



# TIM Works



**TIM Works - Investment Budget Execution Support for  
Rural Infrastructure Development and Employment Generation**

## **TIM-Works AusAID**

### **Progress Report April – September 2011**



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## 1. Introduction

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The Investment Budget Execution Support for Rural Infrastructure Development and Employment Generation (TIM Works), July 2008 to February 2012<sup>1</sup>, is contributing to employment generation, poverty reduction, economic growth and peace building through the rehabilitation, construction and maintenance of rural infrastructure using labour-based (equipment supported) work methods. The Project reflects the Government of Timor-Leste (GoTL) Development Strategy and contributes to the achievement of the Millennium Development Goals (MDGs), by specifically addressing the following key challenges for poverty reduction in Timor-Leste:

- Providing sustainable and productive employment opportunities;
- Improving poor access to social services and markets;
- Private sector development support;
- Improving and maintaining rural infrastructure; and
- Human resource development and institutional strengthening.

### Project Summary (TIM Works)

<b>Title:</b>	Investment Budget Execution Support for Rural Infrastructure Development and Employment Generation
<b>Code:</b>	TIM/10/M50/AUS
<b>Keywords:</b>	Employment creation, labour-based infrastructure works, skills development, maintenance, rural infrastructure development, capacity building, contractor training, institutional development, technical education.
<b>Timeframe<sup>2</sup>:</b>	July 2008 – February 2012 ( <b>AusAID 01 July 2010- 29 February 2012</b> )
<b>Budget<sup>3</sup>:</b>	Total: USD 11,488,599 <b>AusAID: USD 3,224,737</b> ; Norway USD 2,334,615; EC USD 2,028,227; Ireland USD 1,311,712; (ILO RBSA 196,508) Government of Timor Leste contribution: US\$ 2,392,800 (Labour Costs)
<b>Implementing Agency:</b>	International Labour Organization in partnership with the Secretary of State for Vocational Training and Employment and in collaboration with the Ministry of Infrastructures.
<b>Support Sectors</b>	Transport, rural development, employment, education & training, peace and reconciliation.

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<sup>1</sup> An amendment with AusAID was signed on 15 August to extend the Project until February 2012, also increasing the contribution with AUD 1,050,000

<sup>2</sup> EC and Norway contributions ended in December 2010. Ireland contribution ended 30 June 2011.

<sup>3</sup> For details, see Section 4 of the report

The TIM-Works Project is implemented by the National Directorate of Employment of the Secretariat of State for Vocational Training and Employment (SEFOPE), with the technical assistance of the ILO. SEFOPE is the key government counterpart institution with strong links to the Ministry of Infrastructure, Directorate of Roads, Bridges and Flood control and the Ministry of Economy and Development. The TIM-Works intervention serves to demonstrate the labour-based approach to road rehabilitation and maintenance and build capacity to manage such programmes. All 13 Districts of Timor-Leste have been included for routine maintenance activities whilst Aileu, Baucau, Bobonaro, Dili, Ermera, Lautem, Liquica, Manatuto and Viqueque are included for rehabilitation works.

TIM Works is a multi donor funded Project implemented by the ILO with contribution agreements signed with the Government of Norway (July 2008-December 2010), European Commission (December 2008-December 2010), Government of Ireland (July 2009-June 2011), Government of Australia (June 2010-February 2012). Additional contribution from the ILO Regular Budget Supplementary Account was added to the project budget. An MOU was also signed in May 2010 with the Ministry of Agriculture and Fisheries and the Spanish Cooperation for implementation of road rehabilitation and maintenance activities in Liquica District within the TIM-Works framework. TIM Works is currently slated to end in February 2012, following the approved extension by AusAID.

The various contributions from the donors and the government are shown in Section 4 Project Budget. The Government has so far contributed USD 1,836,000 and allocated another USD 895,000 in 2011 for labour-based activities.

The launching Inception Workshop and 1<sup>st</sup> Steering committee Meeting (SCM) was held on 14 October 2008. The 2<sup>nd</sup> SCM was held on 26 June 2009. The 3<sup>rd</sup> SCM was held on 16-17 November 2009, combined with field visits to road projects in Lautem and Baucau. The 4<sup>th</sup> SCM was held in Viqueque 6-7 May 2010. An independent audit of ILO's activities in Timor-Leste was carried out 20 September-02 October 2009. The Mid-Term Review of TIM-Works was carried out 26 September to 10 October 2009 and EC carried out a ROM mission in November 2010.

This report covers the overall progress and specific progress of the TIM-Works AusAID funded activities during the period April-September 2011. A summary of key progress indicators until September 2011 in **Table 1** below.

**Table 1** Summary of progress

Summary of key targets	Rehabilitation (km)	Maint. Cum (km)	Beneficiaries	Workdays
Target total	300	2,100	28,300	1,367,000
<i>Progress overall Sept. 2011</i>	<i>290</i>	<i>2,043</i>	<i>31,645</i>	<i>1,338,168</i>
Target AusAID	75	580	4,800	330,000
<i>Progress AusAID Sept. 2011</i>	<i>65</i>	<i>563</i>	<i>6,345</i>	<i>317,603</i>

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## 2. Progress against Outputs

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The following section reports on progress made to date against each output as defined in the Project Log Frame in **Annex I**, (AusAID outputs in brackets) as well as the progress made during the reporting period. A detailed works implementation plan for rehabilitation and maintenance is included in **Annex II**.

### (i) Roads Output: Roads rehabilitated 300 km (AusAID 75 km) and maintained 2,100 km (AusAid 580 km) with labour-based technologies

#### Road maintenance

In principle, roads eligible for routine maintenance are all maintainable roads in the project area, as identified and recommended through the road condition survey carried out by the Project staff in close cooperation with the local authorities.

In terms of road maintenance, work was completed for 292 km of rural roads during the reporting period in eight districts of Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Manufahi and Viqueque. A new batch of routine maintenance is being planned for the last quarter of 2012.

The TIM-Works Project has at the end of the reporting period cumulatively completed routine and periodic maintenance on 2,043 km of roads, (AusAID 563 km). A list of ongoing maintenance works and completed road maintenance contracts for the period in **Annex II**.

The Project has developed guidelines for implementation of maintenance works using community contractors as well as templates for contract agreements. These guidelines were translated into Tetum during the reporting period. The preferred approach to routine road maintenance thus includes the mobilization of community contractors carrying out maintenance works based on simplified contracts and paid on the basis of measured completed works. The contracts cover the costs of their labour inputs only, with tools and materials provided separately. Selection of contractors is done based on community consultation, the work quantities based on actual assessment and monthly outputs on established standard task rates.



*Road maintenance turfing side slope for erosion protection*

These community contractors are allocated work on road sections of 5 to 15 km located in the vicinity of their villages.



Routine road maintenance works is now mainly through contracts and 158 contracts have so far been awarded.

The average cost of a Community Labour Contract, for labour cost only, is with the increased wage rates now in the range of US\$ 3,500-5,300 per maintenance contract, normally covering 5-15 km with around 20 labourers employed. In maintenance the labour cost component in maintenance is between 80-90%. Therefore, the increase in wage level has a significant impact on the total cost. The average cost for the latest batch of maintenance is estimated at \$800 per km per year. The cost depends on weather conditions and the amount of backlog. As roads generally are in a very poor condition, the cost of maintenance is relatively high, as activities are often more than routine activities. However as roads are brought back into good condition, future maintenance costs are expected to go down. Road maintenance is largely funded out of government contribution to the Project.

### **Road rehabilitation**

The majority of roads for inclusion in the rehabilitation programme were identified at the beginning of the Project. These were identified through consultation with local authorities. Additional roads have however been identified during the reporting period.

Detailed assessment and preparation of project proposals and bidding documents have been done for all roads included in the AusAID component (13 roads or 78 km), out of which 14 km is being implemented through contracts. In terms of road rehabilitation six project sites included in the AusAID component were ongoing or completed, in all 78 km with a completion rate of 65 km at the end of September. Compare **Table 2** below.



**Road condition before works started**



**Road condition following rehabilitation**

**Table 2** AusAID contribution to TIM Works

District	Sub-district	Suko	Road name	Km	Status	Remarks
Target				75		
Aileu	Aileu Vila	Fatubosa	Hali Okos-Erhetu	4	100%	Total 8km
Baucau	Vemassee	Cai Cua	Binagari-Cai Cua	6	100%	
Baucau	Vemassee	Vemassee	Binagari-Vemassee	4	35%	
Baucau	Gariwai	Gariwai	District road	4	100%	
Bobonaro	Atabae	Rairobo	Rairobo-Alima Naru	16	95%	
Ermera	Letefoho	Estado	Estado-Raimehae	5	100%	
Lautem	Iliomar	Iliomar	Arara-Ira Darate	5	80%	Total 8km
Lautem	Lospalos	Leuro	Leuro-Sorulu	3	30%	
Liquica	Liquica	Hatuquesi	Nunuhau-Hatuquesi	5	100%	Total 8km
Liquica	Bazartete	Leorema	Leorema	3	30%	
Manatuto	Laclo	Laco Mesak	Hatukuna-Laco-Mesak	6	100%	
Manatuto	Laclo	Bedquira	Bedquira-Laclo	14	90%	
Viqueque	Uatalari	Loco Loco	Loco Loco	3	30%	
<b>TOTAL</b>			<i>Compl, plan and ongoing</i>	<b>78</b>	<b>65.9</b>	<i>Km Completed</i>

The completion rate for the TIM Works AusAID component at the end of September is 65 km, contributing to the TIM Works total of 290 km completed. Compare Table with all TIM Works roads in **Annex III**.

The project has during the reporting period also carried out protection works and improvement of drainage on rural roads rehabilitated in Bazartete and in Metinaro. This included gabion works, adding retaining wall to protect side slopes and installation of additional cross drainage structures.

The average cost for the completed roads is about \$21,000 per km, with about 45% for labour, 38% for equipment and 18% for materials. The number of worker days per km is approximately 3,300. See **Table 3** below. The cost varies widely much depending on the terrain, with roads in mountainous terrain being more expensive than roads rehabilitated in flat or rolling terrain. The higher cost is attributed to more structures and more labour input per km than originally envisaged. With the increase in wage level, and taking profit margins for contractors into account, the average cost is expected to be even higher. The contracts for the last round of trial works are averaging \$23,400 per km.

The labour output has been improved, following the incentive of increase in wage levels, reinforced socialisation process and strict monitoring and enforcement of achieving the daily targets. In general workers are now working around six hours per day and complete reasonable levels of work. However, productivity has suffered due to rains in the reporting period.

A cost analysis for completed projects is presented in the **Table 3** below.

**Table 3** Cost analysis for completed roads

District	Sub-district	Road Name	Km	Total cost USD	Cost/km USD	Labour		Equipment		Materials		Worker days
						Cost	%	Cost	%	Cost	%	
Aileu	Remexio	Fatumasi-Maumeta	6	117,447	19,575	64,737	55%	36,350	31%	16,360	14%	29,246
Aileu	Laulara	Madabeno-Lesimori	2	49,030	24,515	17,432	36%	20,180	41%	11,418	23%	6,802
Aileu	Remexio	Maumeta-Fatuk Bloco	5	112,265	22,453	57,147	51%	60,890	54%	15,822	14%	11,357
Aileu	Aileu Vila	Hali Okos-Erhetu	8	151,783	18,973	82,074	54%	43,940	29%	25,769	17%	15,653
Baucau	Baucau	Gariwai-Watuva	4	75,800	18,950	29,128	38%	35,500	47%	11,172	15%	12,451
Baucau	Vemasse	Wailakama-Ustico	7	114,577	16,368	58,060	51%	33,800	29%	22,717	20%	24,460
Baucau	Venilale	Caicoli-Liabala	7	130,454	18,636	72,653	56%	41,990	32%	15,811	12%	29,104
Baucau	Laga	Dailaru-Boleha	9	145,278	16,142	76,803	53%	58,990	41%	9,485	7%	22,735
Baucau	Baucau	Gariwai-Powerstation	2	53,291	26,646	30,664	58%	15,500	29%	7,127	13%	9,836
Dili	Cristo Rei	Kulau-Tangkae	7	186,186	26,598	70,596	38%	82,035	44%	33,555	18%	29,806
Dili	Cristo Rei	Darlau-Fatu Ahi	7	175,180	25,026	72,195	41%	77,040	44%	25,945	15%	26,717
Dili	Vera Cruz	Dare-Lelaus	8	176,132	22,017	80,042	45%	65,050	37%	31,040	18%	23,963
Dili	Metinaro	Benunuk-Bedquira*	6	145,334	24,222	40,304	28%	65,400	45%	39,630	27%	13,138
Dili	Metinaro	Sahan-Bashae*	3	63,262	21,087	27,669	44%	25,837	41%	9,756	15%	8,622
Dili	Cristo Rei	Ailelehum-Manumata*	2.3	37,982	16,514	15,228	40%	16,332	43%	6,422	17%	4,940
Dili	Dom Alexio	Toci Tolu-Masin Lidum*	2.2	47,093	21,406	14,653	31%	20,712	44%	11,728	25%	4,681
Lautem	Lautem	Dasidara-Liquidiga	11	169,311	15,392	87,904	52%	52,260	31%	29,147	17%	38,281
Lautem	Lospalos	Muapitine-Malahara	9	143,585	15,954	59,935	42%	75,880	53%	7,770	5%	18,559
Liquica	Bazartete	Fatumasi-Maometa	11	220,380	20,035	127,284	58%	51,630	23%	41,466	19%	49,990
Liquica	Maubara	Maubara-Lautabi	9	220,272	24,475	106,257	48%	72,870	33%	41,145	19%	34,928
Liquica	Liquica	Nunuhau-Hatuquesi	8	171,279	21,410	95,345	56%	40,780	24%	35,154	21%	30,155
Liquica	Bazartete	Libalao-Fahilebo*	6.3	146,833	23,307	37,484	26%	67,543	46%	41,806	28%	11,476
Liquica	Bazartete	Bucumera-Fahilebo	6.4	165,283	25,825	52,006	31%	64,461	39%	48,816	30%	14,859
Manatuto	Laclubar	Sananain	2	40,079	20,040	14,832	37%	17,000	42%	8,247	21%	6,911
Manatuto	Laclubar	Laclubar-Manelima	8	157,623	19,703	79,964	51%	50,570	32%	27,089	17%	28,349
Manatuto	Laclubar	Laclubar-Funar	9	145,418	16,158	69,784	48%	49,840	34%	25,794	18%	27,362
Viqueque	Ossu	Weeulaek-Loihonu	5.2	126,014	24,233	51,289	41%	37,600	30%	37,125	29%	20,856
Viqueque	Ossu	Ossu de Cima-Builale	9	184,884	20,543	93,002	50%	74,645	40%	17,237	9%	36,658
<b>Total/Average</b>			<b>179.4</b>	<b>3,672,055</b>	<b>20,936</b>	<b>1,684,471</b>	<b>45%</b>	<b>1,354,625</b>	<b>38%</b>	<b>654,553</b>	<b>18%</b>	<b>591,895</b>

**(ii) Employment Generation Output: 1,367,000 worker days (AusAID 330,000) generated providing short term employment to 28,300 beneficiaries (AusAID 4,800), at least 30% being women**

As each project is approved, SEFOPE District Technical Teams initiate the registration process. This is done in close consultation with the local authorities and local leaders to ensure that target beneficiaries are reached and to ensure participation in the project. Workers on the project register on the specially developed registration forms which capture personal data, education and work history. Presence is recorded on a daily basis, and workers are only paid for days actually worked on the project.

Task work is the norm in all rehabilitation projects and introduced also for maintenance activities. Task rates for various activities are based on previous experience from Timor-Leste and elsewhere. Tasks are measured and set out by the site supervisors. Tasks are monitored during the Project and adjusted if necessary so that they are fair. Workers normally complete one task a day, which equals one days pay. Following the increase in wage rates, the project has reviewed the tasks and generally improved the adherence to the productivity targets.

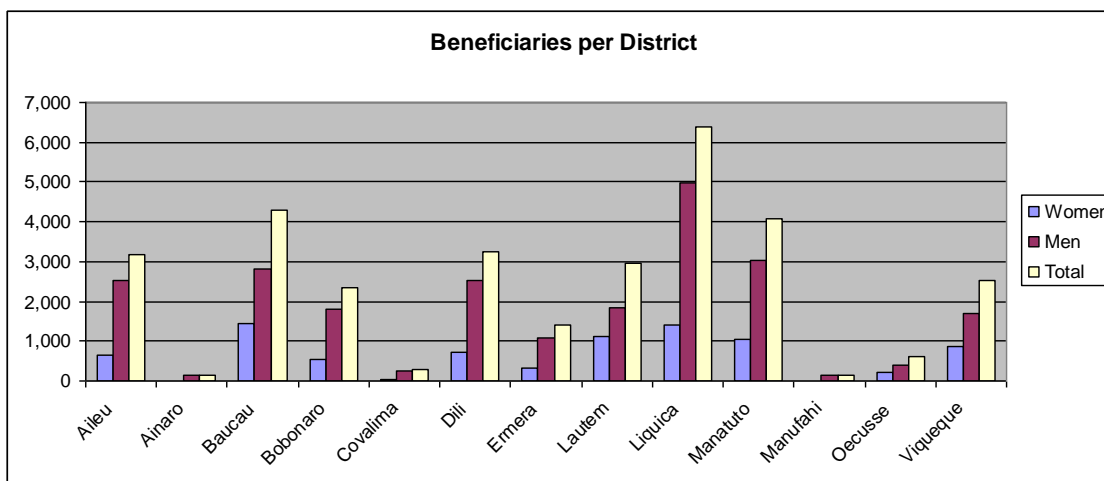


Contract documents for maintenance and rehabilitation works include clauses relating to labour management. Project staff and contractors have received information with regards to some of the key aspects of labour management on construction projects. With regards to contractors, the Project monitors closely that wages are paid in full and on time and that workers are not being exploited by setting unreasonable tasks.

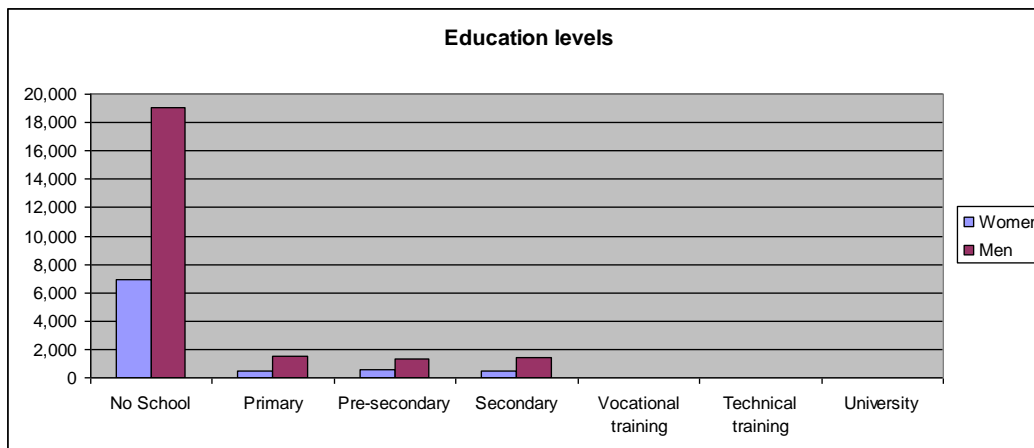
The following employment data has been recorded by the end of the reporting period:

	<i>Worker days AusAID</i>	<b>Worker days TOTAL cum</b>	<i>Beneficiaries AusAID</i>	<b>Beneficiaries TOTAL cum</b>
<b>Project Target</b>	<b>330,000</b>	<b>1,367,000</b>	<b>4,800</b>	<b>28,300</b>
<b>Men</b>	<b>231,533</b>	<b>978,201</b>	<b>4,636</b>	<b>23,252</b>
<b>Women</b>	<b>86,070</b>	<b>359,967</b>	<b>1,709</b>	<b>8,393</b>
<b>(Youth 15-29)</b>	<b>(139,745)</b>	<b>(588,793)</b>	<b>(2,791)</b>	<b>(13,955)</b>
<b>Total</b>	<b>317,603</b>	<b>1,338,168</b>	<b>6,345</b>	<b>31,645</b>

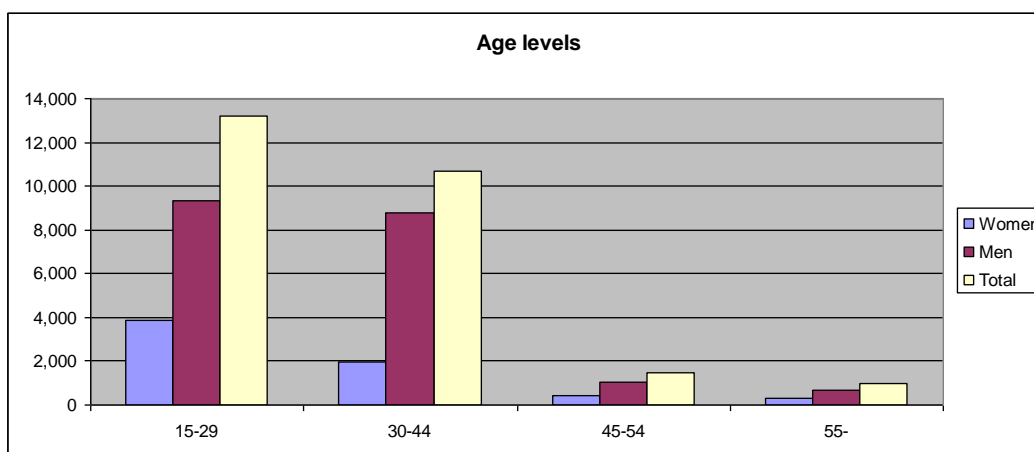
Meetings continue to be organized for each sub-project with local authorities and community leaders to inform of the approach and the target group, ie young people (above 15 and not in school), and with at least 30% women participating. Community leaders have been requested to help identify young women and men to be recruited for the works and are assisted by the SEFOPE District Technical Teams in the recruitment process. Equal opportunity is given to men and women to participate and target of one individual per household to distribute the income throughout the community.



The chart above shows the distribution of beneficiaries per district. It should be noted that the number of beneficiaries depend on the rotation frequency, which may vary from project to project.



Most beneficiaries fall in the no school category, cumulatively more than 80% since the start of the project, indicating that the project is reaching its intended target group.



Overall, the Project is achieving 27% women and 44% youth (15-29) participation. The Project did not manage to attract as many youth as previously resulting in a significant drop in the youth percentage. The project is investigating the reasons behind this and will aim to reverse this trend.

A post impact Survey was carried out at a number of locations where road rehabilitation had been completed. The Survey was finalised in May 2011 and confirms several impacts of the Project:

- The Project was for many (83%) the first opportunity ever to earn cash money for their labour. For these beneficiaries the only cash money they otherwise would earn is derived from selling products on markets. On average, participants would work 81 days on the Project which for most of them would have resulted in earnings of USD 243 (at a wage rate of USD 3 per day for unskilled works),

- The money they earned from the work went for the most part into daily household consumption (76%). However, the Project also resulted in an increase in the number of businesses, with 71% of new business owners reporting that they started their business with money earned from the Project. Virtually all business owners interviewed were confident that the increased frequency of all kinds of public transport and the overall economic activities in their community would have a positive impact on their business.
- Overall travel time has been reduced with the result that farmers bringing product to market need to spend less time doing so. 94% now have access to public transport compared to 41% before the Project. 75% reported an increase in public transport whereas 83% reported an increase in commercial transport such as trucks bringing in goods. The improved access to public and commercial transportation has resulted in overall much improved economic activity of the communities with 67% reporting better availability of products.

**(iii) Capacity Building Output: Capacity building for infrastructure in the private and public sectors (30 engineers, 20 rehabilitation contractors and 100 community contractors)**

The Project is to the extent possible using and adapting existing training material. Training material is tailored to suit the local context and as much as possible made available in Tetum for the training. A number of documents for capacity building have been prepared by the Project, such as technical manual for road rehabilitation and guidelines for routine maintenance.

An effective structure for management of the labour-based work activities is in place within Short Term Employment Department (STEC) of SEFOPE. As of now, the Central Tem comprises of the Coordinator, the Procurement Officer, the Finance Officer, two Operations Officers and two Monitoring Officers. The District Teams comprise of 15 Engineers, 16 Field Officers, 8 Maintenance Supervisors, 8 Operations Officers. The STEC staff is supported by the ILO Project Coordinator and three International Engineers, as well as ILO Administration and Finance for procurement of materials and services. All Field Staff has participated in formal technical training for management of labour-based works activities, to strengthen their operational capacities and to improve planning and reporting on site. Improvements in planning, record keeping and quality of works is evident on most sites. All staff has participated in gender awareness and socialisation training.

Training has been provided for effective routine maintenance management procedures, implementation, and preparation of annual work plans and budgets. All Maintenance Supervisors can now manage their work with minimal supervision. 158 contracts have so far been let for routine maintenance. Each contractor is trained on the job to manage the contract. This comprise of training in basic routine maintenance activities, labour management, setting out of tasks and measurement of quantities.

The main objective of the training for the contractors for rehabilitation works is to provide the knowledge of labour-based technology for rural road rehabilitation to the contractors' personnel in works implementation, supervision, contracts management, cost calculations and bidding and quality control by imparting theoretical and field practical training with due consideration to the quality improvement aspect. The training materials have been developed by the Project and reviewed throughout the process. The project has in total trained 20 companies (one drop out) for

rural road rehabilitation, of which sixteen have completed the full training including the trial contracts and three about to finalise their trial contracts.

In addition to the trial contracts another five rehabilitation contracts, awarded to trained contractors, have been issued and completed to satisfaction. The contractors are supervised by SEFOPE contracts engineers and supported by the ILO Contracts Engineer. Progress has in general been satisfactory. Contractors are mentored in the field and getting advice and further training in various construction activities. DCP (Dynamic Cone Penetrometer) testing to verify that compaction been achieved is carried out before certifying payment.

An additional module in business management was offered to all the trained contractors. The training was delivered by IADE (Institute for Business Development) and based on the training package developed Start and Improve Your Business, developed by ILO and adapted to the Timorese context. The objective is to strengthen their general business acumen and to ensure they are operating with a sound business plan as a basis, and able to fully cost their operations.

The training will be institutionalised through the EC Rural Development Programme IV Component for rural roads. EC has already signed the financing agreement with Ministry of Finance and the contribution agreement with ILO was signed 1<sup>st</sup> September 2011. The training for business management and contracts management will be institutionalised at IADE, adapting the training done in TIM Works, whilst the technical training will be carried out in collaboration with a vocational training institution. Advanced discussions have been held with Don Bosco in this regard. The delivery of training through these institutions will ensure future capacity for training of contractors and contracts managers in labour-based technology for rural road construction and maintenance.

**(iv) Policy and Procedures Output: Policies and regulations adopted and implemented for further scaling up LB methods**

TIM-Works and SEFOPE participate actively in the policy discussions taking place with regards to rural roads. Procedures, technical manuals and best practices for the Labour-based approach developed so far under TIM-Works have been shared with partners and are feeding into policy and strategy discussions. ILO has actively participated in the Timor-Leste Infrastructure Round Table, a monthly forum where development partners share information and experiences in the infrastructure sector.

Project partners and other development actors are regularly invited to ongoing road rehabilitation and maintenance sites to view works and how the Project is impacting on the rural communities.

SEFOPE and ILO meet regularly with policy makers and programme designers and provide pertinent inputs to policy and strategy based on implementation of the TIM Works programme. Based on the TIM-Works experience, ILO has signed with EC a rural road rehabilitation and maintenance programme with a contractor development component, which will rehabilitate and maintain rural roads using labour-based methods, thereby generating employment opportunities

in rural areas and also build a training capacity, develop private contractors and contract managers.

Furthermore, ILO is continuing working with AusAID to develop the successor to TIM Works. A design team was fielded in August following approval of the concept note for the Program to carry out more consultations and detailed design of the Program. The draft Project Document was submitted by the design team at the end of September. ILO and AusAID will continue working on the design and various processes with the aim to start the new Program 1<sup>st</sup> of March 2012 (as TIM Works comes to an end)

In terms of awareness raising and visibility, the Project is conducting meetings with all local authorities and communities in advance of each maintenance and rehabilitation project to inform about the purpose and objectives of the Project. All TIM Works Sign Boards and stickers have been revised and now feature AusAID logo along with the other donors.

A number of project briefs have been made in preparation for high level visits, and the project has enjoyed both print and broad cast media coverage. Site visits with government officials and development partners also play an important role in mainstreaming labour-based technology.



**Secretary of State for SEFOPE visiting road in Vemassee**



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### **3. Challenges**

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The TIM-Works Project defined very ambitious targets over a relatively short duration and tight budget. This is indeed challenging and whilst the aim is to achieve to the extent possible the set targets, it is important to highlight the challenges below.

#### **Project budget**

The main challenges overall for the Project budget are (i) actual cost of work is higher than in the design and (ii) government budget is unpredictable, and usually not available in the first quarter of the year. The uncertainty and delay of the government contribution resulted in difficult planning for road rehabilitation and at times work stoppages. The project in agreement with the donors used some Project funding towards labour costs. It is expected that this year's government contribution will be completed by October and that Project will cover any wage costs beyond this date.

#### **Poor weather conditions**

The weather during the reporting period has been favourable, but over the duration of the Project the unusually poor weather conditions have impacted negatively on the Project with many down days, in some cases complete stoppage of works for months, and also a lot of extra repair works. There have been large landslides along the projects which have been removed where possible.

#### **Rollers**

Break down both with own and rented rollers and limited availability of rollers on the market continue to be a bottleneck for the Project. All rollers require frequent maintenance and repair, and some spares need to be sourced from outside of the country.

#### 4. Project budget and expenditures September 2011

Description	Planned project budget at the time of preparation of contribution agreements	Agreement amount		(Uncertified) commitments September, 2011
		Contracts currency	Current Budget USD <sup>4</sup>	
	USD			USD
European Commission	2,322,307	Euro 1,561,295	2,028,227	2,003,165
NOR	2,499,452	NOK 12,650,000	2,334,615	2,329,599
IRL	1,090,111	Euro 875,000 Euro 100,000 <sup>5</sup>	1,311,712	1,310,892
AusAID	2,016,218	AUD 3,300,000 <sup>6</sup>	3,224,737	2,529,864
<b>Subtotal donor contribution</b>	<b>7,928,088</b>		<b>8,899,291</b>	<b>8,173,520</b>
GoTL (labour cost)	2,392,800	USD 2,392,800	2,392,800	2,758,500
<b>Subtotal donor &amp; GoTL contribution</b>	<b>10,320,888</b>		<b>11,292,091</b>	<b>10,932,020</b>
ILO Regular Budget Supplementary Account <sup>7</sup>	196,508	USD 196,508	196,508	196,508
<b>OVERALL TOTAL</b>	<b>10,517,396</b>		<b>11,488,599</b>	<b>11,128,528</b>

<sup>4</sup> Indicative USD value of the project as the final USD value is contingent on currency exchange rates and will be determined when ILO has received full contribution amount from the donor.

<sup>5</sup> Increased contribution of Euro as of December 15, 2009

<sup>6</sup> Amendment AUD 1,050,000 signed in August 2011 to extend the Project until February 2012

<sup>7</sup> Additional to originally planned budget

# **Annex I**

## **Logical Framework**

## Annex I Project Logical Framework

Outputs	Description	Verifiable Indicators	Means of verification	Assumption
<b>Beneficiaries:</b> Government staff (engineers, technicians, and supervisors in Ministry of Infrastructure); contractors; local communities in project districts; training and academic institutions; and women and men workers in project districts				
<b>Project Title:</b> Investment Budget Execution Support for Rural Infrastructure Development and Employment Generation (TIM Works)			<b>Project duration:</b> <b>Original</b> - 18 months (October 2008 – March 2010)  <b>Revised:</b> - 33 months (October 2008 – June 2011) Norway contribution: July 2008 – December 2010 European contribution: January 2009 – December 2010 Ireland contribution: July 2009-June 2011 Australia contribution June 2010-June 2011 ILO Regular Budget Supplementation Account – October 2008 – December 2009 GOTL 2008 – 2011	
<b>Project goal:</b> To contribute to economic development and poverty reduction by spurring growth in the infrastructure sector				
<b>Immediate Objective:</b> Livelihood improvement and social stability in rural communities through rural development and employment generation	<ol style="list-style-type: none"><li>1. Total km of road networks restored/created</li><li>2. Number of workdays generated and amount of cash injected into local communities</li><li>3. Labour-based methods integrated into national Workfare programmes</li></ol>	Project final report Government annual budget for 2012	Government policies and priorities with regards to the Workfare Programmes remain unchanged – likely National and provincial security conditions are stable – unlikely	

## Annex I Project Logical Framework

Outputs			
Outputs	Targets/Verifiable indicators	Achievements	Remarks
<b>Output 1:</b> Roads rehabilitation and maintenance with labour-based technologies	300 km (75 km) rehabilitated/constructed,	<b>Completed:</b> 300 km (AusAID 75 km) in 9 districts of Aileu, Ainaro, Baucau, Bobonaro, Ermera, Dili, Lautem, Liquica, Manatuto and Viqueque identified for inclusion in the project 46 projects, all roads (300 km), received completed engineering assessment Completion rate is 290 km ( <b>65 km</b> ) <b>Ongoing:</b> 7 project sites or 48 km of road length under rehabilitation, several of these roads near completion, in Baucau, Bobonaro, Liquica, Lautem, and Viqueque	Actual costs from completed roads higher than estimated in project design due to large number of structures and labour input. Efforts are made to increase productivity.
	2,100 km of routine and periodic road maintenance. (580 km)	<b>Completed:</b> Cumulatively 2,043 km ( <b>563 km</b> ) of routine and periodic maintenance completed and 158 Contracts issued until September 2011. <b>Planned:</b> 60 km to be identified and completed before December 2011.	Substantive periodic maintenance is required due to poor road conditions. This increased the cost of maintenance significantly. Increased wage levels have significant impact on the maintenance costs. However, costs are expected to come down as roads are brought back to good condition.



## Annex I Project Logical Framework

<b>Output 2:</b> Employment generation	1,367,000 (330,000) workdays generated providing short-term employment to 28,300 (4,800) beneficiaries, at least 30% being women	<b>Workerdays:</b> 98% of project target, 1,338,168 <b>(317,603)</b> <b>Workers/Beneficiaries:</b> 112% of project target, 31,645 <b>(6,345)</b> 28% women, 44% youth	The increased wage levels will lead to government contribution running out in October. Project will utilise project funds to avoid complete stoppage of works. Government budget for 2011 is expected to become available in February/March
<b>Output 3:</b> Capacity building for infrastructure providers in the private and public sectors	A. 30 engineers and technicians trained in LB approaches; 75 contractors and 100 community contractors trained in LB approaches	50 staff engaged at the Central and District technical team. They have all received formal training on labour-based technology, gender and socialisation aspects. The receive continuous on the job training  35 companies registered to participation in the training programme and 20 were pre-qualified.  20 Companies participated in labour-based rehabilitation training. 16 companies completed trial and 3 currently carrying out trial contracts  158 community contractors trained on the job in LB approaches  4,150 formal training days, which includes awareness training for communities	
	B. Number of academic and training institutions participating in project activities	Academic institutions engaged in the Wage Rate Assessment for the Construction Sector. Students and lecturers from academic institutions will be invited to project sites. Seven students carrying out their attachments on road rehabilitation sites. Students from faculty of economics engaged in impact assessment.  Meeting have been held with UNTL, DIT and Tibar Training Centre to brief them about the project and explore future participation of the institutions. Advanced discussions with SENAI Training Centre for future contractor development programme	

## Annex I Project Logical Framework

	C. Government annual budget for rehabilitation and maintenance includes employment targets.	To be reported by 2012	
<b>Output 4:</b> Policies and regulations adopted and implemented for further scaling up LB methods.	Policies and regulations in support of scaling up the LB methods adopted by the Ministry of Infrastructure and integrated into the Standards Of Practices in the Workfare Programmes	<p>A technical manual for rural road rehabilitation has been prepared and shared with key stakeholders</p> <p>A technical guideline for routine maintenance has been prepared and shared with key stakeholders</p> <p>Contract procedures for routine maintenance and road rehabilitation have been developed and tested. Contracting procedures discussed with MOI procurement.</p> <p>A number of project briefs have been prepared and field visits organized for bilateral donors and policy makers.</p> <p>Inputs provided to development partners such as the World Bank for development of the national workfare programme. Inputs have also been provided to EC for project formulation for their rural development support to Timor-Leste and AusAID looking at providing further support to the rural road sector.</p> <p>ILO and SEFOPE are participating in the National Priorities 1 Working Group and providing inputs to the monitoring matrix.</p> <p>ILO and SEFOPE are participating in the drafting of a rural roads policy, which includes references to labour-based work methods</p> <p>ILO and SEFOPE have provided inputs to the Rural Development Framework drafted by Ministry of Economic Development, which includes references to labour-based work methods.</p> <p>ILO and SEFOPE have actively participated in the Technical Working group for rural roads including making presentations about the TIM Works and the labour-based approach.</p>	

# **Annex II**

## **Detailed Project implementation plan, rehabilitation and maintenance**

## Annex II Detailed rehabilitation and maintenance plan

### Rehabilitation

Legend:  Completed  Ongoing  Planned

		2008				2009												2010												2011												
Aileu	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Maumeta	6																																									
Maumeta cont	4																																									
Laulara	2																																									
Fatubosa	4																																									
Fatubosa cont	4																																									
Total	20																																									
		2008				2009												2010												2011												
Ainaro	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Hatu Builico (SI)	7																																									
Total	7																																									
		2008				2009												2010												2011												
Baucau	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Gariwai 4 km	4																																									
Ustico 7 km	7																																									
Laga	9																																									
Venilale 7 km	7																																									
Cai Cua	6																																									
Cai Cua cont.	4																																									
Powerstation	2																																									
Gariwai Distr (SI)	4																																									
Total	43																																									
		2008				2009												2010												2011												
Bobonaro	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Rairobo	16																																									
Balibo (SI)	6																																									
Lolotoe (SI)	6																																									
Total	28																																									
		2008				2009												2010												2011												
Ermera	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Estado	8																																									
Lihu (SI)	7																																									
Total	15																																									
		2008				2009												2010												2011												
Dili	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Kulau	7																																									
Dare	7																																									
Fatu Ahi	7																																									
Benunuk I (con)	2																																									
Benunuk II (con)	2																																									
Benunuk III (con)	2																																									
Sahan (con)	3																																									
Ailelehum (con)	2.3																																									
Toci Tolu (con)	2.2																																									
Total	35																																									

## Annex II Detailed rehabilitation and maintenance plan

		2008				2009												2010												2011												
Lautem	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Ilalai	11																																									
Iliomar	8																																									
Muapatine	9																																									
Leuro	3																																									
Total	31																																									
		2008				2009												2010												2011												
Liquica	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Bazartete	11																																									
Hatuquesi	8																																									
Maubara	9																																									
Ulmera	2																																									
Loes Market	15																																									
Fahilebo I (con)	2																																									
Fahilebo II (con)	2																																									
Fahilebo III (con)	2.3																																									
Bucumera (con)	6.4																																									
Leorema (con)	2																																									
Total	60																																									
		2008				2009												2010												2011												
Manatuto	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Sananain	2																																									
Manelima	8																																									
Funar	9																																									
Soibada (con)	2																																									
Laclo (con)	20																																									
Total	41																																									
		2008				2009												2010												2011												
Viqueque	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Ossu Loihonu	6																																									
Sukaer Oan	4																																									
Ossu de Cima	9																																									
Loco Loco	4																																									
Total	23																																									
TOTAL	303																																									



## Annex II Detailed rehabilitation and maintenance plan

### Maintenance

Legend: ■ Completed ■ Ongoing ■ Planned

Aileu		2008			2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	28																																							
2	43																																							
3	0																																							
4	0																																							
5	38																																							
6	30																																							
7	0																																							
Total	139																																							
Ainaro		2008			2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	0																																							
2	0																																							
3	38																																							
4	18																																							
5	42																																							
6	0																																							
7	35																																							
Total	133																																							
Baucau		2008			2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	87																																							
2	20																																							
3	0																																							
4	16																																							
5	37																																							
6	34																																							
7	0																																							
Total	194																																							
Bobonaro		2008			2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	0																																							
2	0																																							
3	71																																							
4	35																																							
5	34																																							
6	0																																							
7	20																																							
Total	140																																							

## Annex II Detailed rehabilitation and maintenance plan

[illegible]

## Annex II Detailed rehabilitation and maintenance plan

Manatuto		2008				2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	25																																								
2	40																																								
3	0																																								
4	0																																								
5	21																																								
6	25																																								
7	20																																								
Total	131																																								
Manufahi		2008				2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	0																																								
2	0																																								
3	49																																								
4	23																																								
5	19																																								
6	0																																								
8	0																																								
Total	91																																								
Oecusse		2008				2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	96																																								
2	92																																								
3	0																																								
4	0																																								
5	0																																								
6	0																																								
7	0																																								
Total	188																																								
Viqueque		2008				2009												2010												2011											
Package	Km	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	41																																								
2	32																																								
3	0																																								
4	0																																								
5	21																																								
6	17																																								
7	0																																								
Total	111																																								
Total	2112																																								

## **Annex III**

# **Completed, ongoing and planned rehabilitation works**

### Annex III Completed, ongoing and planned rehabilitation works

District	Sub-district	Suko	Road name	Km	Status
Road Rehabilitation Target				300	
Aileu	Remexio	Maumeta	Fahisoi-Mameta	6	100%
Aileu	Laulara	Madabeno	Madabeno-Lesimori	2	100%
Aileu	Remexio	Fatuk Bloco	Maumeta-Fatuk Bloco	4	100%
Aileu	Aileu Vila	Fatubosa	Hali Okos-Erhetu	8	100%
Ainaro	Hatu-Builico	Mau Chiga	Hatukero-Mau Chiga	7	100%
Baucau	Baucau	Gariwai	Gariwai-Watuva	4	100%
Baucau	Vemasse	Ustico	Wailacam-Ustico	7	100%
Baucau	Venilale	Bado Hoo	Caicoli-Liabala	7	100%
Baucau	Laga	Soba	Dailaru-Boleha	9	100%
Baucau	Baucau	Gariwai	Gariwai-Powerstation	2	100%
Baucau	Vemasse	Cai Cua	Binagari-Cai Cua	6	100%
Baucau	Vemasse	Vemasse	Binagari-Vemasse	4	35%
Baucau	Gariwai	Gariwai	Nat road-Powerstation	4	100%
Bobonaro	Balibo	Leohito	Vill-Mohac	6	100%
Bobonaro	Lolotoe	Leber	Buci-Lebertas	6	100%
Bobonaro	Atabae	Rairobo	Rairobo-Alima Naru	16	95%
Ermera	Letefoho	Estado	Estado-Raimehae	8	100%
Ermera	Railaco	Lihu	Railaco-Lihu	7	100%
Dili	Cristo Rei	Becora	Kualaetek-Tangkae	7	100%
Dili	Cristo Rei	Camea	Darlau-Fatu Ahi	7	100%
Dili	Vera Cruz	Dare	Dare-Ielaus	8	100%
Dili	Metinaro	Duyung	Benunuk-Bedquira	6	100%
Dili	Metinaro	Duyung	Sahan-Bashae	3	100%
Dili	Cristo Rei	Camea	Ailelhum-Manumata	2.3	100%
Dili	Dom Alexio	Comoro	Toci Tolu-Masin Lidum	2.2	100%
Lautem	Lautem	Ilalai	Dasidara-Liquidiga	11	100%
Lautem	Lospalos	Muapatine	Muapatine-Malahara	9	100%
Lautem	Iliomar	Iliomar	Arara-Ira Darate	8	80%
Lautem	Lospalos	Leuro	Leuro-Sorulu	3	30%
Liquica	Bazartete	Metagou	Fatumasi-Maometa	11	100%
Liquica	Maubara	Vaviquinia	Maubara-Lautatabi	9	100%
Liquica	Liquica	Hatuquesi	Nunuhau-Hatuquesi	8	100%
Liquica	Bazartete	Fahilebo	Libalao-Fahilebo	6.3	100%
Liquica	Bazartete	Ulmera	Ulmera-Quasit	2	100%
Liquica	Bazartete	Fahilebo	Bucumera-Fahilebo	6.4	100%
Liquica	Maubara	Guguleo	Loes-Faulara irrigation	15.4	100%
Liquica	Bazartete	Leorema	Curluli-Manulete	2	30%
Manatuto	Laclubar	Sananain	National road-Sananain	2	100%
Manatuto	Laclubar	Manelima	Laclubar-Manelima	8	100%
Manatuto	Laclubar	Funar	Laclubar-Funar	9	100%
Manatuto	Soibada	Leohat	Leohat-Manlala	2	100%
Manatuto	Laclo	Laclo	Bedquira-Laclo	14	90%
Manatuto	Laclo	Laclo	Laclo-Hatukuna	6	100%
Viqueque	Ossu	Loihonu	Loihonu-Weeulaek	5.2	100%
Viqueque	Ossu	Ossu de Cima	Ossu de Cima-Builale	9	100%
Viqueque	Viqueque	Kraras	Sukaer oan-Kraras	4	100%
Viqueque	Uatalari	Loco Loco	Afaluicai-Loco Loco	4	30%
TOTAL Rehabilitation			Compl. and ongoing	303	290.1



# **Annex IV**

## **Map rural road rehabilitation projects**

# Annex IV Map of rural road rehabilitation projects

