	<p>REC4.1: DFAT to incentivise further collaboration among the 3Ps including by facilitating debriefing across the 3Ps following their respective GoA-GoTL coordination processes, testing Ministry of Finance</p>

Key evaluation questions

Key findings (KFs)

- PARTISIPA's approach to government systems strengthening is highly appropriate to manage risks to sustainability resulting from systems support, it is well received by GoTL counterparts and aligns well with locally led development principles. The LGA role is arguably the most important role in strengthening municipal administration (as PARTISIPA's core objective), including monitoring and reinforcing GEDSI accountabilities
- There is limited decentralisation expertise in both PARTISIPA and the Australian Embassy
- Expenditure on MERLA in Phase 1 prior to 2024 represented poor value for money and was not well supported by the contractual arrangements
- PARTISIPA is heavily reliant on a single modality: advisory support

Recommendations

appetite for PROSIVU working with them to support municipal PFM and establishing joint objectives for each of PARTISIPA, PROSIVU and PHD coupled to milestone payments in program contracts from 2026 onwards. DFAT should consider commissioning analytical work across programs to inform this collaboration effort.

REC4.2: DFAT and PARTISIPA should work together to ensure that PARTISIPA's headline communications are clear for both GoTL counterparts and others within the Australian Embassy as well as consistently linking achievements in areas like policy development and coordination with the expected development impact identified

REC4.3: DFAT should take steps to procure decentralisation advice directly for Embassy staff. This would strengthen the Embassy's capability to lead policy dialogue with GoTL on decentralisation issues as well as provide clearer strategic guidance to PARTISIPA

REC4.4: Integrate GEDSI responsibilities into current MoSA adviser TORs and ensure GEDSI expectations are clear in sub-national staff ToRs, work plans, indicators and reporting. Maintain a roving GEDSI capability at the national level to support sub-national staff in these functions

REC4.5: DFAT to review its tender assessment processes more clearly to identify the potential risk that sub-contracted M&E may pose to the development and delivery of effective systems and processes after mobilisation

REC4.6: PARTISIPA to explore CSO partnerships as an additional modality in Phase 2 and consider the benefits and viability of direct financing mechanisms towards the end of Phase 1

REC4.7: PARTISIPA should continue to develop its policies on the use of AI, noting that demand for support in the integration of AI tools in government functions will likely increase throughout the remainder of PARTISIPA's implementation

5. Cross-cutting (gender, disability and climate change)

- There are observable results against three key pathways for benefits to accrue to women and people with disabilities: (1) benefits from improved infrastructure, and (2) improved employment and economic development. A third pathway (GEDSI-responsive governance) has more potential for broader impact but is less of a focus in the current PARTISIPA Theory of Change and is not well embedded in government decentralisation objectives
- PARTISIPA's contributions to the rural water sector, including its support for clarifying mandates, data collection (particularly in Bobonaro) and support to SMASA in establishing and maintaining local Facility Management Groups (GMFs) to maintain PNDS water assets in

REC5.1: PARTISIPA to ensure attention to differentiated benefits accrued (or not) by women, girls and people with disabilities in MERLA, particularly the planned village perception and access to infrastructure and services survey

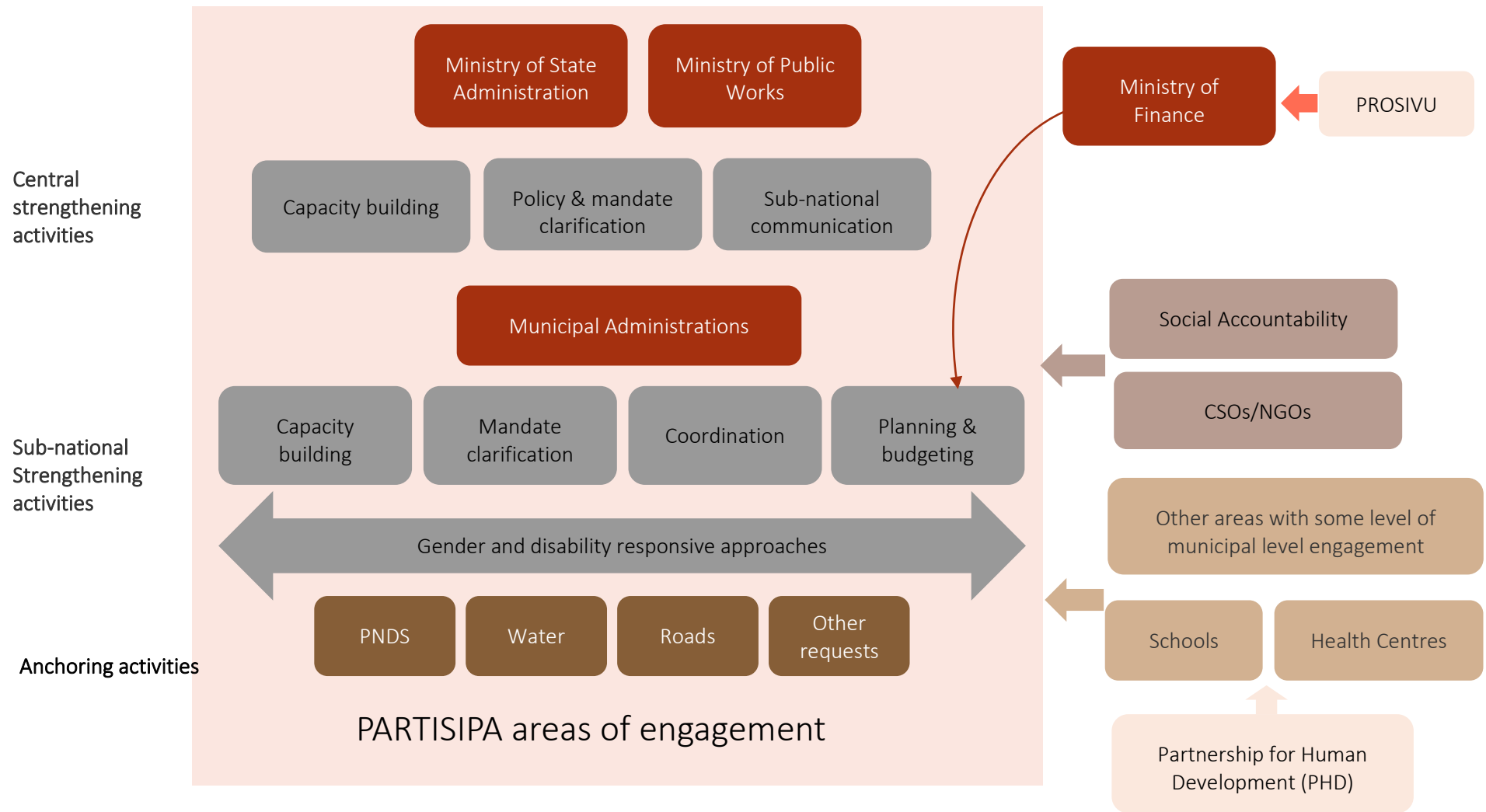
REC5.2: PARTISIPA work with MOPW to develop a strategy to move towards the 30% employment target in infrastructure projects

REC5.3: PARTISIPA to step up work to broaden the disability equity focus, including facilitating wider attention to preconditions for inclusion in municipal planning and budgeting processes

REC5.4: Shift the conceptualisation of diverse participation in infrastructure planning and

Key evaluation questions	Key findings (KFs)	Recommendations
	<p>local communities all contribute to limited improved water security at a local level.</p> <ul style="list-style-type: none"> • Testing GEDSI strategies at different levels makes sense, and this will need to land as a politically informed, focused strategy with embedded accountabilities going forward. • PARTISIPA’s approach to climate change resilience (reflected through its strategy) is well considered and appropriate for the scope of the current program • Looking forward to phase II, DFAT and PARTISIPA can improve performance on GEDSI with a more detailed GEDSI theory of change that spotlights attention on municipal planning and decision making on the allocation of resources to address key gender gaps and opportunities, or to provide the preconditions for disability inclusion 	<p>decision-making and accessible design features from ‘GEDSI’ to a critical component of user-appropriate and therefore quality infrastructure. Place the accountability for action on this with the infrastructure technical personnel, rather than the GEDSI team</p> <p>RECS.5: The design and subsequent GEDSI strategy (2026 onwards) to be cast with an explicit intent to centre action on gender equality and disability inclusion in municipal strengthening and municipal governance, expected to include increasing access to and use of data and analysis to inform priorities, greater specificity in gender and disability activities and outcomes (rather than less specific ‘GEDSI’), inclusive leadership, and accountability mechanisms</p> <p>RECS.6: PARTISIPA to increase its ambition in climate change for rural water to transition to support for climate modelling and adaptation planning in relation to water management (Figure 4).</p> <p>RECS.7: DFAT to determine how its Climate Resilient Communities program could support PARTISIPA climate objectives, particularly in rural water.</p>
6. Sustainability	<ul style="list-style-type: none"> • The change of government created strained relationships. Recent efforts by the Embassy and PARTISIPA to reengage with senior government officials provide the foundations for renegotiating the roles of nationally embedded advisers to maximise their benefit to both central administrations and officials at the municipal level • The potential progression of the decentralisation agenda and proposed municipal elections will have an expansionary and possibly destabilising impact on the role of sub-national government 	<p>REC6.1: PARTISIPA and the Embassy to establish a planning process to identify and plan for events that may affect seamless program implementation, such as elections, policy shifts, economic/social disruption etc. and to clarify roles and responsibilities for risk management and associated partner government engagement.</p> <p>REC6.2: PARTISIPA to ensure that its support helps establish the stable foundations needed for effective administration, management and infrastructure and service delivery at the municipal level. See also RECs 2.1 and 4.3</p> <p>REC6.3: DFAT and PARTISIPA should anticipate an increasing demand from municipalities for a wider range of technical skills. As decentralisation proceeds, it will be important to agree what will be within and beyond PARTISIPA’s scope. DFAT support for municipal revenue raising (either through PARTISIPA, PROSIVU or links to other development partners) should be clarified. The MTR team would recommend that PROSIVU is best placed to provide this support to ensure alignment with national practices.</p>

Figure 2 A framework for understanding PARTISIPA



1 Background to the Review

1.1 The PARTISIPA program

PARTISIPA ('the Program') is a ten-year initiative over two phases, 2021–2031, with an initial budget of AUD 59,442,000 for phase 1, 2021–2026. Phase 2, if approved, will run from July 2026 to June 2031. The program focuses on strengthening core administrative systems and building the skills of government staff to deliver village infrastructure and basic services and delivers technical advice and support to national and sub-national government agencies in four components:

- **Component 1** - PNDS Support
- **Component 2** - Sub-national governance strengthening
- **Component 3** - Operations and Maintenance, and
- **Component 4** - Sub-national roads.

PARTISIPA has one objective and three EOIOs. The Theory of Change (ToC) articulates the causal links between six immediate outcomes, eight intermediate outcomes (IOs) and how these contribute to the EOIOs.¹

Program Objective: Improved village access to appropriate infrastructure and services by 2031

- **EOIO 1:** Infrastructure and services needs of villages are better addressed by national government (IO1, IO2, IO3, IO4 and IO8 contribute to this)
- **EOIO 2:** Sub-national governments better deliver their mandated infrastructure and services to villages (IO1, IO5, IO6, IO7 and IO8 contribute to this)
- **EOIO 3:** National and Sub-National governments manage sub-national roads more effectively and efficiently, resulting in sustainable improved connectivity. (All IOs 1-8 contribute to this).

PARTISIPA also provides technical support alongside Australia's direct budget support (AUD27 million from 2020 to date) to the National Program for Village Development (PNDS).

1.2 Review purpose and methodology

The Review considers *what* PARTISIPA should be doing (areas of support), and *how* PARTISIPA should be working (its structure and ways of working). The recommendations arising from the MTR will inform Phase 2 of PARTISIPA, should it be approved. The Terms of Reference (TOR) for the MTR are attached at Annex 1.

The MTR responds to six key evaluation questions (KEQs):

- Strategic Balance
- Relevance
- Effectiveness
- Efficiency
- Cross-cutting issues (gender, disability and climate change)
- Sustainability.

1.2.1 Primary audience

The primary users of this Review Report will DFAT (the Australian Embassy in Dili and the Timor-Leste Branch in Canberra), the Government of Timor-Leste and the program team (the PARTISIPA implementation team and the managing contractor).

¹ Additional information can be found in documents on PARTISIPA located on the DFAT [website](#).

1.2.2 Secondary audiences

- **Other Dili stakeholders' as appropriate:** to inform ongoing management, learning, and adaptation to be used as evidence in improving approaches and strategies, and systems for monitoring, MTR, and reporting.
- **DFAT Canberra:** To inform Australian programming and engagement in Timor-Leste and other similar contexts and to communicate Australia's impact.
- **Program implementation partners:** To reinforce approaches for effective implementation and ensure a shared understanding of program objectives.
- **Other development actors in Timor-Leste:** To provide insights to better understand the nature, effectiveness, and model of DFAT's development approach, to harmonise and coordinate with the efforts of other international donors and stakeholders.

1.2.3 Process

The review was undertaken as follows:

- Pre-departure briefs from the Australian Embassy in Timor-Leste
- Desk-based document review (see Annex 8 for documents reviewed)
- In-person meetings with stakeholders in Timor-Leste (Annex 9)
- Presentation of the Aide Memoire to Embassy staff on Thursday 14 November 2024
- Preparation of the first draft of the report
- Revision and drafting of the final report after comments received from Dili Post.

1.2.4 Limitations

The in-country review was conducted over a period of two weeks. A number of limitations should be noted:

- Australia's Direct Budget Support managed by PARTISIPA was not evaluated, as it has been completed to the satisfaction of DFAT and will not feature in Phase 2.
- PARTISIPA's MERLA system has only been generating data for 6 months (due to a significant rebuild) making analysis of outcome changes limited at this point.
- Delays in securing agreement from the Ministry of State Administration (MoSA; PARTISIPA's key counterpart ministry) to meet with departmental counterparts limited the range and depth of discussions.
- Opportunities to triangulate performance information or review organisational structure and adviser ToRs has been limited and relies heavily on KIIs.

2 Operating context

Over 70% of Timor-Leste's population live in rural areas.² Timor-Leste's governance environment servicing this population is complex and faces substantial challenges in policy coherence, clarity of organisational mandates, resourcing, and capability. The government operates at five levels – highly complex for a small country: national, municipal, administrative posts, *sukus*, and *aldeias*). GoTL's decentralisation agenda, reflected in Decree-Law No. 3/2016, of March 16 on the Statute of Municipal Authorities and the Interministerial Technical Group for Administrative Decentralisation, is designed to bring government services closer to rural areas. However, the scope and pace of decentralisation is ever changing and unclear. Government functions and services are almost funded exclusively through oil and gas revenues captured in its Petroleum Fund. The World Bank's 2022 Economic Report found the Petroleum Fund will be depleted in less than a decade on current spending.

PARTISIPA as a program evolved from the Australian-funded PNDS Support Program (2013–2021). PNDS had a narrow focus on supporting GoTL's village development program, delivering community infrastructure, largely small-scale roads, water systems, and irrigation. Reflecting the range of agencies involved in rural

² 71.4% of Timor-Leste's population was rural as calculated in the [census](#) in 2022,

development, PARTISIPA has expanded beyond PNDS - supporting strengthening municipal governance and rural water and from 2023, rural roads. Phase 1 of program implementation has been marked by its transition from PNDS-SP, the crises of COVID-19 and the Dili Floods (April 2021), parliamentary elections (May 2023), and the resulting formation of the IX Constitutional Government.

3 Review findings and recommendations

3.1 KEQ 1: Strategic balance

(a) To what extent is PARTISIPA balance right in terms of sector focus?

PARTISIPA works in four sectors:³ community development (through PNDS; accounting for approximately 40% of program spend), municipal administration (30%), sub-national roads (20%) and rural water (10%). At this stage of implementation, PARTISIPA should seek to rationalise its sectoral spread to focus on areas with the greatest potential developmental impact.

GoA has supported GoTL's PNDS for more than a decade through the PNDS-Support Program (2012–2021) and PARTISIPA. PNDS delivers small-scale village infrastructure (largely roads, water systems, and irrigation) ranging from USD40,000-70,000, chosen, planned and implemented by communities through inclusive decision-making processes. Support to PNDS represents PARTISIPA's largest sectoral budget allocation and is currently oriented to the municipal level rather than to the PNDS Secretariat at the national level. As GoTL plans to decentralise PNDS functions to municipalities, responsibility for PNDS operations and budgets will move to municipalities, with little pre-existing experience managing these functions. It is clear too, that municipal administrations see PNDS as just one (albeit major) of a number of implementation vehicles for rural development.

Finding: It is important that PARTISIPA maintains (reduced) support to PNDS at the national level to support the maintenance of policy and program alignment. The Program should monitor closely government decisions in relation to decentralisation and other policies and program actions that impact rural development and ensure that PARTISIPA can support transitions given the complexities of decentralising administrative and budget functions and the important role PNDS continues to play in community development.

Finding: There is a strong rationale for PARTISIPA's ongoing support to PNDS to address wider decisions policy and implementation risks connected with the decentralisation of PNDS functions.

REC1.1: Maintain support for PNDS to lay the groundwork for municipal capability when functions are decentralised and reassess the need and scope of Australian support for any Phase 2.

PARTISIPA provides a range of advisers to strengthen municipal administration, including general advisers (Local Governance Advisers (LGAs) and finance advisers) and specialists (engineers, community development advisers and water officers). The support of LGAs and finance advisers has already proven valuable in improving the quality of municipal administration (see *Effectiveness*). PARTISIPA's activities will become further critical in laying the groundwork for strengthened municipal operations if and when further GoTL functions are decentralised and has the strongest potential for advancing gender equality and disability inclusion. Strengthening of municipal administration lies at the core of PARTISIPA's EOIOs.

Finding: Municipal strengthening best reflects PARTISIPA's strategic rationale and rightly constitutes PARTISIPA's core sector/component.

In 2023, PARTISIPA inherited support for the sub-national roads program. This followed the discontinuation of the Australian-funded, International Labour Organisation implemented, Roads for Development - Support Program (R4D-SP). PARTISIPA has successfully transitioned from a largely labour-based, job creation

³ Note that these sectors follow PARTISIPA's component structure but rephrased for clarity.

approach to rural road network management including the piloting of Fibre-Reinforced Concrete (FRC) roads. Despite this transition in approach, rural road network management is constrained by two critical factors: the political incentive to build new roads rather than maintaining or repairing existing ones and Timor-Leste looming fiscal squeeze.

Finding: The transition of Australian support from R4D-SP to PARTISIPA has been well managed and adopts a more effective approach to rural road management.

REC1.2 Given the modest size of the available budget and geographically limited impact, the MTR recommends that DFAT and PARTISIPA transition out of sub-national roads by the end of Phase 1. This is discussed in full in Annex 3. Table 2 presents the case for and against withdrawal. The MTR team recommends withdrawal.

Table 2 The case for and against remaining in the roads sector

For	Against
<ul style="list-style-type: none"> • Critical Infrastructure for Access and Services: Roads are essential for access • Addressing Systemic Challenges: The PARTISIPA program directly tackles institutional weaknesses • Strategic Contributions to Resilience and Sustainability: Initiatives like Fibre-Reinforced Concrete (FRC) technology strengthen long-term resilience • Alignment with GoTL Priorities: Supporting sub-national roads aligns with GoTL strategic goals • Risk of Undermining Progress: Premature withdrawal could risk losing progress made to date 	<ul style="list-style-type: none"> • Limited Fiscal Resources: Timor-Leste faces a fiscal squeeze • Unfunded Maintenance Gap: Sub-national road networks already suffer from chronic underfunding • Political Misalignment: The political incentive to construct new roads rather than maintaining existing ones reduces the sustainability and efficiency of current investments • Required Investments are Substantial: Improving sub-national road management will require substantial up-front investment (FRC is costed at roughly USD250,000 per kilometre). • It is unlikely that there will be new funds available for roads operations and maintenance in the coming decade. • Reallocation to Higher-Impact Areas: channel resources toward sectors less constrained by political and fiscal dynamics

Having bounced around programs in recent years – from BESIK to PHD to now PARTISIPA – Australia’s support to rural water has lacked consistency of vision. PARTISIPA’s rural water activities seek to clarify mandates among actors at the national level and support Municipal Service for Water, Sanitation, and Environment (SMASA) to establish and maintain Facility Management Groups (GMFs) to manage water systems delivered through PNDS. PARTISIPA has also begun supporting municipalities to collect data on water resources and system functionality. Addressing these higher order issues of water resource management and impacts of climate change, will require further strategic guidance from DFAT and resourcing from PARTISIPA.

Finding: PARTISIPA’s support for rural water is proving effective but is operating at a small scale (10% of PARTISIPA’s component spend).

REC1.3 Extend rural water objectives from community-level water systems to supporting municipal planning and coordination for rural water moving towards climate adaption planning for water resource management in line with future water resources (see *Cross-Cutting Issues*).

REC1.4 Prior to Phase 2, PARTISIPA should establish long-term visions for each sector/component (sub-national strengthening, PNDS and water) to the end of 2031 (including strategies to exit or phase out support to sectors and to prioritise support for municipal strengthening. This should include statements of what success should look like in each area and identify strategies to exit or phase down sector-specific support to prioritise support for municipal strengthening (see below).

(b) To what extent is PARTISIPA balance right in terms of national versus sub national focus?

PARTISIPA straddles support to the national government - informing national policy, strengthening coordination, and clarifying mandates – and municipal government, in order to strengthen implementation of national policies. Its expenditure at the national level is roughly 60%, which covers two sets of national

advisers: (1) advisers directly embedded with national government (seven positions) and (2) roving advisers that support both national advisers and PARTISIPA's municipality teams (42 positions). This leaves 40% of expenditure covering municipal-based advisers.

Throughout Phase 1, PARTISIPA has increasingly transitioned its expenditure to municipal support and municipal-based positions. At the municipal level, the program provides 'one-size-fits-all' support with six technical advisers in each municipality (except for Dili, Atauro, and RAEOA). As the decentralisation of government functions will likely progress at different rates (depending on which municipalities meet 'minimum requirements'; see Annex 6), the needs of municipalities will become increasingly differentiated. At an early stage of decentralisation, the effectiveness of municipalities will be determined by the relative functionality of the national government. As decentralisation advances, it is anticipated that some capability within municipalities will be sustained even with less support from the central level. A key limitation of this capability will be financing municipal functions, which this MTR assesses are unlikely to be generated through municipalities themselves (despite being able to directly partner with other agencies or countries for financial support).

Finding: As requested by government, it is appropriate that PARTISIPA prioritise resource allocation towards positions supporting municipal functions (noting above commentary on municipal strengthening being PARTISIPA's core focus). However ongoing uncertainties around the extent and direction of the decentralisation agenda coupled with the challenges associated with effecting change at the sub-national level will require PARTISIPA to maintain a sufficient presence in central agencies to ensure the program can understand national policy, contribute to coherence, and strengthen national-sub-national communication and feedback loops. PARTISIPA's current balance between national and sub-national is appropriate.

REC1.5 PARTISIPA should balance its national and sub-national footprints based on the rate of decentralisation, municipal demographics, development needs, and municipal capability. This will require a differentiated footprint in each municipality. A continued presence nationally is required.

The MTR team would recommend that a continued presence at national level is critical in order to best understand and positively contribute to the decentralisation agenda. Given the political sensitivities regarding advisers 'in policy positions', DFAT is encouraged to develop a view regarding the appropriate areas of support for MoSA in the long-term. The MTR team would prioritise a focus on the GoTL's decentralisation policy and planning, PFM, and a role that facilitates feedback loops between national / sub-national administrations. It will also be important to translate (Portuguese) laws and mandates into guidance that can be understood by those working at municipality level (through working with MoSA legal advisers but not actually providing legal advice themselves).

See Annex 3 for further elaboration against KEQs.

3.2 KEQ 2: Relevance

How relevant and appropriate are: each of the four components of PARTISIPA; and PARTISIPA's learning and adaptive management approaches, in informing what areas the program should support, and its sustainability?

- (a) **How relevant are PARTISIPA's components with respect to: the priorities of Timor-Leste IX Government; Australia's new International Development Policy; The Australia-Timor-Leste Development Partnership Plan (DPP) (draft)?**

The *Program of the IX Constitutional Government* sets out priorities in decentralisation, road network management, water and rural development, all of which PARTISIPA's activities are well aligned. PNDS is not strongly reflected in GoTL's current program.

PARTISIPA aligns closely with Australia’s International Development Policy objective to support partners to build effective, accountable states that drive their own development and enhance state and community resilience to external pressures and shocks.⁴

PARTISIPA’s strategic rationale is well aligned with DFAT’s Timor-Leste Development Partnership Plan (DPP) goal of a ‘peaceful, stable, prosperous, and resilient Timor-Leste’ – by bringing the delivery of government services closer to rural communities.

DFAT recognises that decentralisation is a major policy priority of the GoTL, and PARTISIPA is one of the main Australian-funded programs supporting this objective. Other donors are also active here, notably UNDP. While the MTR team did not have a chance to meet with UNDP, the team understands that UNDP support is unlikely to be ‘comprehensive’. Clearly PARTISIPA staff will need to continue to engage with UNDP colleagues to avoid duplication.

Gender equality, disability inclusion and climate change are well reflected in both government’s priorities, but they have limited traction and prominence in the debate on decentralisation in principle or in practice. There is a disconnect between the rhetoric around the importance of gender equality and disability inclusion and the reality of implementation. This is evidenced by the underfunding of key GoTL strategies – the National Action Plan on Disability, Gender-Based Violence, and Women, Peace and Security, and the previous Maubisse Declarations, and the movement of staff engaged in capability building activities. There is work underway to address this, such as through gender and disability budget markers and costing of the Maubisse Declaration III, supported by PROSIVU with inputs from PARTISIPA.

Finding: PARTISIPA is generally well aligned with both government’s policies and priorities, however, the extent of DFAT’s commitment to decentralisation is unclear. Timor-Leste is a small country with five levels of administration, and PARTISIPA has a significant role to play in ensuring the system is as efficient and effective as possible.

REC2.1: As decentralisation is a primary objective for the GoTL, PARTISIPA (and DFAT) should clarify how the program is best able to support this policy. This should include reflecting on the ability of the government to decentralise and examining the appropriateness of current delivery modalities for phase 2 should decentralisation efforts accelerate.

(b) How have GoTL priority changes, and its buy-in and support for PARTISIPA components been reflected in ongoing relevance of/ changes in PARTISIPA programming?

GoTL’s priorities for DFAT support to PNDS has moved from the national level (through the PNDS Secretariat) to PNDS implementation at the municipal level. This is appropriate if PNDS administration and budget management is devolved to municipalities. However, it will be important for PARTISIPA to maintain sufficient engagement at the central level to ensure national policies for PNDS decentralisation are understood and there are strong feedback loops between the central and sub-national levels.

Other GoTL priority changes can be seen in the establishment of different organisational mandates in both sub-national roads and rural water at both the national and municipal level. PARTISIPA’s programming has been adaptive in working with counterparts to clarify mandates and improve coordination on roles and responsibilities in these sectors at both government levels.

The *Program of the IX Constitutional Government* explicitly commits to implementing the Maubisse Declaration. PARTISIPA’s approach of anchoring GEDSI to this and the Disability National Action Plan is important, particularly when gender equality and disability inclusion are still considered by some to be externally pushed agendas.

Finding: GoTL’s priorities appear to have shifted from demand for support at the central level to demand for support at the sub-national level.

4 Australia’s International Development Policy - for a peaceful, stable, and prosperous Indo-Pacific, August 2023

REC2.2: Maintain sufficient engagement at the national level to ensure national policies for decentralisation are understood at the sub-national level. Ensure that there are strong feedback loops between central and sub-national levels. ToRs for PARTISIPA national embedded advisers should reflect these priorities.

REC2.3: There is a strong rationale for PARTISIPA to support GoTL in developing plans for how and when functions could be decentralised. Given PARTISIPA's insights and experience to date in working with both national and sub-national government structures, the program is well placed to provide reliable and evidence-based technical advice. This could include a focus on 'de-risking' and 'deconflicting' decentralisation by providing clear communications and guidance on decentralisation mandates. Guidance could draw from the decentralisation experiences in other developing countries and cover a range of issues including exploring the decentralisation spectrum⁵, the municipal governance capability requirements, maintaining equity of investment across municipalities, coordination among municipalities, and accountability systems to mitigate corruption.

3.3 KEQ 3: EFFECTIVENESS

How effective has PARTISIPA been in its performance and progress towards achieving immediate and intermediate outcomes, and indications that the program is on the appropriate pathways to EOIOs, during the initial phase (2021–26)?

(a) To what extent has PARTISIPA contributed to policy, strategies and decisions?

PARTISIPA has made effective contributions to GoTL policies, strategies and decision-making processes. Key highlights include:

- **Policy and legislative support:** the transition from PNDS-SP to PARTISIPA occurred with minimal disruption, demonstrating the program's effectiveness in maintaining strong relationships and continuity. This has enabled the program to maintain the foundations needed for effective policy and legislative support. Key achievements include facilitating revisions to the PNDS Decree Law and enabling villages to allocate up to 15% of PNDS funding for operations and maintenance of infrastructure. This change has improved the potential sustainability of rural water systems and other local infrastructure as highlighted in PARTISIPA's 2023 Annual Report.
- **Improvements in local government:** PARTISIPA has enhanced municipal-level planning and budgeting systems so that Annual Action Plans (AAPs) align better with delegated competencies. There is evidence of increased public participation, particularly among women and people with disabilities, contributing to the program's goal of promoting inclusive governance. For instance, municipal administrations in Baucau and Laurtem allocated budgetary resources specifically for GEDSI activities in their 2025 AAPs (Progress Report for January-June 2024).
- **Clarifying sectoral mandates:** PARTISIPA has contributed to clarifying roles and responsibilities in rural water management. A 2023 workshop convened by PARTISIPA resulted in clearer mandates for municipal and national authorities, improving collaboration between GoTL institutions with responsibilities for rural water service delivery. Similar work is underway to clarify mandates in sub-national roads.
- **Transitioning support in sub-national roads:** PARTISIPA has demonstrated effectiveness in transitioning its roads support from a labour-based approach (the approach under the former R4D-SP program which was integrated into PARTISIPA in 2023) to a network management approach. Interviews with Ministry of Public Works provided evidence of GoTL understanding and support of this change in approach. A roads network management approach is likely to have more impact on GoTL's roads management planning and policy in the coming years.
- **Tools and information systems:** a planning cycle tool developed for the MoSA has enabled better alignment of AAPs and PNDS planning cycles. Similarly, the new web-based PNDS Management

Information Systems (MIS), developed with PARTISIPA's support, shows some evidence of enhanced data collection and monitoring capabilities.

- **Gender and disability policies:** Input to the Maubisse Declaration and socialisation of GoTL gender and disability policies at the sub-national level. However, GoTL participation, planning, budgeting, and implementation processes where gender and disability can be, and are, deprioritised, skipped, or lack accountability for commitments have inhibited PARTISIPA efforts to promote deeper awareness and proactivity.

Limitations: while PARTISIPA has demonstrated strong contributions to policies, strategies and decision-making processes, the program's contribution is contingent on its relationship with key counterparts, namely MoSA and MoPW. The change in GoTL following the 2023 elections, and reduced technical engagement between MoSA and PARTISIPA, hampered PARTISIPA's contributions to policy and decision-making as the program adjusted its ways of working with the new government. One indicator for this change (beyond PARTISIPA's direct influence) is the change in number of PNDS projects delivered from 595 in 2022 to 157 in 2023. Sustained engagement, joint planning and shared accountability are critical elements to being 'invited in' to contribute to policy, strategies and decision-making processes.

Finding: There is good evidence of PARTISIPA's positive contribution to GoTL policies, strategies and decisions, noting that changes in government following the 2023 elections have limited PARTISIPA's contributions to policy and decision-making with MoSA. Sustained engagement and strategic clarity with new government counterparts will be essential to maintain momentum.

(b) To what extent has PARTISIPA responded to evidence and then flexibly managed its activities accordingly?

There is strong evidence that PARTISIPA has demonstrated adaptability, responding effectively to both planned and unforeseen challenges. PARTISIPA adopts evidence-based practices in its programming, particularly in its work on sub-national roads and rural water. Its new MERLA system is well placed to facilitate learning and reflection that will enable adaptability – particularly in relation to information coming from municipalities relevant to those working at the national level.

Responding to external events outside of PARTISIPA's scope has showcased PARTISIPA's adaptability. The Program, with support from DFAT, should maintain this capability. PARTISIPA played a critical role during COVID-19 in supporting the government's vaccination campaign in municipalities. The program also made an impressive contribution in supporting water supply at evacuation centres in the aftermath of the 2021 April Dili Floods. In April 2024, PARTISIPA also supported water supplies for people attending large events as part of the visit of the Pope. While many of these activities are outside of PARTISIPA's scope, they have resulted in both development gains (particularly COVID-19 and the Floods) as well as improvements to PARTISIPA and GoA's relationships with GoTL counterparts by being seen as a program that will respond quickly and practically to emerging GoTL needs.

The 2023 elections brought challenges such as reduced technical engagement from MoSA and shifts in government priorities. Despite these changes, municipal teams continued to deliver strong field-level progress. For example, there is evidence of municipal presidents increasingly drawing on PARTISIPA's local governance advisers for advice on planning and delivering delegated services and municipal GEDSI focal points were supported to implement action plans that increased participation of women and people with disabilities in governance processes.

Finding: PARTISIPA has demonstrated strong capability to adapt its activities both to the changing political context as well as external events outside of PARTISIPA's scope.

REC3.1 DFAT and PARTISIPA (ideally together with GoTL) should establish a process of joint, structured reflection focusing understanding the status of GoTL decentralisation, appetite for PARTISIPA support from GoTL and establishing a shared understanding of the key indicators that will be used to assess whether EOIOs are met by 2031.

Overall effectiveness and pathways to EOIOs

PARTISIPA’s contributions to GoTL policies, strategies, and on-ground implementation indicate that it is on track to achieve its EOIOs. However, sustained progress will depend on addressing several critical factors:

- **Decentralisation Pace:** The rate of GoTL decentralisation will determine the relevance of systems PARTISIPA seeks to strengthen. For example, the roadmap for municipal public financial management, developed with PARTISIPA’s support, provides a clear framework for decentralisation but requires accelerated implementation.
- **Government Collaboration:** Building and maintaining trust with GoTL counterparts is crucial. The program’s ability to foster collaboration, even amid political transitions, highlights its strategic importance. For instance, national coordination workshops facilitated by PARTISIPA have been effective in aligning municipal and national planning processes. PARTISIPA is well positioned to strengthen coordination between MoSA and relevant line ministries on delegated competencies. If and when health or education competencies are delegated, PARTISIPA should work closely with PHD to strengthen MoSA and line ministry coordination.
- **Shared Indicators:** DFAT and PARTISIPA need to maintain a shared understanding of indicators to assess progress towards EOIOs by 2031. The Immediate Outcome Rubric introduced in 2023 offers a strong foundation for this alignment.

Table 3 synthesises evidence from PARTISIPA’s progress reporting, outcome analysis and KIIs conducted by the review team. Not all claims from PARTISIPA’s reporting have been triangulated.

Table 3 Progress against immediate outcomes

Outcome	Achievements	Challenges
IMO1: Better collaboration across all levels of government about resourcing, needs, roles, and delivery of services at the village level and sub-national roads	<p>Improved Communication: PARTISIPA has facilitated clearer communication between the MoSA and municipal governments through tools like technical notes, Ministerial Instructions, and meetings, leading to a better understanding of delegated competencies and decentralisation processes.</p> <p>Enhanced Resource Allocation: Municipalities now allocate funds more effectively for their programs, exemplified by the 15% earmarking of PNDS grants for O&M (noting current low utilisation of this option at the time of writing)</p> <p>Joint Collaboration: Collaboration between PNDS and SMASA has resulted in 102 functional GMFs for rural water systems, increasing service sustainability.</p>	<p>Inconsistent Coordination: National forums such as the GTIM have not been functioning regularly, limiting feedback and slowing issue resolution.</p> <p>Capacity Gaps: Municipal leadership often lacks the capacity to advocate effectively for their needs, hindering coordination.</p>
IMO2: National government has better management information systems	<p>System Modernisation: The migration of PNDS MIS to a web-based platform has enabled better monitoring and management of village infrastructure projects. The updated system includes mobile data collection and customisable dashboards.</p> <p>Capacity Building: Training for trainers and municipal staff on the new system has improved data management skills</p>	<p>Slow Data Integration: Legacy data migration remains incomplete, and some municipal teams struggle with adopting the new system.</p> <p>Limited Reach: The updated system's full deployment to all municipalities has yet to be realised.</p>
IMO3: National government supplies tools and guidance to sub-national governments	<p>Guideline Development: PARTISIPA facilitated the development of over 15 tools, including the Municipal Finance Roadmap and guidelines for rural water and roads, clarifying roles and responsibilities at national and subnational levels.</p> <p>Policy Alignment: Technical assistance has improved alignment of national and municipal</p>	<p>Limited Dissemination: Some tools, such as rural road guidelines, have not been effectively socialised, especially in municipalities with low capacity.</p> <p>Ambiguities in Delegation: Persistent uncertainties in delegated competencies for</p>

Outcome	Achievements	Challenges
	processes, such as integrating PNDS planning with municipal investment plans.	sectors like water management hinder full implementation.
IMO4: Sub-national governments increasingly use, guidance and tools to implement their mandates and responsibilities (in line with national standards).	<p>Enhanced Planning Processes: Municipalities have improved the quality of AAPs by aligning them with national standards and processes.</p> <p>Consistent Implementation: Municipal governments are increasingly using national guidelines for infrastructure projects, leading to more standardised delivery.</p>	<p>Variable Uptake: Adoption of tools and guidelines varies by municipality, with less-resourced areas struggling more.</p> <p>Capacity Deficits: Continued technical assistance is required to ensure all municipalities can use and implement guidance effectively.</p>
IMO5: Sub-national governments are increasingly listening to women and marginalised groups, better understand GEDSI issues and support more inclusive village planning.	<p>Increased GEDSI Integration: All municipalities now have GEDSI focal points and action plans, with 63% of national GEDSI activities completed.</p> <p>Greater Representation: Women and marginalised groups now participate more in municipal planning processes, supported by leadership training initiatives.</p>	<p>Cultural Barriers: Deeply rooted cultural norms continue to limit meaningful participation by women and marginalised groups in some areas.</p> <p>Incomplete Mechanisms: Not all municipalities have fully established mechanisms for ensuring inclusivity.</p>
IMO6: The Government's sub-national road program is more efficiently and effectively delivered (by end 2024).	<p>Strategic Shifts: The road program has transitioned from a labour-based approach to one focusing on sustainable road management, supported by technical guidelines and policy briefs.</p> <p>Increased Inclusion: Initial steps to include women and people with disabilities in road management processes have been implemented.</p>	<p>Fragmented Coordination: Lack of communication among key stakeholders in road management results in inefficiencies.</p> <p>Guideline Accessibility: National road guidelines are not fully understood or implemented at the municipal level.</p>

3.4 KEQ 4: Efficiency

To what extent is the PARTISIPA structure, ways of working and activities delivered in an efficient and timely manner?

(a) How can the structure, ways of working or activities of PARTISIPA be optimised for the final five years of PARTISIPA (2026 - 2031), ensuring the program achieves value for money?

PARTISIPA has demonstrated its capability to match its organisational structure to the rate of government decentralisation (noting this is not linear). As more functions are decentralised to more municipalities, PARTISIPA will need to shift more resourcing to the municipality level. PARTISIPA has had preliminary successes convening government organisations to coordinate in the rural water sector to considering how it can best support cross-municipal information sharing and collaboration.

The 'partnership' component of PARTISIPA refers primarily to its partnership with GoTL and particularly MoSA as its key ministry. This is a three-way partnership among GoTL, DFAT, and PARTISIPA. Following the 2023 election, DFAT and PARTISIPA are now responding to MoSA's requests for quarterly information sharing on the program's progress to better understand GoTL's priorities and to improve alignment.

Finding: All parties (MoSA, DFAT, and PARTISIPA) would benefit from more periodic information sharing, including at a technical level, to ensure that PARTISIPA's activities are aligned with MoSA's strategic priorities.

Another key partnership for PARTISIPA is its relationship with Australia's two other largest bilateral investments: PROSIVU (governance and economic development) and the Partnership for Human Development (PHD; health and education). Each partner has a clear mandate for working with a select group of organisations within GoTL's structure: central agencies (PROSIVU), line agencies (PHD) and municipalities (PARTISIPA). This mix of mandates provides the Australian aid program with latent insights across GoTL institutions from central policy development to line agency and municipality implementation presenting two sets of opportunities. The first is to support coordination and information sharing on common issues, such as approaches to government systems strengthening, common issues in government planning and budgeting and the approach of each to gender equality and disability inclusion. There is good evidence this is already

happening to a degree. The second is to identify areas where each partner can contribute to a shared objective – such as strengthening how GoTL plans budgets for health or education activities at the municipality level.

REC4.1: DFAT to incentivise further collaboration among the 3Ps including by facilitating debriefing across the 3Ps following their respective GoA-GoTL coordination processes, testing Ministry of Finance appetite for PROSIVU working with them to support municipal PFM and establishing joint objectives for each of PARTISIPA, PROSIVU and PHD coupled to milestone payments in program contracts from 2026 onwards. DFAT should consider commissioning analytical work across programs to inform this collaboration effort.

PARTISIPA works across different levels of government and in different sectors against the complex policy backdrop of decentralisation. As a consequence, program staff have found it difficult to communicate *what* the program does and *why* it does it. This presents risks of the program’s intent being misunderstood or the program’s achievements being undervalued.

REC4.2: DFAT and PARTISIPA should work together to ensure that PARTISIPA’s headline communications are clear for both GoTL counterparts and others within the Australian Embassy as well as consistently linking achievements in areas like policy development and coordination with the expected development impact identified.

(b) What is the efficiency of the delivery modality? This includes use of advisers (embedded or not), appropriate delegation, international and national balance, corporate and program staff and Technical Adviser (TA) structures, functions, numbers, skills and experience, and specialist staff

At its core, PARTISIPA’s delivery model is the provision of advisers to government, which always risks system support, rather than system strengthening.⁶ However, this model is based on PARTISIPA advisers supporting from behind, avoiding undermining government leadership and ownership. This approach has built the trust required to be seen as a credible partner, especially in more complex areas of work such as convening government organisations to clarify mandates and informing planning processes. It has been effective in managing risks relating to supplementation (demonstrated by how GoTL counterparts spoke about the value of PARTISIPA supporting from behind). PARTISIPA has a largely national adviser cohort aligning well with locally led development principles and generating a pool of well-trained national personnel that also benefit Timor-Leste governance when they leave PARTISIPA to work elsewhere in Timor-Leste.

The MTR team found the Local Governance Adviser (LGA) role to be particularly critical for PARTISIPA’s objectives, providing a direct line of advice and support to municipal presidents. This was particularly in evidence in relation to school feeding where LGAs have worked with Presidents⁷ to devise practical approaches to implementation in the absence of practical guidance from the centre.

This role has also been used to support DFAT’s coordination of municipal visits. This function has been highly valued by DFAT, and no evidence was found that the positions are currently being overloaded. If the function of municipality presidents expands following further decentralisation and municipal elections, PARTISIPA should review the LGA roles to tailor them to support the different demands of municipalities and monitor the changes in technical complexity and workload that may result

Finding: PARTISIPA’s approach to government systems strengthening is highly appropriate to manage risks to sustainability resulting from system support, it is well received by GoTL counterparts and aligns well with locally led development principles. The LGA role is arguably the most important role in strengthening municipal administration (as PARTISIPA’s core objective).

Finding: There is limited decentralisation expertise in both PARTISIPA and the Australian Embassy. This is understandable as the investment has transitioned from supporting a program (PNDS) to supporting sub-national administration. However, the absence of this expertise for a program that is essentially supporting

⁶ System strengthening can be likened to fixing the pipe, or maybe laying new, larger pipes, rather than a systems support which is more akin to forcing more water through the pipe, while leaving the leaks untouched

⁷ Interview with Municipal President, Baucau

the decentralisation agenda creates a significant risk of DFAT inadvertently promoting or supporting poor decentralisation approaches.

REC4.3: DFAT should take steps to procure decentralisation advice directly for Embassy staff. This would strengthen the Embassy's capability to engage in policy dialogue with GoTL on decentralisation issues as well as provide strategic guidance to PARTISIPA. This position could, for example, be on a call-down contract and would draw on donor experience in similar contexts. 'The adviser' could also support coordination among the three Ps, and possibly even provide advice to other bilateral programs on how to engage with the decentralisation agenda.

There is some questioning (by MoSA) of the need for embedded GEDSI policy advice at the central level. Much of this role has apparently focused on socialising commitments within the government system – something reported to be covered by the government's own staff. Different views were expressed to the MTR regarding the placement of PARTISIPA advisers. The view of the MTR team is that roving central resources for GEDSI are important for oversight, coordination, technical support, and consistency, and can remain within the PARTISIPA team if not based in the Ministry (which would be the team's preference). GEDSI expectations and accountability for these are also important across the ToRs for all central advisory roles. As discussed in *Cross-Cutting Issues*, reframing 'GEDSI' in infrastructure to requirements for quality, responsiveness, and inclusion is likely to have more traction. As such this needs to be clearly reflected in work plans and monitoring indicators for sub-national personnel and activities to ensure that the focus on gender and disability is not de-emphasised by this change.

REC4.4: Integrate GEDSI responsibilities into current MoSA adviser TORs and ensure GEDSI expectations are clear in sub-national staff ToRs, work plans, indicators and reporting. Maintain a roving GEDSI capability at the national level to support sub-national staff in these functions. The MTR team judge that current resourcing levels are adequate.

While the MTR team did not conduct a comprehensive review of PARTISIPA's organisational structure and position ToRs, it found that PARTISIPA staff were well regarded by government counterparts, particularly at the municipality level and appeared to have the right skill sets and expertise.

PARTISIPA's new MERLA system was established in 2024 and was tailor-made. The new system – which has a strong focus on outputs and outcomes rather than activity reporting - focuses on learning and applies systems-thinking. It is appropriate for the needs of the program, as prior investments in MERLA in Phase 1 represented poor value for money (and was largely not utilised).

Finding: Expenditure on MERLA in Phase 1 prior to 2024 represented poor value for money and was not well supported by PARTISIPA's contractual arrangements.

REC4.5: DFAT to review its tender assessment processes to more clearly identify the potential risk that sub-contracted M&E may pose to the development and delivery of effective systems and processes after mobilisation.

There is a rationale for PARTISIPA to diversify its modalities to have more tools available to strengthen government systems. Modalities such as direct financing of municipal services and civil society relationships (through either direct contracting as an extended arm of government or grant arrangements to strengthen the core operations of sub-national CSOs) should be explored as part of the Phase 2 design. As discussed in Annex 4, there are a range of roles that CSOs can play, but there are also risks and constraints associated with capacity, substitution of government, and perceived criticisms or adversarial relationships. To do CSO engagement and strengthening well will require considerable resources and close coordination with other DFAT investments that partner with CSOs (such as Nabilan, PHD, TOMAK, and ANCP).

Similarly, partnerships with research institutions could strengthen PARTISIPA's work in rural water, including support for climate modelling and adaptation planning. Budget for the above activities may become available if DFAT decides to follow this recommendation on reducing support for rural roads.

Finding: PARTISIPA is heavily dependent on the single adviser modality.

REC4.6: PARTISIPA to explore CSO partnerships in Phase 2 and consider the benefits and viability of direct financing mechanisms towards the end of Phase 2.

The acceleration of the effectiveness of AI tools presents opportunities and risks for PARTISIPA. These tools could be used to assist program staff in translation, report drafting, as a first step for document quality assurance and have much broader implications for the ways governments globally plan, budget, execute and review their programs. However, they also present risks for data protection, information management and AI caused errors in reporting and advice.

REC4.7: PARTISIPA should continue to develop its policies on the use of AI, noting that demand for support in the integration of AI tools in government functions will likely increase throughout the remainder of PARTISIPA's implementation.

3.5 KEQ 5: Cross-cutting: gender, disability and climate change

To what extent have women, girls, people living with disabilities and those most vulnerable to or affected by climate change impacts, benefited from PARTISIPA and its approaches?

Assessment of individual benefits is not yet possible, pending implementation of community level data collection. The MTR team considered three main pathways through which women, girls, and people living with disabilities are expected to benefit from PARTISIPA:

- **Pathway 1:** Benefits accruing from increased availability of and access to water and roads infrastructure in terms of labour and time savings, meeting personal health, hygiene needs, and access to services, markets, and other connectivity needs (common to, although differently experienced by all community members);
- **Pathway 2:** Through increased employment or other economic opportunities associated with infrastructure development and in PARTISIPA itself; and
- **Pathway 3:** Benefits accruing from increased attention to gender equality and disability inclusion in municipal planning and decision making that result in resources being allocated to address key gender gaps and opportunities, or to provide the preconditions for disability inclusion.

Finding: There are expected results against pathway 1 that can be enhanced by continuous reinforcement of guidance for participation in planning and accessibility features. Relevant to pathway 2, PARTISIPA encourages attention to the existing Ministry of Public Works target that women are at least 30% of employees on rural infrastructure projects supported and financed by the Government are women, but achievement is lagging. Pathway 3 has more potential for broader impact but is less of a focus in the current PARTISIPA theory of change and is not well integrated in government decentralisation or municipal strengthening objectives. To maximise outcomes through pathway 3, gender equality and disability equity would need to be embedded in the framework of what strong municipal governance is, and then resources allocated to support this. This would be ambitious, a long process, and is a change in scope from PARTISIPA's current GEDSI strategy and programmatic theory of change. This finding is expanded further as the basis for the GEDSI recommendation for the phase II design (**REC5.5**) in section (b) following.

REC5.1: PARTISIPA to ensure attention to differentiated benefits accrued (or not) by women, girls, and people with disabilities in MERLA, particularly the planned village perception and access to infrastructure and services survey. Questions can include changes in labour / time requirements (e.g. for collecting water), access to facilities and services (linked to roads); individual access experience including personal safety; access to employment as part of infrastructure development; and changes in feelings of status or agency for those who participate in infrastructure management.

REC5.2: PARTISIPA work with MoPW to develop a strategy to move towards the 30% employment target in infrastructure projects. This can include shorter- and longer-term actions including establishing incentives, promoting role models, internships and training programs, outreach and awareness activities, work to ensure safe and supporting work environments, and flexible work arrangements.

PARTISIPA's main area of support for those most vulnerable to and affected by climate change impacts are those living in rural areas with insecure water resources and insufficient water systems.

Finding: PARTISIPA's contributions to the rural water sector, including its support for clarifying mandates, data collection (particularly in Bobonaro) and support to SMASA in establishing and maintaining GMFs to maintain PNDS water assets in local communities all contribute to improved water security at a local level

(and therefore improve climate resilience). These activities are limited by the actual availability of water resources in each location (for example, support for a water pump may not impact climate vulnerability if there is not water to pump in the future). Emerging results against these pathways are further discussed in Annex 3.

(a) (i) To what extent is PARTISIPA’s approach to gender equality and disability equity appropriate and likely to contribute to positive change?

PARTISIPA’s approach to gender equality and disability equity became more clearly defined with a well-informed and better resourced GEDSI strategy, covering the period 2024–2026. The strategy draws on useful foundational activities including agreement with MoSA of recommendations to strengthen commitment to GEDSI centrally and in Aileu, Baucau, Dili, and Ermera municipalities, based on an assessment in these areas (2021–2022), and an assessment of the inclusion of women and persons with disabilities in the PNDS cycle (2023). Staff resources are adequate for the current strategy, noting that much of the responsibility for advocating for, and then day to day implementation and monitoring of, GEDSI activities best sits with sub-national personnel. The GEDSI team are clearly committed, hard-working, and knowledgeable; additional support is provided to municipal staff, and as discussed following, intensive staff development is being initiated in recognition of their pivotal role.

The assessment of the MTR team is that the strategy and team have increased attention to GEDSI in a way that is cognisant of the context with intent to identify and progress increasingly effective strategies. The GEDSI team identifies that there is more progress in relation strategies related to supporting GEDSI in MoSA, MOP, and municipal governments, including revision of policies and guidance to incorporate GEDSI and supporting the GEDSI architecture in government (focal points, working groups, and action plans), along with consultation and relation building with OPDs and women / gender focused civil society and connecting them with government processes. Less progress is observed in relation to supporting sub-national infrastructure and processes to be more inclusive with the team assessing that for much of this ‘it is not the right time’ given challenges with PNDS engagement.

PARTISIPA’s approach is appropriate at this time and in this context, given high levels of staff turnover in counterpart agencies and the limitations for broad-based gender equality and disability inclusion with the infrastructure focus.

Finding: Testing GEDSI strategies at different levels makes sense, and this will need to land as a politically informed, focused strategy with a theory of change and accountability mechanisms within PARTISIPA and in municipal government.

Foundations likely to contribute to positive change are in place in many areas (employment and safeguarding requirements in contracting and procurement, participation processes, guidelines, OPD / women focused CSO engagement, budget initiatives, establishment and support to GEDSI focal points). PARTISIPA has worked to build understanding of GEDSI and government commitments of a range of actors, but as noted in the following discussion of sustainability this is negatively impacted by staff turnover and weak accountability mechanisms. While GoTL has made commitments to gender equality and inclusion, this has not been supported by practice. This makes it difficult for PARTISIPA to secure progress. Building understanding of the motivations and possible incentives for GoTL to make more action, and the accountability mechanisms that can be strengthened as part of the process of decentralisation will be important.

Because of GoTL staff mobility and the likelihood of further turnover associated with municipal elections and the next national elections, the MTR team supports the prioritisation of a strong investment in the GEDSI capability of PARTISIPA staff. This is particularly the case at sub-national level (the GEDSI transformation initiative). PARTISIPA staff will then be able to ensure consistent attention and support through periods of instability, and they may later move into influential government positions, and that monitoring and learning from initiative may be applicable to other investments. Corresponding attention to skills and knowledge transfer to municipal counterparts and monitoring of performance throughout the period of the GEDSI transformation initiative will continue to be needed. PARTISIPA should build on existing processes for staff reflection and reporting on GEDSI, which are key accountability mechanisms. The new M&E system should

capture the effectiveness of PARTISIPA staff in building government action on GEDSI as they participate in the GEDSI transformation program. This can include understanding of motivations and possible incentives for GoTL action on GEDSI. DFAT is also interested in the effectiveness of this approach and its implications for future programming. This is a possible option for a longitudinal study (refer to proposals in PARTISIPA Progress Report - Jan-June 2024).

The approach to disability equity and rights reflects elements of good practice. This is particularly the case with respect to engagement with OPDs, sensitisation work with GoTL counterparts, existing engagement on disability rights-based budgeting (with PROSIVU), and monitoring implementation of existing policy on participation of people with disabilities and accessible infrastructure design, primarily in PNDS. These actions are central to a disability preconditions⁸ approach which is a priority in DFAT's new (2024) Disability Equity and Rights Strategy.

However, accommodating physical disabilities, particularly wheelchair users through an emphasis on ramps, is the dominant activity with disability inclusion in infrastructure. There is less attention to the needs of people living with other impairments.⁹ This would include consideration of reasonable accommodation¹⁰ at different stages of the infrastructure cycle – from information methods and dissemination, adjustments to consultation processes, building community and infrastructure contractors' understanding of the centrality of non-discrimination to achieving rights, engagement with OPDs and people with disabilities in leadership and decision making, as well as prioritisation of universal design in the physical infrastructure.

RECS.3: PARTISIPA to step up work to broaden the disability equity focus, including facilitating wider attention to preconditions to inclusion in municipal planning and budgeting processes, and facilitating consideration of the range of impairments and barriers that influence inclusion and access in infrastructure from planning to completion.

There are some indications that 'GEDSI' is unhelpful language in infrastructure development. Addressing different user needs is the foundation of inclusive and responsive infrastructure. 'GEDSI' risks creating or reinforcing false dichotomies of 'women's projects' and those of men or the broader community. While water infrastructure is associated with additional benefits to women and girls, it is a community resource that is essential for all. Considering water as a women's project means that water projects may be deprioritised, and options that may address other gender gaps are not presented for consideration.

RECS.4: Shift the conceptualisation of diverse participation in infrastructure planning and decision-making and accessible design features from 'GEDSI' to a critical component of user-appropriate and therefore quality infrastructure. Place the accountability for action on this with the infrastructure technical personnel, rather than the GEDSI team.

(a) (ii) To what extent is PARTISIPA's approach to climate change resilience/adaptation appropriate and likely to contribute to positive change?

PARTISIPA's current work on climate change includes supporting climate resilient infrastructure (in both rural water and rural roads, through both design and climate sensitive operations and maintenance (O&M) considerations) and improving GoTL climate risk management systems (largely in rural roads and rural water through the collection of data and support in planning).

8 Preconditions are the foundational aspects for consideration in public policies across all sectors. The UN Partnership on the Rights of Persons with Disabilities (UNPRPD) identifies five clusters of pre-conditions: Equality and non-discrimination, service delivery (disability specific referral and support services including access to assistive technologies and mainstream services), accessibility, CRPD-compliant budgeting & financial management, and accountability & governance including statistical and research data to inform policies. UNPRPD (2023) The preconditions necessary to ensure disability inclusion across policies, services, and other interventions.

9 Generally clustered as physical, sensory, psychosocial, and intellectual.

10 Reasonable accommodation refers to 'necessary and appropriate modification and adjustments not imposing a disproportionate or undue burden, where needed in a particular case, to ensure to persons with disabilities the enjoyment or exercise on an equal basis with others of all human rights and fundamental freedoms'. Universal design means 'the design of products, environments, programmes and services to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design' (refer Convention on the Rights of Persons with Disabilities). Examples of reasonable accommodation include sign language, captions and audio description, physical accessibility adjustments such as ramps, personal assistants, or assistance with transport logistics and additional costs. Universal design can include ramps, rails, lighting, attention to pathways and entry / exit points, location considerations, tactile surfaces and many other adjustments.

PARTISIPA's Climate Change Resilience Strategy 2024–2031 (in draft as of November 2024) articulates three outcomes:

- Communities have improved access to resilient infrastructure
- Municipalities and rural communities are better able to manage infrastructure and emerging climate risk in a way that increases resilience
- Climate risk management is integrated into government systems to facilitate ongoing climate resilient development at the community level.

The MTR assesses that PARTISIPA is well placed to support GoTL to deliver more climate resilient infrastructure and climate sensitive O&M at a community level. While these efforts are essential, they will not have a scalable impact on some of Timor-Leste's more pressing needs relating to water management – particularly in catchment-level conservation, water resource management and adaptation planning.

Finding: PARTISIPA's approach to climate change resilience (reflected through its strategy) is well considered and appropriate but could be extended (see next section).

(b) How can DFAT and PARTISIPA improve performance on these cross-cutting aspects, as well as ensuring sufficient budget and resourcing allocation to deliver on these related plans?

Gender and Disability

Finding: As noted above, pathway 3 has potential for greater longer-term progress towards gender equality and disability inclusion if it is embedded in municipal planning and decision-making. This would broaden the focus from roads and water and create the conditions for identifying and responding to sectoral and cross-cutting actions to address priority gaps and opportunities, including preconditions for disability inclusion. This is an ambitious agenda and would be part of a recalibration of the PARTISIPA framing and approach in the next phase. It would need to be informed by a GEDSI focused political economy analysis of the municipal planning and budget process, ideally conducted in conjunction with PROSIVU to capture national-municipal dynamics. Consideration should be given to framing this in terms of the Agenda 2030 for Sustainable Development 'no-one left behind' commitments, which in many contexts has more resonance than 'GEDSI'. Resources would be required to support attention to municipality gender and disability analysis as a basis for planning and budget development; coordination with service providers and other programs related to identified priorities; and capacity development, including with civil society to inform analysis, priority setting, leadership, and monitoring and accountability strategies. This would need to be captured in a detailed GEDSI theory of change that would be underpinned by the lessons of the experimental approach in this phase, along with lessons from other settings pursuing decentralised local government strengthening. It is not suggesting that PARTISIPA resource technical inputs across sectors, rather it works with the municipal government to identify which ones would make the most difference and how they could be resourced.

RECS.5: The design and subsequent GEDSI strategy (2026 onwards) to be cast with an explicit intent to centre action on gender equality and disability inclusion in municipal strengthening and municipal governance. This will spotlight attention for scale up on Pathway 3 proposed at the start of this section, while also building on achievements in pathways 1 and 2. This can include:

- A political economy analysis to inform the approach and the framing in a way to build government support, along with key government and non-government actors, including 'soft power'
- A detailed gender and disability equity focused theory of change, whereby the anticipated causal links (if then, in order to, because) are clearly embedded within and add richness to the PARTISIPA program logic.
- Investment in increasing access to and use of data and analysis to inform priorities that may be broader than the current water and roads infrastructure. It is noted that these priorities will require national to municipal level resourcing that is outside PARTISIPA's control and potentially even influence. GEDSI is an area for building cross program coordination and collaboration which may in part respond to this. It is likely that priorities identified through analysis will include income generation and economic empowerment

- Clear distinct activities and outcomes for gender equality and disability inclusion (starting with preconditions) as separate but linked areas of interest, allowing for greater specificity and purposeful partnerships, including with women and gender focused CSOs / OPDs and other NGOs.
- A stronger focus on inclusive leadership – both the leadership of women and people with disabilities, likely through OPDs and civil society, and the leadership of municipal government officials for gender equality and disability inclusion activities and outcomes;¹¹ and
- Greater attention to accountability mechanisms, which can be explored over the remainder of this phase, and potentially including leadership responsibilities as per the above point, civil society engagement, vertical links between stakeholders, public reporting and transparency – including incentivising good practices and rewarding successes, and accountability to financial allocations and other targets in higher level policies.

This will require additional resourcing in Phase 2 and is an area for possible absorption of scaling back of roads investment.

The MTR team does not recommend substantial changes to the approach and activities of the GEDSI strategy in the remainder of this phase, beyond the primarily operational recommendations (5.1, 5.2, 5.3, 5.5).

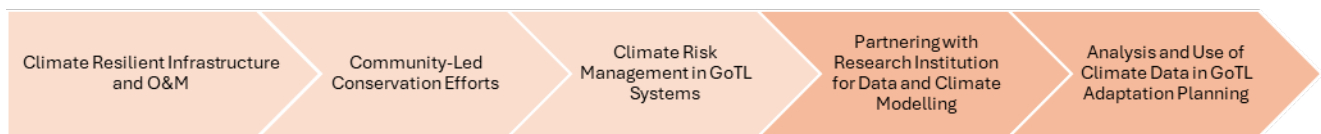
Looking forward to the design refresh, the MTR team underlines the importance of monitoring and learning attached to the experimental approach. PARTISIPA’s MERLA will need to explicitly respond to the question of *what effective attention to gender equality and disability inclusion looks like within a decentralised system, and what it will take to achieve this.*

Climate Change

As noted above, there is an opportunity for PARTISIPA to increase its ambition on climate change in line with Australia’s International Development Policy and DFAT’s Climate Change Action Strategy. While current efforts focussing on climate resilience of infrastructure are appropriate, as the impacts of climate become more acute, PARTISIPA will need to extend its focus and comparative advantage to supporting GoTL with climate change adaptation (particularly in connection to water resource management). Without supporting these higher order issues, benefits gained from resilient infrastructure may be erased where communities are unable to remain in areas with insufficient water sources.

REC5.6: PARTISIPA to increase its ambition in climate change in rural water to transition to support for climate modelling and adaptation planning in relation to water management (Figure 3).

Figure 3 Continuum of climate change ambition under PARTISIPA



REC5.7: DFAT to determine how its Climate Resilient Communities program¹² could support PARTISIPA climate objectives, particularly in rural water.

The MTR team would also suggest that focusing on and valuing women's knowledge and contributions in water conservation and climate hazard mapping can be an important way to integrate gender considerations into climate-related programs. These include:

- **Women's knowledge and role:** Women, particularly in many rural communities, often possess valuable traditional knowledge and practices related to water conservation and managing climate-related hazards.

11 Refer to DFAT’s [Developmental Leadership Program](#) to inform this latter objective.

12 Climate Resilient Communities is a \$208.5 million facility designed to help meet the Australian Government’s climate change commitments under the international development policy by increasing climate investments, driving climate integration, and better addressing climate change and disaster risks across Australia’s development program

This includes knowledge about local ecosystems, weather patterns, and resource management that can be crucial for adapting to climate change. For example, women may have specific expertise on sustainable water use, maintaining local water sources, or managing water distribution in their communities;

- **Water conservation:** Water conservation efforts focus on sustainable practices to manage and preserve water resources. In many communities, especially in developing countries, women and girls are primarily responsible for water collection for household use. Climate change can affect water availability, leading to water scarcity. By integrating gender into water conservation programs, it ensures that women, who are typically more impacted by these issues, are included in decision-making processes, have access to water-efficient technologies, and are empowered to take leadership roles in water management and conservation efforts;
- **Climate hazard mapping:** Climate hazard mapping involves identifying and assessing areas that are vulnerable to climate-related risks such as floods, droughts, or extreme weather events. Gender-sensitive climate hazard mapping recognizes that different groups (e.g., men, women, children, the elderly) experience these hazards differently. For example, women may have different needs or vulnerabilities during natural disasters, as they often bear the responsibility for family care, including children and the elderly, and may have limited access to resources or decision-making in response to disasters. By integrating gender in climate hazard mapping, it can ensure that the specific needs of women are considered, and women are empowered to play a key role in preparedness, mitigation, and response strategies; and
- **Entry point for gender integration:** By recognising and integrating women's knowledge into these areas, there is a natural entry point to include gender in climate change programming. Often, climate programs do not fully consider how gender impacts vulnerability and resilience to climate change. By involving women in decision-making and planning processes—especially in sectors like water management and hazard mapping—these programs can better address the specific needs and roles of women in climate resilience.

See Annex 3 for further elaboration against KEQs.

3.6 KEQ 6: Sustainability

What components of the program are considered to be 'sustainable' (i.e. adopted by government/funded by government/high ownership) and what set them apart/enabled those components to be more sustainable?

(a) To what extent is PARTISIPA aligned with priorities of the government?

PARTISIPA provides technical support to help municipal governments and the communities they represent more effectively and efficiently use central government funding. The support provided aligns well with the rural development priorities as presented in the Program of the IX Constitutional Government (refer *Relevance* for further information).

The MTR team identified the following externalities that could risk the sustainability of the program's benefits:

Finding: The 2023 change of government created strains in relations among the Government, the Australian Embassy, and PARTISIPA. This potentially eroded capacity building progress and reducing the level of awareness of PARTISIPA's operational functions. Recent efforts by the Embassy and PARTISIPA to reengage with senior government officials have re-established the foundations for renegotiating the roles of nationally embedded advisers to maximise their benefit to both central administrations and officials at the municipal level.

REC6.1: PARTISIPA and the Embassy to establish a process to plan for the implications of any GoTL decentralisation policy changes or economic / social disruption.

Finding: The potential progress of GoTL's decentralisation policy agenda and proposed municipal elections will have an expansionary and - possibly – a destabilising impact on the role of sub-national government.

REC6.2: PARTISIPA to monitor and evaluate the speed and impact of decentralisation and ensure that its support helps establish the stable foundations needed for effective administration, management and infrastructure and service delivery at the municipal level. See also RECs 2.1 and 4.3.

Despite the centrality of rural development for poverty alleviation, the government's attention is largely focussed on large-ticket, economic growth generators such as the Greater Sunrise gas field, the airport, and the telecommunications cable. Coupled with an expected fiscal contraction over the coming decade, this is likely to result in significant resource constraints limiting the capacity of sub-national governments to maintain or expand investment in rural development. With these fiscal constraints, there will be more pressure on municipal governments to raise their own revenue.

REC6.3: DFAT and PARTISIPA should anticipate an increasing demand from municipalities for a wider range of technical support. As decentralisation proceeds, it will be important to agree what will be within and beyond PARTISIPA's scope. DFAT support for municipal revenue raising (either through PARTISIPA, PROSIVU or links to other development partners) should be clarified. The MTR team would recommend that PROSIVU is best placed to provide this support to ensure alignment with national practices.

b) Does PARTISIPA use local systems and process and strengthen the capacity of local institutions and systems during implementation period?

As detailed in the *Efficiency* subsection PARTISIPA's large network of national advisers provides solid and effective technical support that has been welcomed by counterparts at the municipal level. The review team saw no evidence of problematic capacity substitution.

Changes in policy, programming, and organisational structures as well as staff turnover after 2023 elections¹³ created some uncertainties regarding program implementation. These are now being addressed and overcome. One impact of staffing changes was reduced awareness of PARTISIPA's operational mandate particularly at the sub-national level. The use of a joint planning for processes to prevent this happening in the future should help limit this risk in the future.

PARTISIPA is also taking a cautious approach to civil society engagement under the GEDSI cross-cutting theme. It seeks to build positive rather than adversarial relationships among OPDs, women's CSOs, and government. It places the emphasis on relationships rather than funding. There are some modest signs that this approach is appropriate with some commitments to CSO proposals. The approach of *Associação Fiar Deficiencia* Timor-Leste (AFDTL) in Baucau providing practical suggestions in written form to the Baucau Municipal President was viewed as positive by government stakeholders.

See Annex 3 for further elaboration against KEQs.

4 Areas for future work

The MTR team identified a number of areas where more in-depth examination may be useful for informing:

- an update to PARTISIPA's design that will help position its support to meet the objectives of the GoTL and GoA over the period July 2026 – June 2031; and
- ongoing decision making under the adaptative approach to the support deployed by PARTISIPA. These are proposed as focal areas that will require ongoing investigation and monitoring throughout Phase 2.

Many of these areas may already be under investigation or being monitored for wider programming purposes.

¹³ It was noted that approximately 75% of staff turned over in Baucau

Table 4 Areas of investigation to inform Phase 2

Issue	Purpose
Building upon the MERLA reporting, undertake a deeper analysis of sub-national adviser contribution	To inform the approach to deployment and management of advisers at the sub-national level, a deeper investigation of adviser practice and the results achieved in building and sustaining capacity at the municipal and suku levels.
Review of past Australian investments in gender, disability, and other cross-cutting areas	To establish a deeper baseline and draw on lessons learned to inform PARTISIPA's approach. This may also include identifying approaches and lessons learned from other country programs where the context is relevant to the situation in Timor-Leste.
Investigate some of the disruptive new policies/program and organisational changes that have occurred in recent times and identify their impact on infrastructure and service delivery at the sub-national level	Understanding the form and impact of government decisions that impact the delivery of rural services and infrastructure would help inform PARTISIPA's approach to government engagement at the national and sub-national level and help build effect risk mitigation approaches.
Undertake/update capacity and needs assessment of the municipalities and LGAs.	The profile of PARTISIPA support will need to adapt to reflect the differential needs of municipality. A capacity/needs assessment will help determine the most efficient allocation of resources across municipalities.
Explore the focus and progress of EU/UNDP's Strengthening integral local development by building the capacities of the municipal authorities in Timor-Leste	The MTR team was unable to meet with UNDP during the mission. As PARTISIPA's sub-national focus may overlap with this UNDP/EU program, it will be important to confirm what is being delivered and where to ensure that all donor-funded support is coherent, coordinated and mutually reinforcing.
Undertake some analysis related to the integration of GEDSI in municipal budgeting and planning associated with decentralisation. If there was greater ambition, this analysis could extend beyond GEDSI	The MTR timeframe did not allow for comprehensive analysis of budgeting and planning decision-making, motivations, incentives, and hard and soft power that can support a more central focus on GEDSI. Similarly understanding the acceptability of different framing for different stakeholders e.g. using no-one left behind, social inclusion, broad equality objectives, and accommodating differentiated users in infrastructure will help the follow-up strategy. Given the expertise of the team, this can be a reasonably light touch processes, focusing on graduating municipalities.

Table 5 Ongoing areas of investigation during design update and beyond

Issue	Purpose
Investigate GoTL decentralisation policy and associated planning and budgeting processes – noting this will be an iterative process as government views evolve	The scope and timing of the GoTL's decentralisation agenda and its associated planning and budgetary processes will play a critical role in shaping future PARTISIPA support
Investigate the scope, timing and potential models for municipal elections – noting that this will be an iterative process	Mooted municipal elections have implications for sub-national capacity and power dynamics. Different electoral approaches will have differential impact on political stability. Depending on sensitivities – consideration could be given to engaging an external party such as the Asia Foundation to investigate more deeply some issues to avoid perceptions of political interference
Explore options for supporting the generation and use of climate-related data and forecasting	To inform an increased focus on climate adaptation. This may include identifying funding sources (it is not anticipated that this would be undertaken under PARTISIPA) and potential partnerships with agencies with the necessary technical competencies.

Issue	Purpose
As the scope and timing of the decentralisation agenda is clarified, identify the potential opportunity, scope and risk associated with an increased municipal mandate to delivery services and infrastructure,	Understanding the changing mandate of municipal governments and the diverse opportunities for infrastructure and service delivery that may evolve as decentralisation progresses will help PARTISIPA identify emerging capacity needs and through monitoring government activity identify ways to increase transparency and accountability.
A position on civil society engagement that is realistic within the resources for Phase 2 and beyond	This will need to weigh risks and benefits of different roles, and the required engagement mechanisms (brokering, core funding, sub-contracting, non-financial support, capacity development, etc).

Annex 1 Terms of Reference

Mid Term Review (MTR) for PARTISIPA (2021 - 2031)

Background

Australia is Timor-Leste largest development partner, with \$123 million in ODA funding in 2024–25. We work with the Government of Timor-Leste (GoTL) to support human and economic development across sectors including health, education, governance, agriculture, infrastructure, and water.

PARTISIPA is a key Australian Government investment to assist the GoTL to improve the access and quality of basic infrastructure and services, in support of stability, human development and economic growth. The role of PARTISIPA is to support national and sub-national governments to strengthen policies, systems and skills to improve the delivery of decentralised services and village level infrastructure. Improving the operation and maintenance of village infrastructure – particularly water systems – is also a priority.

PARTISIPA has partnerships and embedded advisers with Government of Timor-Leste (GoTL) partner government agencies: Ministry of State Administration (MoSA) (National Village Development Program (PNDS), GoTL water agency (SMASA) and decentralisation); Ministry of Public Works (MPW) (sub-national roads and rural water); Ministry of Finance (MoF) and Ministry of External Affairs and Cooperation (MNEC) (budget support); and Municipal Administrations.

In line with the Investment Design Document (IDD) for PARTISIPA (2021 - 2031), DFAT is commissioning a Mid-Term Review (MTR) after three years of implementation. The evaluation will consider existing monitoring data and information from community surveys and case studies, supplemented with additional primary data collection activities. The findings of the 2024 MTR will inform the direction of PARTISIPA Phase 2.

PARTISIPA Program

PARTISIPA is a ten-year, \$106 million investment (five plus five-year contract) (July 2021 to June 2031). It is funded by the Department of Foreign Affairs and Trade (DFAT), developed and delivered in Timor-Leste in partnership with GoTL and managed by DT Global.

PARTISIPA has four components: Component 1 - PNDS Support; Component 2 -Sub-national governance strengthening; Component 3 – Operations and Maintenance; and Component 4 - Sub-national roads. In addition, PARTISIPA helps oversee Australia’s direct budget support to PNDS (AUD27 million, 2020-current), through technical support to the PNDS Secretariat (including the financial unit) and municipalities.

In 2023, the Australian Government Timor-Leste sub-national road investment was brought into PARTISIPA, and the Theory of Change (ToC) and end-of-investment outcomes (EIOs) were revised and approved. PARTISIPA now has the following objective and three EIOs. The ToC articulates the causal links between six immediate outcomes, eight intermediate outcomes (IOs) and how these contribute to the EIOs.¹⁴

- **Program Objective:** Improved village access to appropriate infrastructure and services by 2031
- **EIO 1:** Infrastructure and services needs of villages are better addressed by national government (IO1, IO2, IO3, IO4 and IO8 contribute to this)
- **EIO 2:** Sub-national governments better deliver their mandated infrastructure and services to villages (IO1, IO5, IO6, IO7 and IO8 contribute to this)
- **EIO 3:** National and Sub-National governments manage sub-national roads more effectively and efficiently, resulting in sustainable improved connectivity. (All IOs 1-8 contribute to this)

¹⁴ Additional information can be found in documents on PARTISIPA located on the DFAT website: <https://www.dfat.gov.au/geo/timor-leste/development-assistance/economic-recovery-in-timor-leste#partisipa>

Purpose

The primary users of this Review Report will be relevant stakeholders at DFAT (including the Australian Embassy in Dili and Timor-Leste Branch), the Government of Timor-Leste (GoTL), the PARTISIPA team, contractor and program partners.

The MTR will consider *what* PARTISIPA should be doing (areas of support), and then *how* PARTISIPA should be working (its structure and ways of working). The recommendations arising from the MTR will inform Phase 2 of PARTISIPA including providing clear guidance to inform the Program Logic and Monitoring, Evaluation and Learning (MEL) Framework (for the PARTISIPA Contractor and Team to operationalise).

The MTR has four objectives:

- **Effectiveness:** To assess, verify and quality assure the performance, claims of success and adequate progress towards immediate and intermediate outcomes and **indications that the program is on the appropriate pathways to the end-of-investment outcomes (EIOs) during the initial phase (2021–2026) of PARTISIPA**
- **Relevance and sustainability:** To consider the ongoing relevance and appropriateness *of each of the four components* of PARTISIPA to inform what areas the program should support. This should be with consideration to the National Strategic Development Plan (PEDN), priorities of Timor-Leste IX Government; Australia’s new International Development Policy; The Australia-Timor-Leste Development Partnership Plan (DPP) (draft); length of investment to date and objectives of each component; and sustainability of Australia’s investment and approach.
- **Efficiency:** To review PARTISIPA’s structure and ways of working, to optimise the final five years of PARTISIPA
- **Recommendations for Phase 2:** Informed by objectives 1-3, to provide recommendations for the next phase of PARTISIPA (2026–2031) based on assessments of effectiveness, relevance (what areas the program should support), and efficiency (how it should work through its structure and ways of working).

Key Evaluation Questions and Scope¹⁵

DFAT is seeking a Review Team to answer key evaluation questions (KEQs) and sub-questions about PARTISIPA as outlined below. Note: These are indicative questions and DFAT is seeking to refine and ideally reduce these, in consultation with the selected Team. The Review Report should also incorporate any unanticipated but important findings that emerge during the review process. The indicative KEQs and sub-questions are:

1. **Impact** [MTR Objective 1]¹⁶: How and to what extent have the infrastructure and services supported by PARTISIPA benefited the people of Timor-Leste living in rural villages?
 - a. How and to what extent has PARTISIPA assisted national and sub-national level governments deliver improved infrastructure and services for villages?
 - b. To what extent is PARTISIPA's balance right in terms of national versus sub national focus?
2. **Effectiveness** [MTR Objective 1]: How effective has PARTISIPA been in its performance and progress towards achieving immediate and intermediate outcomes, and **indications that the program is on the appropriate pathways to EOIOs, during the initial phase**
3. (2021–26)?
 - a. To what extent has PARTISIPA contributed to influencing policy, strategies and decisions?
 - b. To what extent has PARTISIPA responded to evidence and then flexibly managed its activities accordingly?

15 These include reference to KEQs developed for the PARTISIPA Investment Design Document (IDD) (2021) - prior to revised and agreed Program Logic of 2023, as well as current evaluation questions of interest to DFAT.

16 Note: DFAT agreed to change the KEQ on 'Impact' to 'Strategic Balance' given that the program is an early stage of implementation and is unlikely to be able to demonstrate results at an impact level.

4. **Cross-cutting** [MTR Objective 1]: To what extent have women, girls, people living with disabilities and those most vulnerable to or affected by climate change impacts, benefited from PARTISIPA and its approaches?
 - a. To what extent is PARTISIPA’s approach to gender equality, disability equity and climate change resilience/adaptation¹⁷ appropriate and likely to contribute to positive change?
 - b. How can DFAT and PARTISIPA improve performance on these cross-cutting aspects, as well as ensuring sufficient budget and resourcing allocation to deliver on these related plans?

5. **Relevance** [MTR Objective 2]: How relevant and appropriate are: each of the four components of PARTISIPA; and PARTISIPA’s learning and adaptive management approaches, in informing what areas the program should support, and its sustainability?
 - a. How relevant are PARTISIPA’s components with respect to: the priorities of Timor-Leste IX Government; Australia’s new International Development Policy; The Australia-Timor-Leste Development Partnership Plan (DPP) (draft); length of investment to date and objectives of each component? Consider how the governance arrangements and program contribute to a stronger Australia - Timor-Leste bilateral relationship.
 - b. How have GoTL priority changes, and its buy-in and support for PARTISIPA components been reflected in ongoing relevance of/ changes in PARTISIPA programming?

6. **Sustainability** [MTR Objective 2]: What components of the program are considered to be ‘sustainable’ (i.e. adopted by government/funded by government/high ownership) and what set them apart/enabled those components to be more sustainable?
 - a. To what extent is PARTISIPA aligned with priorities of the government.
 - b. Does PARTISIPA use local systems and process and strengthen the capacity of local institutions and systems during implementation period.

7. **Efficiency** [MTR Objective 3]: To what extent is the PARTISIPA structure, ways of working and activities delivered in an efficient and timely manner?
 - a. How can the structure, ways of working or activities of PARTISIPA be optimised for the final five years of PARTISIPA (2026 - 2031), ensuring the program achieves value for money?
 - b. What is the efficiency of the delivery modality? This includes use of advisers (embedded or not), appropriate delegation, international and national balance, corporate and program staff and Technical Adviser (TA) structures, functions, numbers, skills and experience, and specialist staff.

Team Composition and Evaluation Governance

DFAT is seeking quotations from organisations to provide a Review Team in response to this Terms of Reference.

The request for quote is for a Review Team of up to three consultants. One member of the team must be the Team Leader, with:

- 10+ years of experience in monitoring and evaluation.
- Significant demonstrated experience in leading outcomes evaluations.
- Extensive experience applying a broad range of mixed methods approaches.

The broader team should include relevant sector expertise across community resilience, sub-national governance; community driven change, locally led development and climate change (including disaster risk preparedness). Experience working in Timor-Leste and ability to speak Tetun is desirable.

¹⁷ Note that the PARTISIPA Climate Change Resilience Strategy is currently in development and not yet implemented, however findings from the MTR on how the program is contributing or could contribute to climate change resilience/adaptation will contribute to the development of the strategy.

One of the consultants should be a Timorese national. The organization may choose to nominate an individual for this role or, alternatively, DFAT will work with the successful organization to identify suitable candidates. Note: Timorese Advisers should be non-exclusive to a given organisation's bid.

DFAT will provide a Gender Equality, Disability Equity and Social Inclusion (GEDSI) Specialist from within DFAT to work closely with the Review Team.

The Team Leader will be the principal point of contact and be responsible for overseeing and delivering on the Review Team's work.

The team from DFAT Post will:

- Be the primary point(s) of contact in DFAT for the Review Team
- Ensure that all key documents are provided to the consultant/s in a timely manner from DFAT and in liaison with the PARTISIPA contractor
- Facilitate, provide referrals to and in some cases, participate in the consultant/s consultation with PARTISIPA partners including GoTL ministries
- Liaise with the organisation's Project Manager on key project decisions, deliverables and contracting, scheduling
- Provide advice to the Team/Team Leader and review/approve key documentation including review plan, PEA, aide memoire, draft report
- Coordinate necessary communication/meetings at SES-level.

Reporting and deliverables

The Review Team will be responsible for the quality delivery of these deliverables:

- Stage 1: A Review Plan; and a Political Economy Analysis
- Stage 2: An Aide Memoire
- Stage 3: A draft Mid Term Review Report; and a final Mid Term Review Report

DFAT and the PARTISIPA contractor will make available to the Review Team information, documents and particulars relating to the PARTISIPA program (relevant reports, policies and the Monitoring and Evaluation Framework).

Deliverables should conform to the DFAT Monitoring, Evaluation and Learning Standards.

Annex 2 Review team roles and responsibilities

Name, role	Responsibilities
Graham Teskey, Co-team Leader	<ul style="list-style-type: none"> ▪ Ensure the review is implemented according to the Terms of Reference and the Review Plan ▪ Management of the review team and assignment of duties ▪ Draft the review plan ▪ Lead the development of reports and key deliverables ▪ Take responsibility for liaison with the Embassy ▪ Lead / co-lead interviews, workshops, and other activities in line with the review plan ▪ Coordinate and lead author of the deliverables, and ensure submission of high-quality deliverables
Greg Ellis Co-team Leader – In-country mission	<ul style="list-style-type: none"> ▪ Lead the in-country mission ▪ Lead/co-lead interviews and presentations in-country with Embassy and PARTISIPA ▪ Coordinate draft MTR report
Anne Lockley, GEDSI Specialist	<ul style="list-style-type: none"> ▪ Lead the coordination of selected components of the review ▪ Support / co-lead interviews and workshops and other activities in line with the Review Plan ▪ Conduct desk reviews and undertake data checking as required ▪ Work with the Team Leader regularly to debrief and exchange information ▪ Along with the Team Leader, generate findings, lessons learned and recommendations ▪ Contribute to writing/reviewing sections of the review report, as requested by the Team Leader
Geordie Fung, Multi-Sectoral Monitoring & Evaluation Specialist	<ul style="list-style-type: none"> ▪ Lead the coordination of selected components of the review ▪ Support / co-lead interviews and workshops and other activities in line with the Review Plan ▪ Conduct desk reviews and undertake data checking as required ▪ Provide review and input, as needed ▪ Along with the Team Leader, generate findings, lessons learned and recommendations ▪ Contribute to writing/reviewing sections of the review report, as requested by the Team Leader
Alberto Correia, Monitoring & Evaluation Specialist	<ul style="list-style-type: none"> ▪ Lead the coordination of selected components of the review ▪ Support / co-lead interviews and workshops and other activities in line with the Review Plan ▪ Conduct desk reviews and undertake data checking as required ▪ Provide review and input, as needed ▪ Along with the Team Leader, generate findings, lessons learned and recommendations ▪ Contribute to writing/reviewing sections of the review report, as requested by the Team Leader

Annex 3 Further elaboration against key evaluation questions

KEQ 1: Strategic Balance

(a) To what extent is PARTISIPA balance right in terms of sector focus?

PARTISIPA's four sectors include: community development (through PNDS; accounting for approximately 40% of program spend), municipal administration (30%), sub-national roads (20%) and rural water (10%).

Sub-national roads

Dual Rationale: Remaining Invested vs. Withdrawing Support for Rural Roads

Rationale for Remaining Invested

- **Critical Infrastructure for Access and Services:** Roads are essential for access to basic services and infrastructure, especially in rural areas, promoting inclusive development and governance.
- **Addressing Systemic Challenges:** The PARTISIPA program directly tackles institutional weaknesses such as insufficient capacity, lack of road network data systems, and inefficient prioritisation, which are critical to ensuring long-term sustainability.
- **Strategic Contributions to Resilience and Sustainability:** Initiatives like medium-term planning, Fibre-Reinforced Concrete (FRC) technology¹⁸, and institutional capacity-building strengthen the long-term resilience and efficiency of rural road networks.
- **Alignment with GoTL Priorities:** Supporting sub-national roads aligns with the Government of Timor-Leste (GoTL) strategic goals, providing complementary efforts to national projects supported by other donors.
- **Risk of Undermining Progress:** Premature withdrawal could risk losing the significant groundwork laid in planning, technology adoption, and municipal capacity strengthening, undermining PARTISIPA's broader goals and relationships with GoTL counterparts.

Rationale for Withdrawing Support

- **Limited Fiscal Resources:** Timor-Leste faces a fiscal squeeze, which will constrain future investments in road maintenance and upgrades, reducing the potential impact of continued support.
- **Unfunded Maintenance Gap:** Sub-national road networks already suffer from chronic underfunding. Without significant increases in GoTL allocations, continued external investments risk becoming unsustainable.
- **Political Misalignment:** The political incentive to construct new roads rather than maintaining existing ones reduces the sustainability and efficiency of current investments.
- **Required Investments are Substantial:** improving sub-national road management will require substantial up-front investment (for example, FRC is costed at roughly USD250,000 per kilometre).
- **It is unlikely that there will be new funds available for roads operations and maintenance** in the coming decade.
- **Reallocation to Higher-Impact Areas:** PARTISIPA could channel resources toward sectors less constrained by political and fiscal dynamics, such as water or governance, maximising its overall development impact.

The MTR team are of the view that the arguments for withdrawal outweigh those for continuation.

Short-Term (by the end of Phase 1)

- **Develop a Clear Exit Strategy:** Draft a withdrawal plan that includes milestones for transitioning responsibilities to GoTL.
- **Prioritise Capacity-Building Efforts:** Accelerate the ongoing capacity-strengthening initiatives for GoTL agencies and municipal authorities, ensuring they can manage rural road networks independently.

¹⁸ FRC pilots are due to be completed late 2025.

- **Institutionalise Systems and Tools:** Ensure the deployment and operationalisation of asset management systems and decision-making tools developed under PARTISIPA.
- **Strengthen Local Financing Mechanisms:** Assist GoTL in exploring diverse funding sources, such as international climate or disaster resilience funds, to offset the reduction in external support.

Communication and Stakeholder Engagement

- Communicate this decision as soon as possible with GoTL, municipalities, and other stakeholders about the withdrawal timeline, ensuring transparency and alignment with local priorities.
- Establish a follow-up mechanism to monitor the sustainability of PARTISIPA's initiatives and offer limited advisory support post-withdrawal if needed.

Should DFAT decide to remain engaged in sub-national roads in Phase 2, it could do so but with a reduced level of investment. This could involve finalising the FRC pilots in Phase 1 and focussing only on supporting GoTL's road planning system at a reduced cost in Phase 2.

(b) To what extent is PARTISIPA balance right in terms of national versus sub national focus?

Determining whether PARTISIPA's balance between national and sub-national investments is contingent on PARTISIPA's strategic rationale being clearly defined.

Some rationales posed by interviewees (explicitly or implicitly) throughout the MTR included:

- Strengthening municipal administration:
 - Readyng municipalities to manage more government functions
 - Readyng municipalities to have good systems and strategies in place to manage predicted fiscal contraction.
 - Supporting decentralisation in graduated municipalities
 - Supporting achievement of minimum conditions for municipalities to receive Local Power
- Improving decentralisation policy and implementation
- Strengthening social accountability from the suku level upwards
- Increasing resource allocation to people in rural areas
- Improving sub-national infrastructure and services
- Increasing GoA's understanding of what is happening outside of Dili
- Extending positive perspectives of and relationships with GoA
- Building municipal resilience to national disruption in a situation of severe economic and social disturbance

It is appropriate that PARTISIPA's outcomes are based on multiple rationales, however, it is important for DFAT to articulate the relative priority of each so as to provide strategic guidance where program trade-offs need to be made.

KEQ 2: Relevance

Australian engagement in Timor-Leste rural development efforts has a long history with support, particularly in rural water predating independence.

Since 2006 and 2012 respectively, Roads for Development (R4D) and the National Program for Suku Development (PNDS) have been the GoTL's primary instruments for channelling development funds to sukus. Since their inception Australian aid has supported both PNDS and R4D to enhance local governance and promote sustainable development at the community level. PARTISIPA continues this tradition by improving the capacity of municipal governments and supporting PNDS to strengthen community level processes - enhancing service delivery, supporting the operation and maintenance of local infrastructure (principally focussed on rural roads and water supply), and fostering community participation in decision-making.

Alignment with Australia’s International Development Policy

PARTISIPA aligns with Australia’s International Development Policy objective to support partners to build effective, accountable states that drive their own development and enhance state and community resilience to external pressures and shocks.¹⁹

Alignment with the Development Partnership Plan

A prosperous, resilient and stable Timor-Leste is the overarching goal of the draft Australia-Timor-Leste Development Partnership Plan. PARTISIPA’s objectives, embedded in strengthening sub-national government and supporting community resilience to deliver quality services and infrastructure. PARTISIPA’s implicit strategic rationale to bring the delivery of government services closer to rural communities (approximately 70% of the population) is well aligned with the draft Australia-Timor-Leste Development Partnership Plan (DPP) goal of a ‘prosperous, resilient and stable Timor-Leste’. The Program’s objectives align strongly with outcomes developed under Objective 1 (quality services) and Objective 4 (all people thrive and prosper)

Alignment with gender equality and the rights of people with disabilities

Gender equality and disability equity are core issues for action identified in Australia’s International Development Policy. A more specific gender equality objective in the design refresh will bring PARTISIPA’s program logic into line with the Policy requirement for investments of over \$3 million. PARTISIPA is well aligned with the forthcoming DPP, particularly in areas of improving the Timor-Leste government ability to deliver on its equality and inclusion frameworks (DPP outcome 4.3). There is an opportunity to expand work on leadership diversity (DPP outcome 4.1). The [Program of the IX Constitutional Government](#) explicitly commits to implementing the Maubisse Declaration, supporting women’s organisations and associations that defend women’s rights and interests, and to equal opportunity (interestingly only for 60 percent of women) to access decision-making positions. It acknowledges that citizens with enjoy the same rights and are subject to the same duties, but commitments are less progressive. The commitment of the Timor-Leste Strategic Development Plan 2011–2030 to gender mainstreaming in government policies, programs, processes and budgets open the door for attention to gender mainstreaming and disability equity and rights in the decentralisation process. A clear gender equality and disability equity and rights intent from the earliest stages of decentralisation is a therefore a relevant municipal strengthening priority.

Alignment with the roadmap to achieve the Timor-Leste Strategic Development Plan

The Program of the IX Constitutional Government sets out clear priorities in decentralisation, road network management, water and rural development, all of which PARTISIPA’s activities are well aligned.

Reinforcing a commitment to deconcentration and decentralisation, the Program of the IX Constitutional Government affirms a long-standing commitment to the transfer of attributions, competencies and responsibilities to local and municipal bodies, empowering them and creating conditions for them to provide quality services. The Program commits the Government to ensure that the majority of Timor-Leste rural population has access to reliable and sustainable drinking water and recommits the Government to continue implement the infrastructure plan for the country’s road network, including the construction, rehabilitation and maintenance of rural roads.

Climate Change – an emerging development agenda

Through its efforts to support the climate resilience of roads and water infrastructure, PARTISIPA aligns to one of the core objectives of DFAT’s strategy²⁰ to support partner countries to adapt to climate change, and to plan, prepare for and respond to climate-related impacts. In PARTISIPA’s second phase it is anticipated that a greater focus on ecosystem preservation to protect water sources and stabilise landscapes will be an increasing focus as the focus shifts from resilience towards adaptation.

¹⁹ Australia’s International Development Policy - for a peaceful, stable, and prosperous Indo-Pacific, August 2023

²⁰ Climate Change Action Strategy, DFAT November 2019

Relevant to PARTISIPA’s focal areas, the Program of the IX Constitutional Government commits to creating alternative resilience mechanisms to climate change and prevent its possible effects on water and sanitation infrastructure.

The National Climate Change Policy,²¹ the National Adaptation Program of Action (NAPA),²² and Declaration of Maubisse²³ include objectives:

- To protect the rights of citizens to a healthy environment and to strengthen the country's ability to cope with the effects of climate change. It focuses on increasing participation in decision-making and the design of sustainable development strategies.
- To create an enabling environment for evidence-based decision-making, nature-based solutions, and integrated risk management.
- To reduce vulnerability to the impacts of climate change, by building adaptive capacity and resilience; and
- To facilitate the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate (UNFCCC decision 5/CP.17, paragraph 1).
- To guarantee that 150 km of rural roads are rehabilitated and that 1000 km of rural roads are conserved.

KEQ 3: Efficiency

No further commentary required.

KEQ 4: Relevance

No further commentary required.

KEQ 5: Cross-cutting

To what extent have women, girls, people living with disabilities and those most vulnerable to or affected by climate change impacts, benefited from PARTISIPA and its approaches?

Assessment of individual benefits is not yet possible, pending implementation of community level data collection. The MTR therefore considered three main pathways through which women, girls, and people living with disabilities are expected to benefit from PARTISIPA.

Pathway 1: Increased availability of and access to water and roads infrastructure.²⁴ Beyond time and labour savings, to elevate the gender equality and disability equity benefits from infrastructure women and girls and people with disabilities (a) need to have a voice in infrastructure planning so that it best meets their needs; (b) need to have a role in its execution – either through employment (see following) or through increased control over resources or status associated with infrastructure management (such as through participation in Water Facility Management Groups (GMFs); and (c) infrastructure that reflects universal accessibility design standards. PARTISIPA’s monitoring, coupled with data from the PNDS MIS indicates that there are reasonable levels of participation of women, less so of people with disabilities in planning, decision-making, and management.²⁵ However, the physical accessibility of water infrastructure is less than optimal, with many examples of construction not in accordance with design standards. Design features beyond ramps and rails were not mentioned in any consultations.

Pathway 2: Through increased employment or other economic opportunities associated with

21 National Climate Change Policy 2022

22 Timor-Leste’s National Adaptation Plan 2021

23 Declaration of Maubisse – 6th Constitutional Government

24 This assumes safeguards are in place. PARTISIPA is trialling a number of measures to ensure adequate attention to environmental and social safeguards, and has assessed that ‘*While safeguarding requirements and provisions are outlined in MPW guides and are being implemented in some instances, portfolio-wide uptake and implementation of these provisions is still not demonstratable*’ (2023 Social and Environment Safeguarding Assessment, cited in PARTISIPA Annual Report 2023 Revised (April 2024))

25 See PARTISIPA Annual Report 2023 Revised (April 2024), Mini-Assessment on the Inclusion of Women and Persons with Disabilities in the PNDS Cycle (2023)

infrastructure development and in PARTISIPA itself: PARTISIPA encourages attention to the existing Ministry of Public Works target that women are at least 30% of employees on rural infrastructure projects supported and financed by the Government are women, but achievement is lagging (13% of employees in rural roads are women, as are 13% of those contracted as village labour under PNDS. People with disabilities are 0.01% and 0.04% of these groups of employees (PNDS MIS).²⁶ PARTISIPA's own staffing profile is also very male dominated, particularly in sub-national and technical areas. Strategies such as internships and the *Feto Forte* 'strong women' PARTISIPA group are positive but scale up is needed, along with monitoring and reporting on progress.

Pathway 3: Benefits accruing from increased attention to gender equality and disability inclusion in municipal planning and decision making that result in resources being allocated to address key gender gaps and opportunities, or to provide the preconditions for disability inclusion. Emphasis on municipal strengthening as the purpose of PARTISIPA opens opportunities for much broader gender equality and disability inclusion action if this is embedded in the framework of what strong municipal governance is. This third pathway has perhaps the most potential, but the least attention in PARTISIPA's current framework, and to do this would represent a change in scope. It is flagged here but discussed in relation to recommendations for the phase II design.

Climate Change

According to the UNICEF/Timor-Leste Climate-Smart Social Service Report²⁷ noted that the effects of climate change are already felt across Timor-Leste. These changes are also being felt in other key areas, such as rising air and sea temperatures and the increasing intensity of extreme weather. Every year, the country experiences extensive extreme weather events on the scale of natural disasters. All these events are expected to negatively impact key sectors such as agriculture, health, water, energy, infrastructure (telecommunications, roads, bridges, and public buildings) and other resource-related fields. As a largely agrarian economy, with at least 70% of the population dependent on agriculture as their main source of income, these changes pose a real threat to the livelihoods and food security of the majority of Timor-Leste population. Climate change is also expected to impact domestic water supplies, increase water treatment costs, and increase the frequency of flooding. The subsequent impact is expected to have significant health impacts, such as an increase in waterborne, vector-borne, and other diseases and infections, as further detailed in the sector sections below.

Timor-Leste is highly vulnerable to climate change; however, it has a high readiness to address climate risks. Therefore, in the 2021 ND-GAIN index, Timor-Leste is the 28th most vulnerable country and the 112th most ready country out of 186. This indicates that Timor-Leste is on the road to responding effectively to climate change, but the adaptation needs and urgency to act are greater.

There is a need for PARTISIPA to focus on the water sector, particularly with an emphasis on mainstreaming climate resilience and improving the integration of data and modeling into adaptation planning. These could include:

Basic Mainstreaming – Information, Climate Resilient Infrastructure, Links to Conservation in the Water Sector:

- Mainstreaming refers to integrating climate resilience into the overall planning and implementation processes. This involves ensuring that all water sector programs consider climate impacts.
- Climate-resilient infrastructure includes buildings, constructions, and upgrading water-related infrastructure (e.g., reservoirs, pipelines, drainage systems) in a way that can withstand climate-related challenges like floods, droughts, and rising temperatures.
- Linking this to conservation in the water sector means connecting these infrastructure projects to broader environmental goals, such as protecting water sources, improving water efficiency, and reducing wastage.

²⁶ PARTISIPA Annual Report 2023 Revised (April 2024)

²⁷ UNICEF Country Report - Shifting to climate-smart social services programming (October 2024)

Climate Data and Modelling - Service Contract (e.g., Twinning Arrangement) Without Focus on Systems Strengthening:

- This part focuses on the need for data related to climate and water. Climate data (such as rainfall patterns, temperature changes, and water availability) and modelling (projecting future climate conditions) are essential to understand and plan for the impacts of climate change on water resources.
- A service contract or twinning arrangement typically means working with external experts or institutions to improve capacity. However, this should not focus solely on systems strengthening—which typically means improving internal processes or institutions—but rather on ensuring practical application of climate data in decision-making and water sector management.

Progressively Integrate Data and Modelling Adaptation Planning and Implementation:

- This emphasizes the long-term integration of climate data and modeling into the planning and implementation of water adaptation strategies. It suggests that PARTISIPA should not only use these tools for understanding the current situation but also integrate them into ongoing actions to help adapt to climate change.
- It involves creating adaptation plans that can evolve with changing climate data, ensuring that water management strategies can adjust to new challenges as they arise.

KEQ 6: Sustainability

Sustainability

What components of the program are considered to be 'sustainable' (i.e. adopted by government/funded by government/high ownership) and what set them apart/enabled those components to be more sustainable?

(a) To what extent is PARTISIPA aligned with priorities of the government?

PARTISIPA provides technical support that enables municipal governments and the communities they represent to more effectively and efficiently use central government funding. The support provided aligns well with the rural development priorities as presented in the Program of the IX Constitutional Government (refer subsection on Relevance for further information).

The MTR identified a number of externalities that could risk the sustainability of the program's benefits:

Counterpart relationships – the 2023 change of government created strains in the relationships between the Government, the Australian Embassy and PARTISIPA. This resulted in advisers no longer being embedded with their national counterparts potentially eroding the progress made in maintaining the systems and capacities built and reducing the level of awareness of PARTISIPA's operational mandate. To provide the necessary guidance and support to municipal counterparts, an understanding National Government policy and programming decisions is vital. Recent efforts by the Embassy and PARTISIPA to reengage with senior government officials provide the foundations for reestablishing a constructive dialogue with a view to affirming the scope of and approach to the roles of nationally embedded advisers to maximise their benefit to both central administrations and officials at the municipal level.

Decentralisation - The potential progression of the decentralisation agenda and proposed municipal elections will likely have an expansionary impact on the role of sub-national government and thus influence the focus and balance of PARTISIPA resources. The scope and timing of decentralisation and any ambiguity in the legal and policy instruments and institutional structures developed by the government to guide the process could be highly disruptive threatening the establishment of the stable foundations needed for effective administration, management and infrastructure and service delivery at the municipal level.

Government priorities and fiscal contraction - Despite the centrality of rural development for poverty alleviation, the government's attention is largely focussed on large-ticket, economic growth generators such as the Greater Sunrise gas field and the telecommunications cable. Coupled with a likely fiscal contraction over the coming decade, this may constrain the capacity of sub-national government partners to maintain or expand rural development activity and limit demonstrational opportunities for PARTISIPA.

Gender equality and disability equity – refer Relevance above.

(b) Does PARTISIPA use local systems and process and strengthen the capacity of local institutions and systems during implementation period?

As detailed in the Efficiency subsection, PARTISIPA’s large network of national advisers provides solid and effective technical support that has been welcomed by counterparts at the municipal level. The review team saw no evidence of supplementation or substitution. PARTISIPA through its Capacity Strengthening Strategy and tools such as a Strength-based Approach Pocket Book have well inculcated an understanding amongst advisers and counterparts of the need to avoid the substitution/supplementation trap.

The principal threats to the sustainability of the investment reside in the impact of central government actions. Changes in policy, programming and organisational structures as well as the high levels of staff turnover after 2023 elections²⁸ proved highly disruptive - eroding the progress made in maintaining the systems and capacities built and reducing the level of awareness of PARTISIPA’s operational mandate at the sub-national level.

Some instances were identified of the use of PARTISIPA assets to support the government’s monitoring responsibilities (vehicles). In order to build capacity through action in a low resource environment a level of usage is likely inevitable. However, the Program should remain vigilant for these instances and minimise this practice to the extent possible to avoid building counterpart dependency.

PARTISIPA and the Embassy need to undertake joint planning for any potentially disruptive events (elections, ministerial changes, severe economic/social disruption etc.) to develop an engagement strategy that minimises/mitigates the negative impact of disruptions on sub-national government operations and to resocialise the program when needed.

28 It was noted that approx. 75% of staff turned over in Baucau

Annex 4 Note on Civil Society Engagement

Expanding civil society engagement is an area for in-depth exploration in the design process.

DFAT recognises that engagement with and support to civil society is underdone across the Timor-Leste development program, but a stand-alone civil society strengthening program is not being considered currently. PARTISIPA's sub-national footprint and broad municipal strengthening focus makes it a possible home for an expanded civil society program.

Relevant to PARTISIPA, there are different potential roles for civil society including:

- **Providing supplementary or complementary services:** in some cases, it can be more efficient for governments to contract all or part of services to sectoral CSOs – this could include the community engagement and planning processes for infrastructure or other community consultations or support for conservation of local water sources.
- **Advocacy and policy engagement:** CSOs can advocate for government programs aligned with the interests of their constituents.
- **Promoting transparency and accountability:** a range of strategies from structured citizen report cards to more informal feedback, monitoring, representation, or facilitating information flows.
- **Capacity building:** an example would be OPDs building the capacity of public officials to respond to the needs of people with disabilities.
- **Public education:** acting as intermediaries between the government and the public, educating citizens on institutional reforms and encouraging public participation in governance processes.

Across all of these roles specific engagement with OPDs and women's civil society organisations is key to achieving GEDSI ambitions. Recent research²⁹ highlights the importance of women's CSOs and the women's movement in achieving progressive policy change, and OPDs as critical intermediaries for disability inclusion.³⁰

There is existing work within PARTISIPA to work with CSOs – particularly women focused CSOs and OPDs and with early consideration of the role of CSOs in PARTISIPA's work in rural water. This has included capacity development focused on municipal planning and budget processes and support to OPDs for their engagement with government. There is an emphasis on the relationships and a strong awareness of the risk of funding driven and potentially unsustainable projects, and on trust between civil society and government against an assumed adversarial role.

PARTISIPA's own assessment, also the opinion of the review team, is that sub-national CSO capacity is low. In some municipalities viable civil society partners may not even exist. A civil society strengthening program would therefore likely need a combination of core funding and structured capacity development. There may be issues in CSOs meeting the due diligence requirements for DFAT funding, even as downstream partners where the managing contractor can absorb some of the risk. Therefore, it is the opinion of the review team that if a civil society component is to be built into PARTISIPA phase II, it needs to be well resourced and well thought through to mitigate the many risks that it presents. These include institutional risks where CSOs deviate from their core mandate to follow donor funds, sustainability risks if the government – CSO partnership cannot be built to a sufficient level to become increasingly embedded in the system, and fraud and fiduciary risks where capacity and systems are under-developed and oversight mechanisms are difficult to maintain. There is a further relationship risk if PARTISIPA is seen by GoTL to be supporting CSOs to criticise their work, as may be the perception with CSO accountability activities.

29 For example, Gates Foundation (2020) New data on feminist movements: Key messages. Laurel Weldon et al., 'A Global, Comparative Map of Feminist Movements, 1975–2015: An Intersectional, Mixed-Methods Approach.' Working paper, March 2020; 'When and How Does Transnational Feminism Promote Gender Justice? New Measures and Exploratory Findings.' Working paper, March 2020; 'Handmaidens or Heroes? Feminist Mobilization as a Force for Economic Equality Around the World.' Working paper. March 2020.

30 DFAT (2021) Disability-Inclusive Development Guidance Note; CBM (2024) [Inclusive Participation Toolbox](#)

However, engaging with civil society can also be seen as a risk management strategy in situations where government services may be under-resourced or there may be frequent change. With external resourcing, CSOs can offer continuity in information and services through periods of instability.

Annex 5 Note on Decentralisation

Extract from Program of the IX Constitutional Government³¹

Modernising public administration and improving its effectiveness and efficiency necessarily includes decentralisation and deconcentration. The transfer of attributions, competencies, and responsibilities to local and municipal bodies, empowering them and creating conditions for them to provide quality services, is one of the fundamental aspects of the decentralisation process.

This, in addition to enhancing democratic participation, will also contribute to developing the private sector at municipal and rural levels so that everyone contributes to their development and to the integrated and sustainable development of the Nation.

Spatial Planning and the National Planning Framework will continue to be addressed in a complementary and integrated perspective, also considering the Policies of Administrative Decentralisation and Local Autonomy to ensure the Nation's sustainable, balanced, and equitable development.

Timor-Leste Strategy for Decentralisation

Timor-Leste decentralisation approach follows three progressive phases resulting in the establishment of local authorities:

- **Territorial deconcentration:** Decree-Law No. 3/2016, of March 16 on the Statute of Municipal Authorities and the Inter-ministerial Technical Group for Administrative Decentralization
 - Delegation of administrative responsibilities and competencies in various areas
- **Institutional decentralisation:** Decree-Law No. 84/2023 of November 23
 - Establishment of twelve Municipal Authorities supervised by the Minister of State Administration
- **Territorial decentralisation:** to be established following municipality satisfaction of 'minimal conditions' (such as capability to prepare annual action plans and budgets)

The 18 delegated competencies reflect the core functions of municipalities under the local power law:

1. Economic development;
2. Spatial planning;
3. Environment, nature conservation and water resources;
4. Social equipment and means of communication;
5. Social action and housing;
6. Health;
7. Civil protection and serious accident management and catastrophes;
8. Vocational education and training;
9. Culture and heritage;
10. Promotion of gender equality;
11. Youth, sports, and leisure;
12. Tourism;
13. Energy;
14. Transportation;
15. Land cadastral, registries and notary;
16. Support to productive activities, especially the agricultural in nature;
17. Support to the suku/villages;
18. External cooperation.

Governance Mechanisms

Inter-ministerial Working Group on Decentralisation

- Led by the Prime Minister of Timor-Leste
- Includes a number of different ministries

Technical Working Group on Decentralisation

- Internal to the Ministry of State Administration

³¹ Section 6.2

Annex 6 Table of relevant GoTL policies

Policy Document	Considerations
Timor-Leste Strategic Development Plan 2011–2030 (SDP)	The strategic development plan sets out a vision for 2030 that was shaped by the views of thousands of Timorese people during national consultations held in 2010. This national plan is central to Timor-Leste articulation of its sustainable development priorities and focuses on supporting the well-being and living standards of all Timorese people through strategies to help ensure all people have access to adequate food, shelter, healthcare, education, transport services, electricity, and employment. ³²
Program of the IX Constitutional Government	<p>The Programme of the 9th Constitutional Government presents itself as the political instrument through which and during these next five years, the Executive wants to resume the roadmap defined by Timor-Leste to comply with the '2030 Agenda for Sustainable Development of the United Nations, a roadmap that was also expressed based on the Strategic Development Plan, where it articulated its goals and priorities with the 'Sustainable Development Goals (SDGs)' to achieving concrete progress in sustainable development.</p> <p>Timor-Leste has made a political commitment to implement this Global Agenda of 17 SDGs and was mainly involved in the inclusion of 'Goal 16 - Peace, Justice and Effective, Accountable and Inclusive Institutions at all levels'.</p>
Local power and Decentralization Law Administrative ³³ (Law number 23/2021)	<p>This Law approves the Local Power and Administrative Decentralization. It establishes the organization, composition and powers of the bodies of Local Power, as well as the legal framework for the administrative decentralization of the State. In particular, it defines the municipality as a public collective person, of population and territory, endowed with administrative, financial, patrimonial, organizational autonomy, and representative bodies that aim to pursue the interests of the respective populations, as a factor of national cohesion.</p> <p>Representative bodies of Local Government are expected to be Municipal Assembly, as a deliberative body, the President of the Municipality as the executive body, responsible for execution of the deliberations of the Municipal Assembly and the superior management of municipal services and the Vice-President as an assistance body to the President. It is also consecrated the election of the Mayor of the Municipality and deputies municipal suffrage by universal, free, direct, secret and periodic.</p> <p>The Municipal Advisory Council is also established, as consultation body of the Municipal Assembly and which meets, quarterly, representatives of juices and sectors of municipal communities and which will be responsible for give your opinion on the proposals for the Municipal Development Plan, Annual Activity Plan, Municipal Budget, Activity Reports, Account Reports and, also, on proposals for territorial planning.</p>
Timor-Leste Public Financial Management	The PFM reform strategy seeks to complement the Government of Timor-Leste determination to strengthen Public Finance Management (PFM) at all levels of government. This will ensure efficient, effective and responsible use of public resources as the basis for better service delivery in line with the

³² [Timor-Leste strategic plan 2011–2030 \(Government of Timor-Leste, 2011\)](#)

³³ <https://faolex.fao.org/docs/pdf/tim208058.pdf>

Policy Document	Considerations
Reform Strategy 2022–2027	<p data-bbox="512 215 1385 349">Strategic Development Plan 2011–2030 (SDP), as well as the Government priorities. The SDP defines the long-term development objectives of the country and sets the roadmap for socioeconomic transformation of the country into middle-upper income status.</p> <p data-bbox="512 371 1433 577">The SDP recognizes PFM as a priority area with three objectives: (i) improving financial administration of the public sector; (ii) increasing accountability of public sector delivery and spending; and (iii) ensuring proper public financial reporting. The SDP also places a high priority on financial transparency to improve outcomes, promote investment and economic development and strengthen trust in the State.</p>
Rural Roads Master Plan – Investment Strategy (2016–2020)	<p data-bbox="512 600 1417 734">The purpose of the RRMPIS is to enable the Government of Timor-Leste to achieve its development objectives and targets in the Rural Roads sector, as formulated in the Strategic Development Plan (SDP) and the Programmes of the Constitutional Government of Timor-Leste.</p> <p data-bbox="512 757 1449 936">The RRMPIS is the strategic framework for the Government of Timor-Leste and for involved Government Agencies and Development Partners in guiding and managing the planning and delivery of investments in the Rural Roads sector in Timor-Leste. It takes into account capacities in the public and private sector and annual investment budgets have been set accordingly.</p>

Social Policy Framework

Policy Document	Considerations
Gender	<p data-bbox="512 1133 1449 1267">The Government of Timor-Leste is committed to the promotion of gender equality under its Constitution, which protects against discrimination based on gender (Article 16) and calls for equality between men and women in familial, political, economic, social and cultural life (Article 17)</p> <ul data-bbox="512 1290 1358 1393" style="list-style-type: none"> <li data-bbox="512 1290 1358 1352">• The Convention on the Elimination of Discrimination against Women (CEDAW) and its Optional Protocol (ratified in 2003) <li data-bbox="512 1361 1091 1393">• Law against Domestic Violence (LADV) in 2010 <p data-bbox="512 1429 1449 1886">Gender equality as a cross-cutting priority is also reflected in the Timor-Leste Strategic Development Plan 2011–2030. Long-term goal is that ‘in 2030 Timor-Leste will be a gender-fair society where human dignity and women’s rights are valued, protected and promoted by our laws and culture.’ Includes strategies to achieve gender goal across education, health, violence, leadership in public spaces, as well as promoting gender mainstreaming across government in policies, programs, processes, and budgets. Promoting women empowerment through livelihood support and education program. Policies, training and leadership programmes for increased participation of women in decision making. Zero tolerance policy for violence in schools and homes. National Action Plan against Gender-based Violence (2017–2021). The Plan outlines specific actions to reduce and ultimately eradicate gender-based violence</p> <ul data-bbox="512 1899 1449 2038" style="list-style-type: none"> <li data-bbox="512 1899 1449 1962">• Adopted Sustainable Development Goals (SDGs) in 2015, including SDG 5 on achieving gender equality and the empowerment of all women and girls <li data-bbox="512 1971 1385 2038">• National Action Plan for the implementation of the UN Security Council Resolution 1325 on Women, Peace and Security (2016–2020),

Policy Document	Considerations
Disability National Action Plan (DNAP) 2021–2030	<ul style="list-style-type: none"> • Ratified Paris agreement with commitment for gender responsive climate policies,
Declaration of Maubisse	<p>This National Policy defines areas and strategic interventions in the primary sectors of Health, Education (including Higher Education), Vocational Training and Employment, Youth and Sport, Transport and Communication, Public Works, Social Services and Justice, by considering and consulting the legal frameworks that exist in all these sectors, including those sectors' strategic plans. The National Policy also includes stipulations on universal provision, specific services for people with disabilities, and guarantees that people with disabilities can access basic services on an equal basis with other citizens.</p> <p>This document sets out targets for different key line government institutions to further empower the socio-economic for women as a necessary condition for the construction of a modern and developed society. The institutions include the Ministry of Agriculture and Fisheries; Secretary of State for Support and Socio-Economic Promotion of Women; Ministry of Commerce Industry and Environment; Ministry of Public Works, Transport and Communication; Ministry of Tourism, Arts and Culture; Ministry of Health; Ministry of State Administration; the Secretary of State for Vocational Training and Employment Policy; and the National Commercial Bank of Timor-Leste.</p> <p>It is fundamental to provide equal opportunities to Women in terms of education and professional training, as well as guaranteeing equal opportunity in access to labour markets, social and political life to be able to contribute to national development. Such a plan must have as its basis the convergence of the government actions necessary for the implementation of the 2011–2030 Strategic Development Plan and the Government Program.</p>
SDGs / Agenda 2030	<p>Timor-Leste was one of the first countries to commit to the 2030 and produced an SDG Roadmap in 2017 aligning the global goals align with Timor-Leste Strategic Development Plan (2011–2030). Agenda 2030 has the central premise of no-one left behind which underpins work on gender equality and disability inclusion and is also referred to in the program of the IX Constitutional Government.</p>
WASH	<p>The Timor-Leste National Basic Sanitation Policy 2011 aims to ensure that all citizens have access to safe drinking water and adequate sanitation. It includes: i) access goals targeting improved access to clean water, especially in rural areas where challenges remain significant; and ii) quality assurance initiatives for monitoring water quality and ensuring safe drinking conditions.</p> <p>The Timor-Leste Rural Water, Sanitation, and Hygiene Sector Strategy 2008–2011 emphasizes community involvement in building and maintaining water systems. Key objectives include: i) community management: encouraging local communities to manage water systems to ensure sustainability; ii) infrastructure development: plans to rehabilitate existing facilities and construct new ones to improve access; and iii) legislation: proposals for laws to enhance water use and sanitation improvements.</p> <p>Government Resolution No. 43/2020 on the National Policy for Public Water Supply 2020 aims to establish the vision and objectives of the Government of Timor-Leste in relation to national and international commitments assumed to provide equitable access to adequate, safe and sustainable water services and at an affordable cost for all citizens. It contains the guiding principles that</p>

Policy Document	Considerations
	<p>allow the vision of universal access to a public water supply to be translated into strategies and plans, and the related implementing provisions for the benefit of the population and the socio-economic development of the country in a sustainable way. In particular, its objective is to guide all the stakeholders involved in the public water supply process, from its regulation, planning, design, financing, construction, operation and maintenance, monitoring and rehabilitation of assets.</p>

Climate Policy Framework

Policy Document	Considerations
<p>National Climate Change Policy (2021)</p>	<p>The national-level policy aims to protect the rights of citizens to a healthy environment and to strengthen the country's ability to cope with the effects of climate change. It focuses on increasing participation in decision-making and the design of sustainable development strategies. Lastly, the policy aims to create an enabling environment for evidence-based decision-making, nature-based solutions, and integrated risk management. The policy recognises that the negative impacts of climate change are expected to have different effects on men, women, children and the elderly.</p> <p>It notes that the projected impacts of climate change in Timor-Leste are expected to negatively affect water resources. The projected increases in air temperature are expected to increase evaporation from surface waters (streams, rivers, and lakes) that are the main source of water for agricultural, industrial, and domestic use. Adaptation policy to these and other impacts on water resources in Timor-Leste is centred on three main policy strategies: Protect water-related infrastructure, implement practices to better capture available water, and make use of the existing water resource; Protect water resources from contamination and overuse by industrial sources; and Manage watershed areas to regulate sand mining in several rivers.³⁴</p>
<p>Revised Nationally Determined Contribution Timor-Leste 2022–2030</p>	<p>Timor-Leste updated NDC confirms the direction and priorities under its initial NDC, including identifying agriculture, water resources, forestry, and public health as highly susceptible to climate change. Additionally, the updated NDC further specifies different commitments and initiatives. The updated NDC focuses on four main commitment areas: 1) climate risk governance; 2) nature-positive growth and transition; 3) low carbon development; and 4) climate change adaptation and resilience building. The updated NDC includes the National Adaptation Plan (NAP), which provides a strategic framework for national adaptation priorities and implementation arrangements.³⁵</p> <p>The revised NDC makes explicit reference to gender inequality and the need to continue support to ensure gender mainstreaming across society, through gender-responsive governance and planning; the need to maintain social protection (e.g. Timor-Leste maintains a Contingency Fund which is supported by the annual State Budget to support the national responses to natural disasters and climate-change-related impacts. There are also high-level references to health (i.e. linking to the constitutional article on ensuring the</p>

³⁴ Resolution No. 8/2022 National climate change policy (Government of Timor-Leste, 2022)

³⁵ Timor-Leste updated nationally determined contribution (NDC) 2022–2030 (Government of Timor-Leste, 2022)

Policy Document

Considerations

	<p>right to ‘a humane, healthy, and ecologically balanced environment, but referring to the NATIONAL CLIMATE CHANGE POLICY³⁶ for details on the implementation of health-related actions. Water is referred to in the context of ensuring water supply and water security. There are no specific references to children or child protection in the NDC.</p>
National Adaptation Programme of Action (NAPA)	<p>This iteration includes adaptation measures such as:</p> <ul style="list-style-type: none">• Improving food security• Promoting integrated water resource management• Enhancing the capacity of the health sector to respond to climate-sensitive diseases• Improving the capacity to prepare for and respond to natural disasters• Maintaining and restoring forests and mangrove ecosystems• Improving regulations for climate-resilient infrastructure.³⁷
Environment Basic Law (Environmental Framework Law)	<p>The law sets out the framework for environmental policy and the guiding principles for the conservation and protection of the environment and for the preservation and sustainable use of natural resources to promote the quality of life of the country's citizens. Priorities cover energy efficiency, clean energy generation, pollution control, clean technologies and R&D.³⁸</p>
National Disaster Risk Management Policy (2008) – Timor-Leste	<p>One of the essential points of this policy is to give more attention to children and youth in disaster risk management. This is because children have previously died in large numbers due to disasters, with a lack of risk management education potentially contributing to higher mortality rates. Recent research has also shown that one of the reasons for child injury in natural disasters is that parents do not convey preparedness messages to them. Increased education in schools, including incorporating the children’s concerns into disaster preparedness strategies, will contribute positively to this issue, and children will also convey these messages to their families in the home. Children, alongside other vulnerable groups (‘the aged, widows, returnees, refugees, religious and ethnic minorities and those in hazard-prone areas’ (p21)), are therefore the target audience of enhanced schooling and national public education and awareness programs. These include television broadcasts, posters, newspaper articles, community meetings etc.</p> <p>Community protection will be enhanced through Community Based Disaster Risk Management (CBDRM). This will support local communities in developing local action plans tailored to their specific vulnerabilities, such as flash flooding for upland and highland communities, and tsunamis, marine flooding and sea level change for coastal communities. Communities will be further supported through activities such as first aid, swimming lessons, and survival skills, and will receive risk communication to increase their capacity further.</p>

36 [Resolution No. 8/2022 National climate change policy \(Government of Timor-Leste, 2022\)](#)

37 [Timor-Leste national adaptation programme of action \(NAPA\) \(UNFCCC, 2010\)](#)

38. [Decree Law No. 26/2012 of 4 July 2012: Environment basic law \(Government of Timor-Leste, 2012\)](#)

Annex 7 List of documents reviewed

PARTISIPA

- Terms of reference: Scoping paper: community resilience opportunities for PARTISIPA
- PARTISIPA 2024 organisational chart (draft)
- MERLA Framework V3.0 - June 2024.docx
- PARTISIPA's Adaptive MEL System - August 2024 (DFAT MEL COP)
- PARTISIPA MEL System Redesign - Aug 2024.pdf
- PARTISIPA Strategy and Outcomes - FAQ - May 2024
- Progress Report - Jan-June 2024
- Annual Report 2022 Revised (June 2023)
- Annual Report 2023 Revised (April 2024).
- Immediate Outcome Evidence and Analysis: Provision Indicators - EOIOs - May 2024.
- Rural water - operations and maintenance
- OM Baseline - Report Nov23.docx
- PARTISIPA C3 2023 progress and 2024 planning
- PARTISIPA GEDSI Strategy 2024–2026
- MOP Maubisse declaration proposed changes
- Provisional Indicators - End of Investment Outcomes - May 2024
- Findings - PNDS GEDSI guide mini-Assessment
- Terms of Reference - GEDSI Transformation partnership
- FRC Pavement Demo Project - Concept Note
- Decentralising Road Network Management: Policy Brief (2024)
- Strategic Environmental and Social Assessment (SESA) for the Sub-national Road Network of Timor-Leste Version 2.0, 10th June 2024
- Better Roads Policy Brief (2023)
- Roads Integration Strategy (redacted)
- Policy brief summarising the findings and recommendations of SESA for subnational roads in Timor-Leste
- PARTISIPA Monitoring, Evaluation and Learning Plan (2019)

DSAT / DFAT

- DSAT Portfolio review FINAL Agreed 13 March 2024.pdf
- A DSAT assignment Step 2 Final as submitted

DFAT

- Timor-Leste PARTISIPA 2021–2031 IDD + Design Annexes
- Redacted Draft of the DFAT Timor-Leste Development Partnership Plan
- Monitoring Visit Report Liquica
- Monitoring Visit Report Manatutu
- Monitoring Visit Report Ainaro
- Monitoring Visit Report Lautem
- Monitoring Visit Report Ermera
- PARTISIPA Completion Report + Annexes 2021
- INN389 Annual Investment Monitoring Report 2021
- INN389 Annual Investment Monitoring Report 2022
- INN389 Annual Investment Monitoring Report 2023
- INN389 Annual Investment Monitoring Report 2024

Other

- Clear Horizon (2022) Partnership for Human Development MTR
- PROSIVU GEDSI Strategy (2023)

GoTL

- Maubisse Declaration III 2023–2028 (Tetun)
- Ministry of Finance Briefing Notes kona-ba Progresu Lalaok Siklu Orsamentu Jerál Estadu (OJE) ne'ebé Inkluzivu

Annex 8 List of stakeholders interviewed

Government of Timor-Leste

- Ministry of State Administration, Abilio Jose Caetano, National Adviser (Minister Office, focal point for international support)
- Ministry of State Administration, António Augusto Guterres, Director General for Decentralization and Local Government
- Director General for Regulating Electricity, Water & Sanitation (DGREAS), Ministry of Public Works, Arlinda Maria Miranda, Director General for Regulating Electricity, Water & Sanitation
- National Directorate for Regulating Water & Sanitation (DNRAS), Sr. Belarmino Freitas Gomes dos Santos, Director Direcao Nacional para Regulacao da Agua e Saneamento (DNRAS)
 - Sra. Stela
 - Sr. Jose Pereira
 - Sr. Luis Moreira
 - Sr. Isac Fontes
 - Sr. Sebastiao da Costa
 - Sr. Francisco Almeida
 - Sr. Francisco Pereira
 - Sr. Eduardo Piedade
- Ministry of Public Works, Santino Barreto, National Directorate for Planning, Research and Development Roads
- BEE,TL, EP, Gustavo da Cruz, The President of BTL

Municipal Government (Manatuto, Baucau, Ermera)

- Manatuto Municipal Administration, Luís Inácio Henrique Fernandes, President of Municipal Authority
- Baucau Municipal Administration, Veneranda Eurico Marques Lemos Martins, President of Municipal Authority
- Baucau, Secretary of State for Inclusion (SEI), Domingas Soares Nunes, Baucau Focal Point of Secretary of State for Inclusion (SEI)
- Baucau Water/ SMASA, Norberta da Costa, Diretora do Serviço Municipal de Água, Saneamento e Ambiente
- BTL Baucau, Adriana Belo da Rosa, Coordinator of BTL. E.P Baucau
- Baucau Municipal Rural Roads, Agostinho Ximenes, Diretor do Serviço Municipal de Obras Públicas e Transportes
- Baucau PNDS, Amaro Gama Gusmão, Director of PNDS Baucau
- Ermera Municipal Administration, Jose Martinho Dos Santos Soares, President of Municipal Authority
- Jose da Costa, Admin and Finance
- Antonio Alves, Planning and Investment Integrated
- Noemia Ximenes, Chief of Cabinet

Australian Embassy

- DFAT, DHOM, Edward Wilkinson, Deputy Ambassador
- DFAT, HOM, Caitlin Wilson, Ambassador
- DFAT, Rebecca Dodd
- Counsellor, Human Development
- DFAT, Megan Kybert, First Secretary
- DFAT, Jose Marcal, Senior Officer, PARTISIPA Program

PARTISIPA

- Senior Leadership Team, Alvaro Ribeiro, MPW Support Director
- Abilio de Araujo, Municipal Support Director
- Colin Kercz, Operation Director
- Annie Sloman, GEDSI & Performance Director
- Component 1 PNDS, Alvaro Ribeiro, MPW Support Director
- Jose Asaca, Community Development Coordinator
- Sisto dos Santos, National Coordinator, Engineer
- Celestino Moniz do Rosario, National Coordinator, Engineer
- GEDSI team, Casmira Maia, Disability Inclusion Adviser
- Annie Sloman, GEDSI & Performance Director
- Anita dos Santos da Silva, GEDSI Adviser
- MEL team, Denika Blacklock, MEL Manager
- Annie Sloman, GEDSI & Performance Director
- Component 2, Governance Strengthening, Abilio de Araujo, Municipal Support Director
- Tome Hula Muda, Regional 1 Manager
- Component 3: Rural Water, Ali Saikal, Water Adviser
- Carlos Miguel, Operations and Maintenance
- Domingos Pinto, Water Resource Management Adviser
- Leopoldina Magno dos Santos, O&M Coordinator
- Constantino Belo, O&M Coordinator
- Component 4: Sub-National Roads, Alvaro Ribeiro, MPW Support Director
- Rajesh Sharma, Roads Component Lead
- Mizan, Senior Road Engineer
- Filipe, National Road Engineering Coordinator
- Kurt Koomen, Interim Team Leader
- MoSA, Alessandra Ronchi, Strategy, Engagement and Policy Director
- SLT, Alvaro Ribeiro, MPW Support Director
- Abilio de Araujo, Municipal Support Director
- Annie Sloman, GEDSI & Performance Director
- MEL, Denika Blacklock, MEL Manager Annie Sloman, GEDSI & Performance Director
- Governance Strengthening, Abilio de Araujo, Municipal Support Director
- Roads, Alvaro Ribeiro, MPW Support Director
- Rajesh Sharma, Roads Component Lead
- LGA and PNDS Team (Manatuto), Saturnino Pascoal, LGA
- Evelio Sousa, Social Coordinator (PNDS)
- Regina Yomina, Engineering Officer (FST-PNDS)
- José Carlos Alves, Finance Officer Support, PNDS
- Rural Water (Manatuto), Madalena Castro Lay, Water O&
- Municipal LGA (Baucau), Marciano Patrício da Luz, Local Governance Adviser
- Municipal Team (Baucau), Aniceto Carlos Pinto, Municipal Support Team Engineering, Field Coordinator (PNDS)
- Jovanio Freitas, Municipal Engineer Coordinator (Road)
- Municipal Team (Ermera), Calisto Babo Soares, LGA
- Fernando da Costa, Field Coordinator Social Development
- Franklin Filipe Gaudes Garcia, Engineer Support Officer
- Sonia Dinis Almeida, Finance Support Officer
- Venancio dos Santos Coa, Engineering Coordinator Road
- Azito da Silva, Water Officer
- Cipriano, Driver
- Mario Fatima de J. Soares, Driver

- Former Staff, Fiona Hamilton, Former Team Leader of PARTISIPA

CSOs

- AFEHABAD (Women Association)
- (Baucau), Regina de Sousa, the President of AFEHABAD
- ADFTL (OPD)
- (Baucau), Jose Frederico de Sousa, Executive Director
- Joao Soares Gusmao, Livelihood Coordinator
- Rado Ximenes, Technical Support
- RHTO (OPD)
- (Ermera), Joanico Pereira Dos Santos, Municipal Coordinator
- Nilton dos Santos Alves, Field Officer
- Women Association / Administrative Post Administrator, Michaela dos Santos, The president of Ermera
Women Association / Railaco Administrative Post Administrator

DFAT Programs

- PROSIVU, Iain Smith, Team Leader
- Vishal Gandhi, PFM Lead
- Francelina Guterres, GEDSI Coordinator