



Annual Progress Report 1 July 2016 – 30 June 2017

National Program for Village
Development Support Program
Phase 2 (PSP2), Timor-Leste

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Contact information

For further information, please contact:

Team Leader
PNDS Support Program
Cardno Emerging Markets
PO Box 13
Dili, Timor-Leste

Ph. (670) 331 1216
Email fiona.hamilton@pndssp.tl

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PNDS Support Program Annual Progress Report, 2016-2017

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List of abbreviations and acronyms

AP	Administrative Post
APFF	Administrative Post Finance Facilitator
APSF	Administrative Post Social Facilitator
APTF	Administrative Post Technical Facilitator
CDC	Capacity Development Committee
CHS	Complaints Handling System
DFAT	Department of Foreign Affairs and Trade
DNSA	Diresaun Nasionál Água no Saneamentu National Directorate for Water Supply and Sanitation, Ministry of Public Works
DNFP	Diresaun Nasionál Finansas no Patrimoni National Directorate for Finance and Assets
EIP	Ekipa Implementasaun Projetu Project Implementation Team, at village level
EJS	Ekipa Jestaun Suku Community Management Team, at village level
EOM	Ekipa Operasaun no Manetensaun Operation and Maintenance Team, at village level
FST	Field Support Team
HCDF	Human Capital Development Fund
GoA	Government of Australia
GoTL	Government of Timor-Leste
GSI	Gender and Social Inclusion
HR	Human resources
ICT	Information and communications technology
KPA	Komisaun Planeamentu no Akuntabilidade Planning and Accountability Commission, at village level
LTA	Long-term advisor
LES	Locally engaged staff
MAE	Ministêru Administrasaun Estatál Ministry of State Administration
MIS	Management Information System
PAA	Planu Asaun Annual Annual Action Plan
PHD	Partnership for Human Development
PID	Program Implementation Department
PIIM	Planu Integradu Investimentu Municipal Integrated Municipal Investment Plan

PDIM	Programa Dezenvolvimentu Integradu Munisipiu Municipal Integrated Development Program
PNDS	Programa Nasional Dezenvolvimentu Suku National Program for Village Development
PNDS-SP	PNDS Support Program
PSP2	National Program for Village Development Support Program Phase 2
R4D	Roads for Development
STA	Short-term advisor
TAT	Technical Assistance Team
TOMAK	To'os ba Moris Di'ak Farming for Prosperity, DFAT program with the Ministry of Agriculture
TSCG	Technical Sector Coordination Group
ZEESM	Zonas Especiais de Economia Social de Mercado de Timor-Leste Special Economic Zones for Social Market Economy.

Executive summary

The Programa Nasional Dezenvolvimentu Suku (PNDS), or National Program for Village Development, is a nation-wide community development program of the Government of Timor-Leste (GoTL). Launched in June 2012 for an initial duration of eight years, it is contributing to rural development by funding the ‘missing link’ to services – basic village infrastructure – and providing jobs and training. The project fully encompasses the nation’s 442 villages, and – according to the decree-law of 2013 establishing the program – each suco was set to receive on average US\$50,000 per year, with some variation based on suco population and remoteness of the suco from its municipal capital. PNDS is financed from Timor-Leste’s state budget, and to assist the Government with the implementation of the program, Australia’s Department of Foreign Affairs and Trade (DFAT) established the National Program for Village Development Support Program (PNDS-SP), to provide advisory services to PNDS, and assist in a range of areas, such as capacity building and training, gender and social inclusion, ICT support, monitoring and evaluation and technical support in the three implementation areas of social development, engineering and finance.

Cardno Emerging Markets was selected in 2013 to implement the program on behalf of DFAT for an initial period of four years. This period ended on 30 June 2017, and DFAT agreed to extend the contract for a one-year period, with an option for another three years after that, provided program funding for the construction of suco infrastructure is reinstated in the 2018 state budget.

In its first four years of operation, PNDS has made substantial contributions to suco-level infrastructure: 547 water supply and sanitation projects; 440 roads, bridges, and flood control projects; 91 education, culture and sports projects; 46 health projects; 38 agriculture and livelihoods projects; and 212 projects in other sectors. These achievements would have been even higher if program funding had been up to the annual commitment as outlined in the decree-law. Apart from a build-up in suco-level infrastructure, over its first four years the program also made substantial investments in human resource development of local people serving the program in different capacities (such as members of suco teams for program management, implementation, and operation and maintenance). Such involvement in PNDS management and implementation at suco level was likely a contributing factor for at least 384 men and 184 women of 291 sucos (65% of all sucos) to getting them elected to a Suco Council position in the local elections of October 2016.

The PNDS Support Program is focused on three outcomes, of which the first is that ‘sufficient GoTL resources (staff, funds, assets) are secured and allocated to implement the village development program’. In April and July 2017, presidential and parliamentary elections were held in Timor-Leste, and the Government had therefore decided not to allocate funding for the construction of village infrastructure this year. Program activities in 2017 have therefore focused on completing the construction of on-going projects, on revising program guidelines and support structures, and on strengthening program support systems, including better collaboration with other sectors. One area where program activities have not been drastically scaled down is capacity building and

training, although also in this area the proportion of GoTL funding for training has declined this year.

The program's second outcome is that 'counterparts understand and utilize PNDS systems'. PNDS' systems, and their interaction, are crucial for the success of the program. A core activity for the support program are the field monitoring visits that are made by the social, finance and technical support staff together with their municipal counterparts to the sucos. Such visits are made for three out of four weeks each month, and the other week the Field Support Team (FST) meet in Dili to discuss progress, and plan for coming activities. These monthly 'Dili week' meetings, and other periodic reflection meetings, help to bring to attention concerns and issues that affect PNDS implementation in the field, or other service areas of the support program (e.g. a need for a specific training, a more effective solution for a logistics problem, an adjustment to the MIS to provide useful information more easily).

The monitoring data gathered through these regular suco visits is captured in various forms. At first, the data from these forms was gathered in a series of spreadsheets, which continued to be used in parallel to the PNDS MIS. This trend has now been reversed, and PNDS-related data is now being entered in the MIS, with – as of February 2017 – data being entered at municipal levels.

The third outcome is that 'counterparts (Directors, Department Xefes and Munisípiu Coordinators) maintain and demonstrate leadership and management practices'. This outcome is key for the sustainability of the program, but unfortunately fewer activities related to this outcome were implemented this year compared to previous years. The absence of funding for infrastructure is part of the reason fewer consultative meetings were held. In addition to the lack of new grants, the implementation of the decentralization law meant there was a new regulation on petty cash management for municipal authorities, and funds did not flow until well into April 2017. Some of these issues are 'teething problems', and as new implementing regulations are issued and municipalities become more adroit in operating according to them, such problems are less likely to persist.

Notwithstanding the lack of resources for PNDS implementation overall, PNDS-SP staff continued to support the program as well as possible. Between July 2016 and June 2017, the Field Support Team visited 376 or 85% of all sucos to do monitoring and mentoring of municipal and administrative post teams. In total 2,032 visits were made which gives an average of 4.6 visits per suco (for 442 sucos).

Overall, 2016-2017 was a challenging year for PNDS, however efforts were maintained to keep up the momentum and maintain quality delivery of remaining grants, and consolidate systems and support that could not yet be addressed due to the pace of PNDS implementation to date. PNDS is required to maintain flexibility and adaptability to a changing context. The next year of the program will be critical to transition PNDS to a new Government and stabilise the routine delivery of the program, ideally to the levels that are specified in the decree-law.

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1. Operating context

PNDS remains an exciting and successful program offering significant development opportunities for communities in Timor-Leste. This year has been a challenging one for the program. However, the approach remains highly relevant for the Timor-Leste context. The financial year began with the program being informed it would not have a budget for the GoTL 2017 fiscal year, due to the upcoming elections.

The year 2017 is a significant one for Timor-Leste. This year saw through the Presidential Elections in May and Parliamentary Elections in July 2017. The next five years are critical for the management of Timor-Leste's oil resources, with some fields inching towards depletion and other industries earmarked for economic diversification (i.e. agriculture, tourism) not yet in the position required to keep the Timorese economy afloat. The population of Timor-Leste still struggles with high levels of poverty, and poor health and education outcomes.

PNDS has achieved strong results, four years into implementation. The program remains relevant, popular with communities, and a key vehicle for improved opportunities for women at the village level. Despite no new grants for 2017¹, grant implementation of funds from 2016 took place from January to June 2017. The third annual technical evaluation of infrastructure took place late in the financial year, affirming the ongoing quality of infrastructure built by communities at a low cost for the Government. The program continues to attract interest from other donors and ministries, with New Zealand, the Ministry of Education and the Ministry of Interior developing PNDS partnerships in 2017 (for school playgrounds and police housing). However, the absence of core grants for PNDS in 2017 has put the program in a vulnerable position, given the change in Government and the delayed budget process for 2017. This lack of consistency in grant allocation can deplete community trust in the program and can undermine the earlier momentum achieved by communities annually planning for, and executing the project of their choosing. To mitigate the risk of diminishing program recognition and awareness, especially at the Central Government level and with Parliamentarians, the program launched a major publicity campaign in late 2016, with big billboards and intensive information sharing.

In September 2016, decentralization legislation was passed, and contracts were signed between line ministries and municipalities for the delegation of competencies. This change has posed both opportunities and challenges for PNDS implementation. Where municipalities are lead well (70%), the program has continued to be implemented well with the remaining grant funds from 2016. PNDS by design is largely decentralized, however has also had a strong management link through the National Secretariat to municipal teams. The municipal structures as outlined in the decree-law have not yet

undertaken complete recruitment, so the status of PNDS Directors requires further clarification. Decentralisation may pose a risk to PNDS in terms of the standardization of distribution of resources (people, funds, and assets) at the municipal level, with PNDS adequately resourcing operational costs through the centralized Secretariat budget. As access to funds in municipalities was significantly delayed into April this year, this has affected program implementation due to a lack of operational funds. This issue is nation-wide and not specific to PNDS, however requires the PNDS Secretariat to adjust its scope and function, something important for the Secretariat to do in the coming months, or risk creating issues with line management in the municipalities.

One idea which has been discussed at different times during the year is that PNDS might morph into a Public Institute. This idea is currently less talked about than some months ago, but if it were to happen, it will require another revision of the decree-law and a re-structure of the PNDS Secretariat. At that time, other issues, like a closer alignment of the Suco Implementation Team (EJS) with the elected Suco Council structures, may also be included in the revision.

There is a growing opportunity to partner more closely within the Ministry of State Administration. Increasingly, the Support Program has worked on establishing a direct link into MAE and the Vice-Minister, to ensure that advice is offered at a strategic level. These issues were raised during the Mid-Term Review in late 2016, with key actions agreed for both the support program through the contractor and the Australian Embassy and to engage at a more strategic level of the program. The initial bilateral meetings in the second half of the year have proved positive. In the coming year, and with the swearing-in of the new Government, there is an opportunity for the support program to engage early and to further stabilize the program within the planning and budget processes for 2018. The technical team is proposed to be divided into two parts, one at the technical level for the Secretariat, one at the Ministry level. Both teams will support a strong municipal level focus, and with the introduction of municipal development advisors, more than 50% of the support program staff will be entirely sub-nationally focused, representing a shift from top-heavy national level support.

This year has been the first year of the support program being managed under a Team Leader model. Both the PNDS Secretariat and the support program have welcomed the efficiency in decision-making and the opportunities for integrated use of the full resources of the program towards the program outcomes. It has been challenging for the program to have a reduced management size, and this will be something to consider should the program be extended beyond June 2018.

Despite PNDS program challenges, the program remains an important investment, and the Australian Government committed to extending the support program for an additional year, with the option to extend a further three should the Government of Timor-Leste re-commit to grant funding in 2018. The next six months with a new Government and a shorter budget process will be critical for the future of PNDS.

2. Analysis of progress towards outcomes

The PNDS Support Program services are provided by two teams.

The **Technical Advisory Team** (TAT), which is based at the same premises as the PNDS Secretariat, provides support for the implementation of PNDS. The progress towards outcomes for these activities are described in general in the sections 2.1 to 2.3 below, and in detail in Annex 1.

The **Operations Team**, which is based in the PNDS-SP program office, provides administrative, logistical, and operational support. Their activities are more 'behind the screen', to make it possible for the TAT to provide adequate and timely support to the Secretariat for PNDS implementation. Section 2.4 highlights the key contributions of corporate and logistical services, and Annex 2 provides detail on the status of these activities in the 2016-2017 workplan.

The Operations team lead the overall budget management and delivery, in collaboration with the TAT. With no new grants in the financial year for PNDS, it was less predictable how activities would be managed in an out of cycle year. During the year as the budget was monitored, some funds were returned to DFAT for reallocation to other programs. With agreement with DFAT, a number of fixed office costs funds were also pre-funded for FY17/18, to alleviate pressure on the coming budget. The end of financial year figure was achieved with zero variance and full use of the final agreed budget.

Whilst the operations team does not report to an outcome in the monitoring and evaluation framework, there are some significant achievements to note. In addition to a zero variance achievement at the end of the financial year, the logistics systems continue to deliver, with 271,000kms travelled in the financial year, with no accidents and staff continued adherence to the movement system.

The primary objective of PNDS is to improve living standards in the sucos through the construction of small-scale infrastructure projects which the local communities have selected and built themselves. Since project implementation started in 2013, a total of 1,374 projects have been built with close to 246,000 people involved in the PNDS implementation process. Figure 1 shows the total number of projects by the year in which they were started, and whether it was a new construction, a rehabilitation of existing infrastructure, or an extension to some infrastructure.

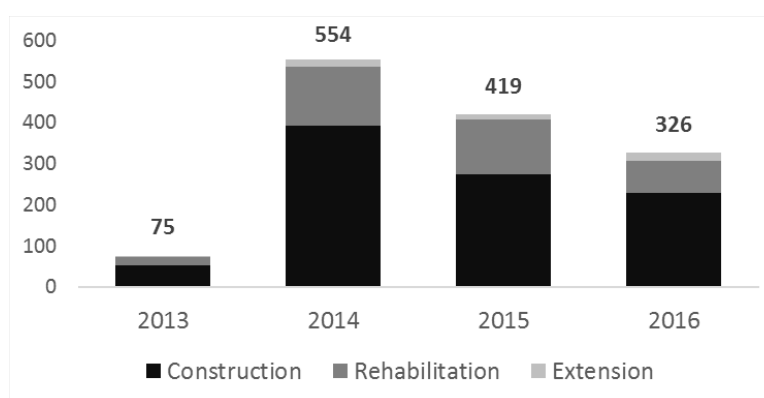


Figure 1: PNDS projects, by year of start and type of project

In 2017, no new projects were started. The main reason is that 2017 is an election year, and the Government decided to reduce the PNDS allocation this year to \$ 3,172,000, with \$800,000 for goods and services, \$400,000 for operational funds transfers to the sucos, and \$1,972,000 for salaries for the PNDS workforce.

The largest number of projects (40% of the total) have been water and sanitation projects, followed by road, bridge, and flood control projects (32%). Table 1 lists the number and costs (i.e. materials and labour) of projects by sector over the different years.

Table 1: Number and budget of Suco projects, by year and by sector

Sectors	2013		2014		2015		2016		Total No. of projects	Total cost (US \$)
	No. of projects	Cost (US \$)	No. of projects	Cost (US \$)	No. of projects	Cost (US \$)	No. of projects	Cost (US \$)		
Water & Sanitation	22	277,893	216	3,280,885	186	3,535,765	123	3,241,782	547	10,336,325
Road, Bridge and Flood Control	9	147,030	109	2,650,591	171	4,672,510	151	4,663,900	440	12,134,031
Education Culture & Sports	2	18,377	26	526,440	32	894,847	31	946,183	91	2,385,847
Health	3	31,985	17	327,135	13	277,978	13	368,382	46	1,005,479
Agriculture & Food Security			14	295,916	16	450,918	8	216,684	38	963,518
Other sectors	39	704,605	172	3,556,783	1	24,156			212	4,285,544
Total	75	1,179,889	554	10,637,750	419	9,856,174	326	9,436,931	1,374	31,110,744

2.1 Outcome 1: Sufficient GoTL resources (staff, funds, assets) are secured and allocated to implement the village development program

The **PNDS funding** is provided from two sources, GoTL and GoA, with a developing interest from other donors and partners to channel funds to sub-national levels via the same mechanism². Table 2 shows the budget allocations by GoTL for PNDS, and Table 3 gives the budget allocations by GoA for PNDS-SP goods and services equivalent activities (i.e. training, facilities support, printing, translations, communications, MIS). Additional to that, GoA funding also covers technical advisers including the Field Support Team, and operations & administrative costs which brings the total budget for 2016-2017 to AU\$6,015,847.

Table 2: GoTL funding for PNDS (US\$)

Description	2013	2014	2015	2016	2017
Salaries and other payments		1,605,000	1,628,000	1,529,000	1,972,000*
Goods and services	20,000	956,000	913,000	771,921	800,000
Capital minor	1,559,150				
Public transfers	6,381,850	13,377,250	9,740,000	9,728,079	400,000
Total	7,961,000	15,938,250	12,281,000	12,029,000	3,172,000

* The salary figure of 2017 is an estimate. Salary payments are now centralized in the Diresaun Nasionál Finanzas no Patrimoniu, and the actual amount is not conveyed to the PNDS Secretariat.

Table 3: GoA funding for PNDS-SP (US\$ equivalent)

Description	2014-2015	2015-2016	2016-2017
Capacity building / Training	280,673	325,547	368,325
Facilities	55,987		
Internet / IT	93,230	110,553	48,400
Printing & translations	67,095	90,438	162,610
Communications	25,670	22,539	46,790
Stationary	46,370		
CMT	28,742		
Legal	37,573		
M&E / MIS	12,471		
Total	647,811	549,077	626,125

The ratio of GoTL allocation (for Goods & Services) versus the GoA contribution for PNDS-SP, as indicated in Table 3, for the years 2014, 2015 and 2016 are shown in Table 4. Since the GoTL contributions for PNDS have occasionally been increased through additional allocations ('virement'), the GoTL:GoA ratios are given for both the initial budget allocations, and those with the virements.

² This is the case with **New Zealand** funding for Community Police Housing (US\$500,000), and Playgrounds (US\$800,000); and the Government of **Japan** (JICA) funding for Police Housing.

Table 4: Ratios of GoTL (Goods & Services) and GoA funding for PNDS, 2014-2017

GoTL		2014		2015		2016		2017
	Initial budget			\$663,000		\$500,000		\$800,000
	Virement			\$250,000		\$271,921		
	Total for year	\$956,000		\$913,000		\$771,921		\$800,000
GoA				\$647,811		\$549,077		\$626,125
				2014-2015		2015-2016		2016-2017
Ratio	Without virement			55%		44%		56%
GoTL:GoA	With virement	60%	40%	62%	38%	55%	45%	

The ratio GoTL:GoA was 60:40 in 2014, increased to 62:38 in 2015, and fell to 55:45 in 2016. This was not an intentional reduction, and is one that the team will monitor in the coming year. The TAT no longer have most of the original corporate advisors, including PFM, that would monitor this indicator.

The implementation of PNDS, as per the Decree-Law 8 of 2013, would require GoTL to commit annually around US\$23 million to the program. Actual budget commitments since 2014 have been roughly for half that amount, with no allocations for village infrastructure in 2017.

In addition to government allocated funding, **contributions from community members**

Outstanding Community Contribution Aldeia Ira Ara, Suco Fuiloro - Lospalos, Lautem

PNDS funded 800 metres of road rehabilitation in Suco Fuiloro - Lautem. The community decided that they would like to extend the road a further 960 metres but had no PNDS grant left to do so. Community members (241 people) volunteered their time to work on the construction (41% female), and materials and equipment to the value of US\$4,750.25 was donated by those working members of the community. As a result of this community's commitment they have improved their access to services within their community (school, clinic, church) and also boosted their access to wider services offered at the municipal level such as ambulance, market and public transport.

is also improving. A small study was undertaken by NGO Luta Hamutuk, together with The Asia Foundation to evaluate 10 villages across six municipalities that had significant community contribution.

The most significant type of contribution identified was land, locally sourced building materials and volunteer labour. These 10 villages contributed a further 4.5% (US\$19,000) to their PNDS project on top of the grant provided by GoTL.

PNDS-SP has also reached out to other **DFAT funded programs** to look for ways of improved **collaboration**, cross-programming, integrated support to GoTL and **resource sharing**. Both TOMAK and Partnership for Human Development (PHD) have presented to PNDS-SP technical advisers. Although nothing further has taken place with TOMAK, PNDS-SP and PHD are jointly working with GoTL partners to improve the **operations and maintenance (O&M)** of rural water systems. A joint mapping visit to Bobonaro took place in early 2017, followed by three O&M suco cross-visits culminating in a national level collaboration workshop. The result of these activities is a joint Technical Agreement, to be signed between the PNDS National Secretariat and the National Directorate for Water & Sanitation. Both PNDS-SP and PHD will be instrumental in supporting the GoTL implementation of this technical agreement. Additionally, PNDS-SP has also met with

Roads for Development (R4D) throughout the year, and R4D has successfully included one PNDS project on their list for roads maintenance in 2017. PNDS-SP also seeks operational efficiencies by working with other DFAT funded Cardno programs in country – with a working group on security actively working on security management leading up the elections, and a work-health safety co-ordination group. The programs also share HR policies and personnel related advice where appropriate.

For **capacity building / training**, GoTL has been able to maintain budget through the Human Capital Development Fund (HCDF) since 2015. Although funding has decreased annually since then, GoTL has been able to maintain a level of funding which has benefited approximately 24% of its workforce annually, (including 85 PNDS staff this year). For 2018, a proposal has been submitted for a further US\$200,000. The ratio of GoTL vs GoA contribution for training was 0:100 in 2014 and is currently sitting at 65:35, which is below the target of 50% (which was basically achieved last financial year).

Table 5: Capacity building / training budget allocations

Year	Gov. of Timor-Leste		Gov. of Australia		Total (US \$)
	Amount	Percentage	Amount	Percentage	
2014 *	0		280,673	100%	280,673
2015	291,180	49%	308,896	51%	600,076
2016	200,000	35%	368,325	65%	569,004
2017	150,000				

* For the Australian contribution, '2014' refers to the budget year 2014-2015, and so on.

The result of both governments investment has seen 2,971 (32% female) PNDS staff trained during this reporting period. Training has included the topics of conflict resolution, MIS, steel roof frames, finance management, Excel, mobile technical training, livelihoods, the use of basic ICT tools and women's leadership to name a few. Measuring the impact of this training is a priority. Basic assessment tools used show general satisfaction - 83% (good) across trainings. Some of the results highlighted under section 2.2 of this report can also be attributed to the training provided throughout this year. For example:

Table 6: Impact of selected trainings

Training Name	Pre-Training	Post Training
MIS Mobile Training	National Level data entry for finance and technical modules	Municipal Level data entry all MIS modules
ICT Municipal / National Training	5.6 average rating on use of basic ICT features	8.1 average rating on use of basic ICT features
Finance Management Cross Visits	69% financial management rated as good / moderate	80% financial management rated as good / moderate

In the area of **Communications**, this is falling behind the minimum targets for the program. A key reason for the communications and stakeholder engagement activities is to keep PNDS in the public eye, including that of key government officials and parliamentarians, so that there are better prospects of funding for PNDS being renewed

after the next Government is installed after the 22 July election. The communications section has delivered a wide range of products throughout the year. These have been heavily led and subsided by the advisor and the support program. Billboards, a new facebook page, a portraits book, postcards and promotional materials of the program, and a new brochure outlining the steps of the program were all produced. The Secretariat did organize television coverage of the municipal evaluation events and cross visits, and reports were produced for sharing with Government on a regular basis. PNDS-SP also participated in the Australian Aid showcase in March where more than 10,000 people visited. This included a visit by the Prime Minister of Timor-Leste to the PNDS stand where he spoke positively of the program and of the intention for ongoing financial commitment by the Government in 2018.

2.2 Outcome 2: Counterparts understand and utilise PNDS systems

On 1 December 2016, the Secretary of State for Institutional Strengthening released its National Diagnostic Report in which it said *“Some Ministry of State Administration Programs have adequate performance indicators and program operational procedures. PNDS has a very good manual and is a good example for other programs.”* (page 10). Below are some examples of PNDS systems from its Program Operations Manual that the PNDS Support Program have been intensively supporting since PNDS inception.

The **ICT Helpdesk** system was established in 2014 when PNDS-SP first supported the GoTL to set up its ICT infrastructure for the PNDS National Secretariat and the municipal offices. In 2015 PNDS-SP started measuring the percentage of tickets (problems) resolved independently by PNDS ICT staff. The graph below shows the significant progress since 2015.

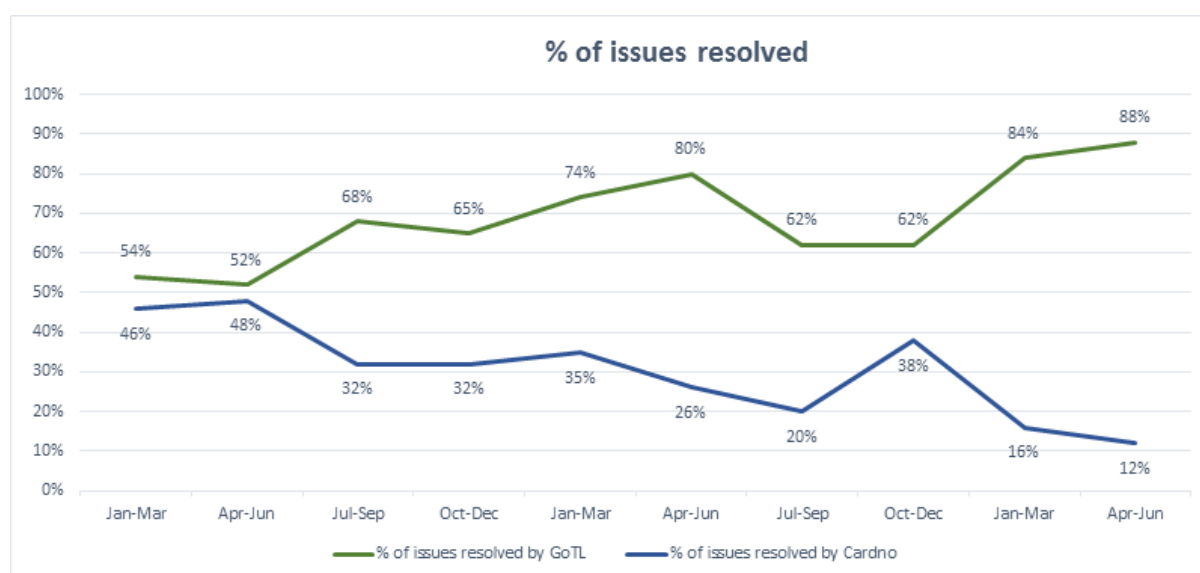


Figure 2: Percentage of problems resolved by GoTL staff

By the end of this financial year, GoTL ICT staff resolved 88% (143) of all helpdesk issues registered, a significant 36% increase against the same period in 2015. The peak of issues

resolved by PNDS-SP Advisers were in October-December 2016. This was due to the absence of PNDS ICT staff. The ICT PNDS team also began to take responsibility for the ICT risk register. For example, they identified independently the risk of increase use of unauthorized internet sites. This resulted in them creating the Internet Traffic Control Policy and internet Traffic Sharing. The success in the use of ICT systems has been due to PNDS-SP Advisers conducting bi-weekly team meetings, designating the Helpdesk manager role to one team member, improving team habit to register all client support, and reporting on it monthly.

The ICT team, have also provided IT solutions to improve the efficiency of some PNDS-SP systems. Namely, the automated online timesheet system, and the FST reporting system.

The PNDS **Management Information System** has been in place for two years. The roll-out of the system to sub-national level however has been slow. The delays were mostly due to data entry of past data from national level, the reluctance to move from the Excel system to MIS for monthly financial reports, and a lack of buy-in from many levels of PNDS, including PNDS-SP staff themselves. Users needed to see what the system would do for them before they would invest their time using the system (entering data).

The social module of MIS was rolled out in 2015. After piloting the roll-out of the finance and technical modules in late 2016, finally by April 2017, all data entry is now happening at the municipal level. A management application has been set up which shows, by municipality, what data is missing. Reports are now sent monthly to municipalities from the PNDS Secretariat highlighting these missing data. An updated MIS User Guide was also produced this year, with training provided to users in June 2017.

A separate reporting application has also been set up. This enables management to be able to print Infographics with national and municipal level project data, to produce S-Curve graphs measuring project physical progress by municipality, and measure the ratio of EJS female members' participation in socialization and training activities amongst some of its features. In the final quarter of this financial year, following MIS sub-national roll-out, mobile training (onsite at each municipality) and a national level refresher training, a better trend on the usage of MIS reporting, mostly at national level is now noticeable. In total the MIS reporting application was accessed 362 times with 14 users at national level in this last quarter (April-June 2017), an increase from 317 for the six-month period of July-Dec 2016. A PNDS public display screen has also been installed at the PNDS Secretariat showing implementation progress by phase using data from the MIS.

The **Complaints Handling System** (CHS) is also becoming better established. Analysis of the 43 complaints in the register (3rd quarter 2015 to 2nd quarter 2017), indicated that more than two-thirds of the complaints originated from the suco level, and that – after initial verification – only about one-third (13 cases) needed specific investigation and handling. Of these 13 cases, five related to fraud and abuse of power, five to construction problems, and three to systems and procedures. Case resolution is also satisfactory: 55% were resolved within five days, and another 30% within 6-10 days. Depending on the

nature and the complexity of the issue, it can either be resolved at national or municipal level by Secretariat staff or municipal level program staff. Some issues get resolved gradually over time.

The regular use of **Field based Monitoring Systems** continues to be a challenge. PNDS-SP supports the use of two systems that were part of the original PNDS design and incorporated into pre-service training of all Finance and Technical Administrative Post Facilitators. Namely, **GFM 4 – Monthly Finance Monitoring Checklist** and **TF 9.3 – Construction Quality Checklist**. The PNDS-SP Field Support Team (FST) provides on-the-job mentoring for facilitators to use these tools whenever they visit the suco or project site. The use of the tools in FST absence however is still varied. Despite numerous discussions at the national level with the Program Implementation Department, there is still no monthly tracking of data or independent analytics of data from these tools. FST monthly report remains the main source of data for which discussion is held and where analysis is taking place. Recently the GFM 4 tool has been included into the MIS, therefore it is expected over the coming year that more systematic (monthly) reporting of results will take place.

The GFM 4 measures the financial management status of the suco. Three ratings are used: satisfactory, moderate, and poor. During the first half of this financial year, results dropped to the lowest they have been since using the tool (69% measured satisfactory or moderate). Some influencing factors were; facilitators not going to the field as they were involved for two months in the HCDF human resource survey, and facilitators going to the field, monitoring but not using the results to help the suco improve. It was also identified that the results are not comparative as different suco are visited each semester. Following analysis, finance cross-visits took place, from selected poor performing suco per municipality to higher performing suco. FST Finance Officers, National and Municipal Accountants also did better, i.e. more specific problem-focused planning when visiting sucos. From January – June 2017, results increased again to 80%, back on track for the 90% target.

In addition, FST measure the capacity of Administrative Post Finance Facilitator (APFF) and Municipal Accountants (MA) to utilize the GFM 4 form. Results showed that capacity level has increased rapidly over the last two semesters, with an increase from 14 to 38% now independently using the tool.

Table 7: PNDS staff ability to use GFM 4 – Finance Monitoring Checklist

	Dependent		Guided		Assisted		Independent	
	Jul-Dec16	Jan-Jun17	Jul-Dec16	Jan-Jun17	Jul-Dec16	Jan-Jun17	Jul-Dec16	Jan-Jun17
APFF	29	5	70	25	62	31	7	14
MA	5	0	21	3	45	9	30	31
%	13%	4%	34%	24%	40%	34%	14%	38%

The regular reporting of results from TF 9.3 – Construction Quality Checklist has been much more difficult to implement. Currently, PNDS National Engineers do not request

reports of these findings from municipal teams. FST continues to support the system as one of best practice, but pays more attention to encouraging Administrative Post Technical Facilitator (APTF) with the submission of their monthly physical progress reports. PNDS projects have been assessed 856 times during this reporting period using the checklist. The quality of projects assessed has improved from 30% 'good' at the end of last financial year to 42% 'good'. The Annual Technical Construction Quality Audit results also reinforce that project quality remains high, with 86% of projects assessed rated as 'Excellent' and 'Good'.³

A daily activity log (**diario**) for Administrative Post Facilitators (APFs) was also introduced last financial year. This was used actively by social facilitators in the first months, but appears to be used less now. Further discussion with the PNDS Secretariat will be had to decide whether further support should be provided to implement this system.

PNDS-SP have also continued supporting the implementation of **new guidelines** at the same time as reinforcing existing systems and policies. In this financial year, the following new documents were developed:

- **PNDS Municipal Handbook:** to respond to the new decentralization law
- **Playgrounds Finance Management Manual:** to provide guidance on how NZAid funds for playgrounds will flow through the PNDS process
- **PNDS and Saemaul Undong (SMU)⁴:** Program Integration Concept Paper: prepared at the request of the Minister of State Administration
- **Technical Agreement for rural O&M for Water:** a coordination agreement between PNDS and DNSA
- **Municipal Integrated Investment Plan (PIIM) Manual:** provided final edits to the draft prepared by the PNDS Secretariat and prepared subsequent training materials. The PIIM is a process that has excluded PNDS in the past. It was a planning process undertaken for PDIM-funded projects (projects valued greater than \$50,000). In 2017, the Vice-Minister requested better alignment of municipal infrastructure investments. He requested that PNDS be integrated into the PIIM planning process. PNDS led the process of manual revision and training within MAE.

Several existing manuals have also been revised and waiting final approval before distribution

³ The Construction Quality Checklist used by Technical Facilitators during field visits is a simple tool which assesses different components of the infrastructure throughout the building process. It is designed to check that construction is on track with the planned schedule, and that each stage of construction is meeting the appropriate standard at each step. The Technical Audit Checklists used in the yearly Technical Evaluation of Infrastructure are more expanded and sophisticated tools, mostly used at project completion. The percentage results of the two assessments are therefore not directly comparable.

⁴ Saemaul Undong, the New Village Movement, was a rural community-driven development program started in the 1970s in the Republic of Korea. It was a key program in the country's long-term economic development strategy. In Timor-Leste it is piloted in some sucos in Lautém.

- **Program Operations Manual (v2):** pending approval to Community Management Team (EJS) restructure
- **Community Finance Management Manual (v2):** as above
- **PNDS Forms (social, technical and finance):** as above

Consultations on the **Technical Construction Standards (TCS)** are nearing an end. Written approval has been received for irrigation, roads/bridges, and police housing. The final recommended changes for water and sanitation, and education are being incorporated. Changes for constructions of health-related projects have been made, and PNDS are now awaiting the final letter of approval from the Ministry of Health. Design layout for one of the ten construction standard booklets has also been finalized.

2.3 Outcome 3: Counterparts (Directors, Department Xefes and Munisípiu Coordinators) maintain and demonstrate leadership and management practices

Outcome three is the central pillar of PNDS, and the PNDS Support Program achieving adequate progress towards its goal. After some steady progress throughout 2014-2016, this financial year has seen a decline in two key performance indicators for this outcome.

The PNDS leadership has only held four national level **coordination meetings** with municipal managers and national staff between July 2016 – June 2017. The Program Operations Manual lists such meetings as monthly meetings, and they were previously indeed held close to monthly.

Municipal level coordination meetings are also planned monthly. During this financial year, however, across all 13 municipalities, the average number of meetings held was two. Only one municipality held at least bi-monthly meetings (Aileu). Previously these meetings were held monthly. The National Secretariat monitored who did and did not hold monthly meetings, and those not holding them were reprimanded in the monthly national meeting. FST supported content development and even presented at these meetings. Reasons for not conducting them this year were that teams were busy undertaking other urgent activities (HCDF survey and PIIM), no funds available as operational funds were not sent to the municipalities until late April 2017, and that they were following the lead that national level meetings were not being held.

Both national and municipal level meetings are mandated in the Program Operations Manual, budget is allocated for their implementation, and an outcome/indicator for these meetings is included in the PNDS annual action plan (PAA) submitted to the Prime Minister's Office.

At the national level, there were a significant number cancellations of the national level monthly meetings. These were:

1. All PNDS staff (approx. 360 people) involved in a nation-wide human resource survey (September – November 2016)
2. Decentralization Law promulgated and administration passed over to municipalities (September 2016)
3. All PNDS staff involved in the Municipal Integrated Investment Plan (PIIM) process from suco to municipal level (March-April 2017)
4. Presidential Elections (May 2017)

At the sub-national level, involvement in activities 1, 3 and 4 above resulted in the cancellation of meetings. Moreover, the introduction of the decentralization law meant that the regulation around the use of petty cash for municipal level meetings was changed, and funds did not flow until well into April 2017.

To ensure that Municipal Coordinators and PNDS Secretariat management remained in contact in 2017, PNDS-SP organized four topic-specific meetings during January-June: 2017 planning and reflection day (January), 2018 budget preparation and municipal planning (April), professional development day / coordination meeting (early June), and the EJS restructure forum (end June).

There continues to be some positive change in the extent to which PNDS Secretariat Managers are involved in **policy updates**. 46% of policy circulars were prepared independently, or at the assisted level, by PNDS management this year compared to 39% last financial year. Key policy changes such as those related to the Program Operations Manual, Community Finance Management Manual and the Municipal Manual are still led by advisers. One good example this year however where PNDS Management prepared the first draft of a policy document was the Municipal Integrated Planning (PIIM) Manual. It did require significant editing to ensure consistency throughout the manual, but it was a very positive first step to ownership at the policy level.

As a national level community-driven development program, GoTL have a number of independent **research activities** in place. This year, PNDS-SP has supported the PNDS M&E Department to implement its third Annual Technical Evaluation of Infrastructure, the third joint Ministry of Finance audit, and contributed to the design of four studies managed through The Asia Foundation, i.e.: Perceptions Study, Community Score Card Evaluation, Best Practice Case Studies for Community Contribution / Local Leader involvement, and the Role of Local Authorities in PNDS. There are some very positive findings resulting from this research. PNDS-SP advisers therefore have assisted with report development, infographics and preparation

Research Findings – Role of Local Authorities in PNDS Implementation

There were many significant outcomes in terms of impact on the capacity of suco council members found. A majority of respondents claimed that they had learned new skills through participation in PNDS activities or on the Ekipa Jestaun Suku (EJS), and that these skills had assisted them in their new roles on the suco council.

The majority of respondents (close to 90%) also believed that their experience on the EJS encouraged them to stand for election and that this experience had gained them more community support for their election.

There were also some outstanding achievements in terms of gender. All women interviewed believed that their contribution as an EJS member gained them more respect and status in their community.

Overall, the research indicates that PNDS has made a profound impact, both directly and indirectly on a number of levels in the process of delivering vital infrastructure to a local level through a community driven development approach.

of summary findings through presentations to have these results heard. With the recruitment of one additional international technical adviser this financial year, PNDS-SP has been able to better support the preparation for research, the analysis and utilization of data. More work is required however to convince PNDS management of the potential power of this data.

At the sub-national management level, the **Field Support Team** provides technical support three weeks per month across all municipalities. Between July 2016 and June 2017, FST visited 376 or 85% of all sucos to do monitoring and mentoring of municipal and administrative post teams. In total 2,032 visits were made which gives an average of 4.6 visits/suco (for 442 sucos).

In 2016, a **management response tool** was developed to ensure **PNDS Municipal Coordinators** took management responsibility for issues identified in the field by FST. It consists of a simple list of key findings and recommended actions that FST agreed to with PNDS facilitators and community members. At a weekly wrap up meeting, FST briefs the Municipal Coordinator on their activities and findings during the week. They record this on the tool and the Municipal Coordinator signs when he agrees with all actions that need to be taken. At the follow up FST visit, FST will go through the status of the actions on the tool with the Municipal Coordinator and his team to see what requires further support. In total 580 follow up actions were recorded this year. 360 (62%) were acted on and resolved under Municipal Coordinator management, 199 (34%) are still in process, whilst 21 (4%) issues are filed and not resolved. Issues that are resolved are principally minor issues such as incomplete receipts, unsigned payment vouchers, incomplete labor lists, etc. Issues that are in process are those with regards to delays in physical construction progress, land issues or suspected fraud or mis-management of funds. Those related to suspected fraud are also registered on the national complaint register for immediate follow-up. Issues that are archived or filed are those related to resignation of EJS members, lack of visits by FPA to project location. These results indicate that even though there have been other non-PNDS activities going on throughout this year, Municipal Coordinators have remained engaged and cooperative with FST, and have allowed technical support to continue to be provided for the effective implementation of PNDS.

2.4 Key contributions of corporate services and logistics

The corporate services and logistics teams are PNDS-SP's operational platform that support program implementation with a focus on efficiency, compliance and risk management.

Corporate services cover two main areas.

The first main area is **human resources**, where the service provided focus on:

- Recruitment
- Mobilisation and induction

- Personnel contract management
- Human resource policy development and implementation
- Performance management
- Timesheet and leave tracking / record keeping

On 30 June 2017, PNDS-SP had in total 66 staff, as indicated in Table 8. There were seven Long-Term Advisors (LTA) and 58 Locally-Engaged Staff (LES), in total 50 men and 16 women.

Table 8: PNDS-SP staffing (status on 30 June 2017)

Staff category and program positions	Nationality		Gender	
	Foreign (7)	Timorese (59)	Male (51)	Female (15)
Long Term Advisors (ARF)				
Team Leader	1			1
Deputy Team Leader	1			1
Logistics Manager		1	1	
Corporate Services Manager	1		1	
Senior Strategic Engagement Adviser	1			1
Senior Engineering Adviser	1		1	
Finance Adviser – FST	1			1
M&E Manager	1		1	
Activities / Field Support Team				
Program Implementation Adviser		1	1	
Capacity Development Adviser		1	1	
Engineering Adviser		1	1	
Senior Social Development Adviser		1	1	
Finance Adviser		1	1	
Training Evaluation Officer		1		1
Training Development Officer		1	1	
Field Support Team Coordinator		1	1	
Field Coordinator Social Development		7	6	1
Finance Support Officer		6	6	
Engineering Support Officer		9	8	1
Information and Communications Technology				
Senior ICT Adviser		1	1	
ICT Adviser		1	1	
ICT Officer		1	1	
Corporate Services				
HR Associate Manager		1		1
Finance Officer		1		1
HR Officer		2		2
Finance Assistant		1		1
Logistics				
Logistics Coordinator		1	1	
Administration & Procurement Coordinator		1	1	
Operations Officer		1	1	
Activities Coordinator		1	1	
Senior Procurement Officer		1		1
Assets & Facilities Officer		1		1
Senior Driver		3	3	
Driver		9	9	

Office Attendant	2	1	1
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During July 2016 to June 2017, PNDS-SP also received inputs from several short-term consultants, some of whom have been associated with PNDS-SP for several years (see Table 9).

Table 9: Short-term consultants, July 2016 – June 2017

No.	Level of Effort (person-days over period)	Assignment
1	30 working days, during 4 visits between July 2016 and June 2017	Senior Community Development Adviser
2	40 working days during 1 visit to Dili and home based inputs from Canada between April 2017 and June 2017	Infrastructure Audit Adviser
3	39 working days during 1 visit to Dili between April 2017 and June 2017	Infrastructure Audit Adviser
4	50 working days between March 2017 and June 2017	Training Development Adviser
5	56 working days, during 4 visits between July 2016 and June 2017	MIS Adviser
6	9 home-based inputs in the Philippines completed in June 2017, followed up by in-country assignment in August 2017	Economic Development Adviser

During July 2016 to June 2017, PNDS-SP completed 18 recruitment processes.

Table 10: PNDS - recruitment activity, July 2016 – June 2017

No.	Month	Title	Position Type
1	Jul-16	PC30 - Capacity Development Adviser	LES - Adviser
2	Jul-16	PC43 - Field Coordinator Social Development	LES
3	Jul-16	PC60 - Engineer Support Officer	LES
4	Jul-16	SS25 - Driver	LES
5	Aug-16	PC72 - Finance Support Officer	LES
6	Sep-16	PC82 - Finance Adviser	LES - Adviser
7	Sep-16	PC89 - Activities Coordinator	LES
8	Oct-16	PC90 - M & E Manager	LTA - International
9	Oct-16	PC41 - FST Coordinator	LES
10	Oct-16	PC42 - Senior Social Development Adviser	LES - Adviser
11	Oct-16	PC87 - Training Evaluation Officer	LES
12	Jan-17	PC85 - Senior ICT Adviser	LES - Adviser
13	Feb-17	PC91 - Training Evaluation Adviser	STA - International
14	Mar-17	D37 - Infrastructure Audit Adviser	STA - International
15	Mar-17	D38 - Infrastructure Audit Adviser	STA - International
16	Apr-17	SS40 - Procurement Assistant	LES
17	Jun-17	PC81 - Economic Development Coordinator	LES

The second main area of corporate services is **finance**. The primary responsibilities are:

- Lead and manage all day-to-day financial management activities for the support program including bank statement reconciliation; accounts payable; payroll; review and verification of invoices; data entry into accounting systems; payment of allowances and expense claims; and bank, cheque and cash payments.
- Maintain oversight of the head contract budget and reporting.
- Support strategic financial management activities including annual budget development, financial planning and cashflowing, expenditure monitoring and periodic reporting.
- Maintain the chart of accounts in MYOB and ensure all coding is correct, all accounts and fixed assets are reconciled and the cashbook file is closed off correctly at month end.
- Monitor weekly and monthly cashflow across the program ensuring adequate cash is available to meet commitments; prepare and action funding requests to Cardno Melbourne.
- Organise and maintain comprehensive financial files and ensure all recording is compliant with legal and contractual requirements.
- Ensure requirements as set out in the operations and finance manuals are fulfilled and policies are complied with.

One other area which deserves highlighting is the initiative PNDS-SP has taken to integrate activity planning with procurement and finance. Figure 3 shows the flow chart for PNDS-SP activity management. The implementation of this system has ensured that activity requests are more quickly processed, more thoroughly recorded and documented, and that there is full compliance with all established procedures and regulations.

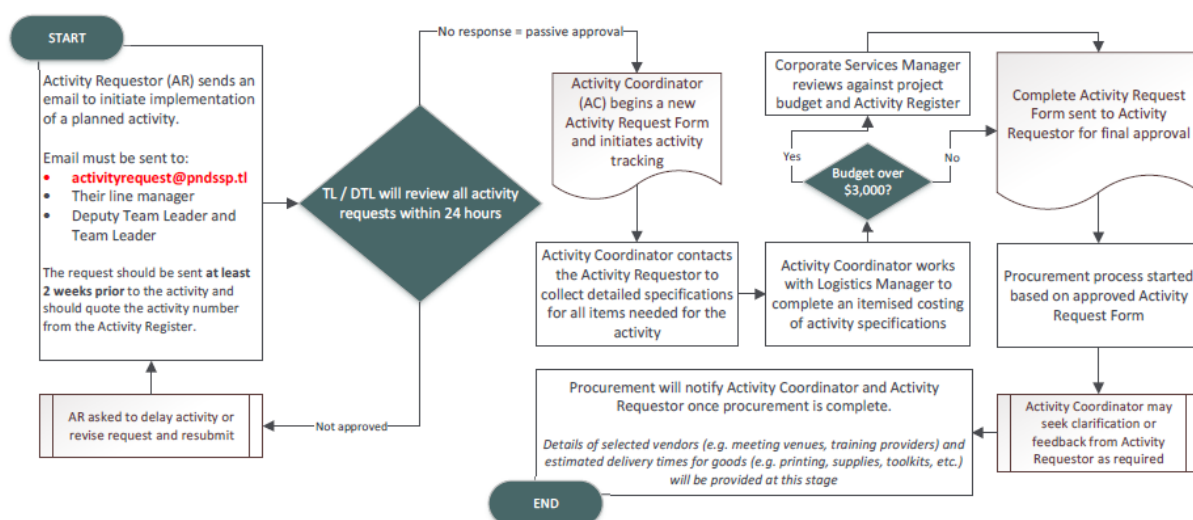


Figure 3: Flow chart for PNDS-SP activity management

PNDS-SP Logistics, which has a staff of 20, including an LTA Logistics Manager, handles the following tasks:

- Responsible for PNDS-SP logistics, procurement, facilities and asset management.
- Coordinates domestic travel and support services (per diems and accommodation, fleet management) for all PNDS-SP personnel.
- Fleet of 24 Vehicles (15 cars/trucks, 9 motor bikes) have travelled to 376 sucos (85%) and covered 271,000 kms in the current financial year (FY16/17)
- Procurement coordinates between the technical team and finance to deliver value for money solutions and ensure that program engagement with outside vendors is transparent and properly documented.

Logistics has started to operate a Ceslink system which allows for real-time GPS tracking of support program vehicles. At any time, the program can track where the difficult cars are, and if they are moving or not. The system also allows to track GPS histories, so that travel conducted during a trip can be assessed.

3. Learning and adaptation

Between July 2016 and June 2017, **Municipal PNDS Evaluation Workshops** have been held in all municipalities. These workshops were supported by the PNDS-SP team however, on the day they were entirely facilitated and led by the PNDS Municipal Coordinators and their teams, and were well attended by local government leaders and community leaders. In the workshops, the participants shared experiences and lessons learned, and reflected on successes and failures of the first three years of program implementation. The results of these workshops will be used as inputs to revise processes and program systems.

Capacity building and training are important aspects of PNDS-SP activities. In order to become better skilled in **assessing the use and the impact of training**, the program contracted an international consultant who mentored and provided guidance to the training team for: developing assessment tools, conducting assessments and analyzing the results, and the write-up (the completion of the report is expected in August 2017). The analysis of participants' perceptions on training provided during 2016-2017 were very positive. In total 84% of the participants rated the trainings as "good", and were satisfied with the results.

One of the challenges the program will face in the coming years is how to make the **transition from a centrally managed program to a decentralized program**. This will be a learning process for all involved, and in April a one-day planning workshop was held with the PNDS Municipal Coordinators to help them understand and learn about the processes of preparing Annual Action Plans (PAAs) and PNDS annual budgets (grants and operations) in response to decentralization. The PNDS Secretariat is also required to adjust its scope and core functions to not continue with parallel lines of management, and to focus on quality assurance, training and monitoring of the program nationally.

One other aspect that should also be highlighted is the impact PNDS has had on the **Suco Council elections** of October 2016. In at least 291 sucos (66%), between one and six EJS members were elected to a Suco Council position. As a result, at least 384 men and 184 women who have PNDS experience are now members of Suco Councils (see Table 11)⁵.

Table 11: Positions held by newly elected Suco Council members in EJS before October 2016

Previous EJS affiliation	New position							Total
	Chefe Suku	Chefe Aldeia	Delegad(o)(a)	Joven-tude	Lia Nian	Sekretaris Suku	Un-known	
EIP	15	57	70	10	5		1	158
EOM	4	31	70	9	2			116
FS	7	40	61	7	1	1		117
KPA	15	69	73	8	1	2	1	169
Unknown		3	4					8

⁵ The number of ex-EJS members elected to Suco Council positions is most likely higher than reported in Table 5. There are apparently other ex-EJS members elected who are not yet included in this total.

Total	41	200	279	34	9	3	2	568
Male	37	189	125	19	9	3	2	384
Female	4	11	154	15				184

PNDS is a member of the **Community Driven Development (CDD) ‘Community of Practice’**. Through this group, we have access to many CDD resources from across the globe. In October 2016, we contributed the PNDS Economic Impact study undertaken by our short-term consultant Jackie Pomeroy. Following involvement in the last CDD Conference in Vietnam in 2016, we have also requested livelihoods operations manuals from Sri-Lankan and Indian contacts made through the conference. The manuals have helped to steer livelihoods discussions in PNDS. More recently, the PNDS-SP FST undertook a study tour to Indonesia to learn more about their experience implementing livelihoods through CDD. We are now finalizing the draft livelihoods concept with PNDS staff.

The program responded by initially adapting the stakeholder engagement advisor’s role to be able to engage more broadly than PNDS, the role was further discussed with the National Director, and agreed to be posted within the office of the Vice-Minister. This has assisted with triangulation of information and better understanding the priorities and workings of the Ministry and decisions around the program. This strategy is working well, with a positive and collaborative relationship with the Vice-Minister.

ANNEXES

Annex 1 – Results of July 2016 – June 2017 against the PNDS-SP2 M&E Framework

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category																																																
Program Goal: Community members attain increased social and economic benefits																																																				
Program indicators at the goal level	# and \$ value of PNDS projects (by sector, construction/rehabilitation and suco)	400 projects annually	<ul style="list-style-type: none">During this reporting period 385 new projects were completed (phase III) whilst a further 360 (3 cancelled since last reporting period) were commenced for phase I & II cycle 2In total, 1,014 projects have been constructed during the pilot, phase 1, phase 2 and phase 3 first cycle valued at US\$20,453,244, across 442 suco, and 363 projects are underway for cycle 2 valued at US\$10,657,500. The breakdown by sector and cost (materials and labour) is as follows: <table><tr><th>Sector</th><th>Construction</th><th>Rehab</th><th>Extension</th><th>Total #</th><th>Total \$</th></tr><tr><td>Water & Sanitation</td><td>358</td><td>180</td><td>9</td><td>547</td><td>\$10,336,325</td></tr><tr><td>Road, Bridge, and Flood Control</td><td>307</td><td>133</td><td></td><td>440</td><td>\$12,134,031</td></tr><tr><td>Other Sectors</td><td>192</td><td>20</td><td></td><td>212</td><td>\$4,285,544</td></tr><tr><td>Education Culture & Sports</td><td>31</td><td>26</td><td>34</td><td>91</td><td>\$2,385,847</td></tr><tr><td>Health</td><td>25</td><td>11</td><td>10</td><td>46</td><td>\$1,005,479</td></tr><tr><td>Agriculture & Food Security</td><td>33</td><td>5</td><td></td><td>38</td><td>\$963,518</td></tr><tr><td></td><td>946</td><td>375</td><td>53</td><td>1,374</td><td>\$31,110,744</td></tr></table>	Sector	Construction	Rehab	Extension	Total #	Total \$	Water & Sanitation	358	180	9	547	\$10,336,325	Road, Bridge, and Flood Control	307	133		440	\$12,134,031	Other Sectors	192	20		212	\$4,285,544	Education Culture & Sports	31	26	34	91	\$2,385,847	Health	25	11	10	46	\$1,005,479	Agriculture & Food Security	33	5		38	\$963,518		946	375	53	1,374	\$31,110,744	Not on track (360 projects started this year)
	Sector	Construction	Rehab	Extension	Total #	Total \$																																														
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	946	375	53	1,374	\$31,110,744																																															
# participants in PNDS infrastructure construction (by gender)	40% female participants in infrastructure construction	<ul style="list-style-type: none">21% of workers in PNDS infrastructure construction were female for PNDS cycle 2 (832 out of 3,930).28% of workers in PNDS infrastructure construction were female for PNDS cycle 1 (3,099 out of 10,948) this is a 9% improvement on the pilot	Not on track (Decreased from 28% to 21%)																																																	
% female attendance in PNDS activities	40% female attendance in PNDS activities	<ul style="list-style-type: none">39% female attendance in all PNDS meetings / activities for <u>cycle 2</u> (30,955 out of 83,399) (<i>Note: Cycle 2 has not yet completed its PNDS cycle</i>)41% female attendance in all PNDS meetings / activities from <u>pilot</u> until end of <u>cycle 1</u> (102,927 out of 249,452)		Not on track (39%, slightly below the 40% target)																																																
# PNDS projects selected from women's-only meeting (by suco)	40% PNDS projects selected from women's only meeting	<ul style="list-style-type: none">The data in MIS does not yet provide a clear representation of performance against this indicator. There is still an extensive amount of work to be undertaken to match all women's priorities against actual projects selected. The current data available however does show that in the last financial year 111 projects were selected from women's-only meeting and by June 2017 this figure has increased to 293. Although it is not yet 40% of all projects, data is showing increased improvement in recording this data.			Not completed																																															

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category																																																																												
			** All data above is from the PNDS MIS. Data for some activities (i.e labour) is still incomplete for some phases (i.e phase II) and cycles (cycle 2) therefore data and results are likely to change																																																																													
End of Program Outcome 1: Sufficient GoTL resources (staff, funds, assets) are secured and allocated to implement the national village development program																																																																																
PNDS Secretariat national staff indicators	% PNDS funded by PNDS Support Program (PNDS-SP): goods and services and capital	Maximum 40% from GoA budget	<div>The GoTL allocations for Goods & Services (with and without virement) vs the GoA contributions have evolved as indicated below:<table><tr><td rowspan="3">GoTL</td><td></td><td colspan="2">2014</td><td colspan="2">2015</td><td colspan="2">2016</td><td colspan="2">2017</td></tr><tr><td>Initial budget</td><td colspan="2"></td><td colspan="2">\$663,000</td><td colspan="2">\$500,000</td><td colspan="2">\$800,000</td></tr><tr><td>Virement</td><td colspan="2"></td><td colspan="2">\$250,000</td><td colspan="2">\$271,921</td><td colspan="2"></td></tr><tr><td></td><td>Total for year</td><td colspan="2">\$956,000</td><td colspan="2">\$913,000</td><td colspan="2">\$771,921</td><td colspan="2">\$800,000</td></tr><tr><td rowspan="2">GoA</td><td></td><td colspan="2"></td><td colspan="2">\$647,811</td><td colspan="2">\$549,077</td><td colspan="2">\$626,125</td></tr><tr><td></td><td colspan="2"></td><td colspan="2">2014-2015</td><td colspan="2">2015-2016</td><td colspan="2">2016-2017</td></tr><tr><td rowspan="2">Ratio GoTL:GoA</td><td>Without virement</td><td>60%</td><td>40%</td><td>55%</td><td>45%</td><td>44%</td><td>56%</td><td colspan="2"></td></tr><tr><td>With virement</td><td>60%</td><td>40%</td><td>62%</td><td>38%</td><td>55%</td><td>45%</td><td colspan="2"></td></tr></table></div> <div>The GoTL:GoA target of 60:40 was achieved in 2014 and 2015, but not in 2016.</div>	GoTL		2014		2015		2016		2017		Initial budget			\$663,000		\$500,000		\$800,000		Virement			\$250,000		\$271,921					Total for year	\$956,000		\$913,000		\$771,921		\$800,000		GoA				\$647,811		\$549,077		\$626,125					2014-2015		2015-2016		2016-2017		Ratio GoTL:GoA	Without virement	60%	40%	55%	45%	44%	56%			With virement	60%	40%	62%	38%	55%	45%			Not on track (45%)
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	\$ of annual GoTL expenditure (and % of total training expenditure) on training for PNDS staff that is within scope of training program agreed with PNDS-SP	50%	<div>The PNDS Goods and Services budget has no budget allocated for training. Starting in 2015, PNDS-SP has provided assistance to the secretariat to apply for funding from the GoTL Human Capital Development Fund (HCDF). In 2016, the granted amount was \$200,000, and in 2017 it was \$150,000. PNDS-SP implements and manages the training program for the PNDS Secretariat with the support of two Training Officers.</div> <div>The GoA training budget for FY16/17 is \$368,325, (A\$460,406). Administering two training plans with different rules has been challenging for the team. Towards the end of the reporting period, priority was given to implementing the DFAT funded training first.</div> <div>During the period July 2016 to June 2017, a total of 5,391 training days were delivered through the support of GoTL (HCDF) [US\$154,177] and GoA (DFAT) [US\$368,325] funded training. In total 2,971 persons were trained (M:2,033; F:938). The proportion of support to training from the two governments during the period was 70:30 (GoA:GoTL).</div> <table><tr><td rowspan="2">Description</td><td colspan="2">DFAT</td><td rowspan="2">HCDF</td><td rowspan="2">Total</td></tr><tr><td>Classroom & Field Visits</td><td>Other (Meetings, Work-shops, Cross-Visits, etc.)</td></tr><tr><td># of Training Covered</td><td>19</td><td>8</td><td>7</td><td>34</td></tr><tr><td># of Training Participants</td><td>899</td><td>1,987</td><td>85</td><td>2,971</td></tr><tr><td># of Total Training Days</td><td>2,471</td><td>2,259</td><td>661</td><td>5,391</td></tr><tr><td>Equivalent Years</td><td></td><td></td><td></td><td>15</td></tr><tr><td>Equivalent Hours</td><td></td><td></td><td></td><td>43,128</td></tr></table>	Description	DFAT		HCDF	Total	Classroom & Field Visits	Other (Meetings, Work-shops, Cross-Visits, etc.)	# of Training Covered	19	8	7	34	# of Training Participants	899	1,987	85	2,971	# of Total Training Days	2,471	2,259	661	5,391	Equivalent Years				15	Equivalent Hours				43,128	Not on track (70% of training budget from GoA)																																												
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			<p>The reach of the training, by gender, was as follows:</p> <table border="1"> <thead> <tr> <th>Description</th><th colspan="4">Gender</th></tr> <tr> <th># of training participants</th><th>M</th><th>%</th><th>F</th><th>%</th></tr> </thead> <tbody> <tr> <td>DFAT</td><td>1,963</td><td>68%</td><td>923</td><td>32%</td></tr> <tr> <td>HCDF</td><td>70</td><td>82%</td><td>15</td><td>18%</td></tr> <tr> <td>Total</td><td>2,033</td><td>68%</td><td>938</td><td>32%</td></tr> </tbody> </table> <p>The remaining HCDF budget to be executed before December 2017 is \$122,056.</p>	Description	Gender				# of training participants	M	%	F	%	DFAT	1,963	68%	923	32%	HCDF	70	82%	15	18%	Total	2,033	68%	938	32%	
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	# and type of communications and stakeholder engagement activities undertaken by PNDS national staff at the assisted and independent level	20% of activities led by GoTL	<p>16% of PNDS communications activities were led by GoTL at the assisted and independent level:</p> <ul style="list-style-type: none"> • PNDS Newsletters (July-Dec only) • PNDS website regularly updated with news pieces in Tetum • Layout for monthly, quarterly and annual PNDS reports • Facilitated TVTL attendance at Municipal Evaluation Workshops • Facilitated communications for cross visits • Prepared covers for MIS user guide and municipal handbook <p>Good news stories for the newsletter and website were provided by PNDS-SP staff (FST and advisers). In total 42 stories were provided by this team. Some of these were used at a GSI expo in Dili. In order to make good use of the stories and adapt to Timorese public preferences for information sharing, a new Facebook page for PNDS was developed by the Senior Strategic and approved by Vice Minister of State Administration. A presentation was made to FSTs on the objectives of the page, an explanatory note on themes and structure was distributed as well as a weekly calendar organized by municipality. The calendar is not yet being fully adhered to, however this will evolve further in the coming year.</p> <p>All other communications activities were undertaken by the Senior Strategic Engagement Adviser. These included:</p> <ul style="list-style-type: none"> • Daily media monitoring of local newspapers websites/blogs/Official FB pages. • General infograph on PNDS cycle 1 with Municipal Data produced • New infograph on Technical Audit, Economic Impact of PNDS, PNDS in numbers, PNDS and GoTL 2017 Budget Priorities; PNDS and Decentralization produced • Covers for Technical and Economic Audit produced; • Participation in the drafting of the Ministry of State Administration's book on Decentralization • "Portraits of PNDS" PR campaign materials were drafted (illustrated book on PNDS beneficiaries, Giant billboards, hanging banners, expo cubes, neon boxes) • All existing infographics were updated, a new gender infographic developed: all of them were approved by VMOsA; • In coordination with the Office of the VMOsA 3 new Infographics on decentralization are being developed as follows: the phases of Decentralization; the numbers of Decentralization and why decentralization? • 10 PPT templates were developed; • The Senior Strategic Engagement Advisor participated in the drafting the Ministry of State Administration's memory book (V and VI Constitutional Government); 	Not on track (16%)																									

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			<ul style="list-style-type: none"> The PNDS Portrait Book was approved by both Minister MoSA and VMoSA who respectively signed the preface and the introduction; New PNDS cycle comms products (billboards, folding brochure and short video) were developed and will be soon submitted for approval; A new 20 min video on PNDS and its beneficiaries was produced focusing on agriculture, water, roads and bridges, training and gender equality and from this 6 short PSAs were developed; PHD expo materials on PNDS were drafted, approved by VMoSA and produced: <ul style="list-style-type: none"> ✓ Portraits cubes, ✓ Portraits postcards; ✓ Leaflets with PNDS statistics; A photographic archive was never produced thus creating difficulties in the development of any comms products, the PNDS-SP contracted a professional photographer to create a photo library; <p>The following achievements took place together with the secretariat:</p> <ul style="list-style-type: none"> PNDS leadership assisted to prepare for meetings with the Minister and Vice Minister of State Administration, GTIM; Budget Review Committee; Koica and SMU PNDS leadership supported in drafting correspondence for Minister, Vice Minister of State Administration, Minister of Planning and Strategic Investment, Civil Service Commission; 2 Speeches of Minister of State Administration reviewed; Presentation and talking points for “V International Conference On Deconcentration, Administrative Decentralization and Local Power” drafted; Brainstorm meetings with National Director (ND) and Acting ND held <p>The following activities were led by the Communications and Stakeholder Engagement Adviser:</p> <ul style="list-style-type: none"> Many briefings on Decree Law n.2/2016(Statute of Presidents of municipal authorities and municipal administrators) and n.3/2016 (Statute of Municipal Administrations and Municipal Authorities and of the Intermenstrual Technical working group on Administrative Decentralization) and PNDS 2018 GoTL budget discussion provided to PNDS-SP leadership and PNDS-SP SMT; brainstorm meetings with National Director (ND) and Acting ND held, though not regularly as the focus shift to VMoSA; in coordination/cooperation with VMoSA legal adviser briefings on PNDS good and services budget; procurement for municipal staff vehicles maintenance; Municipal structures and reporting lines; role of the Secretariat; were given to the PNDS Head of Unit for Administration; informal discussions on draft decree-law that transform the National Secretariat into a Public Institute held with MoSA legal Advisor; in coordination/cooperation with VMoSA legal adviser revision of new Municipal Advisor ToR was made and submitted to VMoSA for comments and approval; Participated in GTP/GTIM meetings on Decentralization; Briefings on draft decree-law that transform the National Secretariat into a Public Institute provided to PNDS leadership and PNDS-SP SMT; In coordination with the Office of VM, its legal Advisor and National Parliament Committee A legal advisors, drafted the amendment of GoTL 2017 budget law to include appropriate finance support for PNDS (as agreed with VM of State Administration) 	On track (from an implementation not a capacity building perspective)

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
	Stakeholder engagement and communication activities, resourced and reported on six-monthly	N/A	<ul style="list-style-type: none"> Sectoral co-ordination has seen improvements at the operational level, however national level remains led by the Senior Strategic Engagement Advisor. 	N/A
	PNDS work plan developed and costed for annual budget submission	N/A	<ul style="list-style-type: none"> Minimal support provided. Draft prepared by PNDS Secretariat M&E team. Deputy Team Leader and Snr Stakeholder Engagement Adviser provided input into the final draft. Team Leader, Deputy Team Leader, Senior Finance Advisor and M&E Advisor have engaged in the first half of 2017 with senior PNDS Secretariat staff on budget projections for a possible budget revision in late 2017, and in budget proposals for 2018. 	N/A
<i>End of Program Outcome 2: Counterparts understand and utilise PNDS systems</i>				
PNDS Secretariat national staff indicators	# days taken from signing of Grant Agreements to disbursement of Grants to Community Bank Accounts.	14 days	<p>From July 2016, there were three transfers:</p> <ul style="list-style-type: none"> Phase 3 cycle 2 (ops -90%) = 51 days Phase 1 cycle 2 (Tranche 2) = 41 days Phase 2 cycle 2 (Tranche 2) = 38 days <p>The average this financial year was 43 days, an improvement of 24 days for the same period last year.</p> <p>The delays were due to organizational/structural change in MoF; the staff who previously managed PNDS grants were changed with new staff. Also, the PNDS Secretariat was not allowed to operate the Free Balance system in this Fiscal year; it was run by Finance Staff of MAE. This resulted in longer times to process the grant disbursement.</p> <p>In 2017, a request to transfer 40% of the Operational Grant budget for Phase 1 Cycle 3 was already submitted to MAE, but this is still in process.</p>	Not on track
	Frequency and quality of sector coordination meetings and technical working group meetings led by PNDS Secretariat.	<p>At least two Technical Working Group meetings</p> <p>Quarterly sector coordination forums</p>	<ul style="list-style-type: none"> There were no Inter-ministerial Technical Working Group meetings held during this period. PNDS Secretariat leadership participated in the newly formed Inter-ministerial Technical Working Group meeting for decentralization but did not use this forum to update on PNDS. Over the reporting period, four Technical Sector Coordination Group (TSCG) meetings and one Joint Field Monitoring activity were held. The Joint Field Monitoring was well participated by sector agencies at national level (Public Works (DNSA and Rural Roads), Education, Health and Agriculture), and by relevant agencies at municipal level. The objective of the visit was to strengthen sector coordination at national and municipal levels, by bringing them to the field to get first-hand experience on sector projects implemented by communities through PNDS by talking to beneficiary communities. There was also a joint field monitoring visit with the PHD team to Bobonaro, to assess water and sanitation conditions at public facilities (e.g. schools, clinics), and to discuss support delivery mechanisms for water and sanitation. In collaboration with PHD and DNSA representatives, the program conducted two brainstorming sessions on mechanisms and ways to improve O&M of rural water supplies, and a national forum workshop with both national and municipal teams. It was the first time for PNDS to have held such national forum with DNSA to discuss the issue of O&M and other technicalities for sector coordination. At the end of the workshop, DNSA and PNDS signed a technical coordination agreement on a guideline which will be followed by both agencies. The forum also paved the way for DNSA to approve the PNDS Technical Standard on Water which has been on hold so far. 	Not on track for TWG meetings; On track for sector coordination forums

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			<ul style="list-style-type: none"> Between Jul '16 and Jun '17, there have been three meetings with the R4D team to discuss O&M for roads constructed by PNDS. PNDS National Engineers with PNDS-SP advisers participated in forty-five sector coordination forums across all ministries. The majority of meetings were with Water (18) and the Rural Roads Department (10). GoTL organized and led six meetings with the Ministry of Finance to follow-up and ensure the disbursement of all 2016 grants. The Annual Joint Monitoring visit was also conducted in November 2016. Teams visited two Municipalities (Lautem and Viqueque), four Post Administrative and ten villages. The monitoring team used the GFM 4 finance monitoring tool with nine suco achieving a 'moderate' scoring and one being 'unsatisfactory' Eight M&E partner meetings were held at national level. The PNDS M&E Specialist together with The Asia Foundation (TAF) led the process for the meetings including setting the agenda. These meetings focused on the scope and progress of work that TAF through its partners Belun and Luta Hamutuk would implement in 2016/17. They also included training days with Belun on the Community Scorecard process and with Luta on how to develop and report on best practices stories. PNDS National GSI focal points attended a gender sensitive budgeting meeting within Ministry of State Administration (MAE) Meetings were held with both the Ministry of Education and the Ministry of Interior to finalize MoU discussions and work plan details of the NZMFAT funded playgrounds and police housing projects. PNDS staff were involved in the design and build of four playground prototypes, and the final design of the community police house. 	
	% of 'PNDS Gender and Social Inclusion Strategy and Action Plan' activities, that PNDS Secretariat are responsible for, which are on track to complete on time.	75% of activities on track	<ul style="list-style-type: none"> PNDS has an annual Gender and Social Inclusion (GSI) action plan that links to the GSI strategy. By June 2017, 58% of approved activities from the 2017 GSI action plan were under way and or complete. Some highlight includes: <ul style="list-style-type: none"> a two-day workshop with municipal and national gender focal point and FST to revise the 2016 GSI action plan. 24 action items for 2017 were agreed 10 success stories on gender and 2 stories on people living with a disability (PWD) were prepared and are ready for publication a three-day training on women leadership and management skill provided by national NGO Belun to 27 PNDS female staff. During the training participants learnt about: leadership and management skills, challenges of female leadership in Timor Leste, effective communication and decision making one mini exposition and seminar held in Aileu Municipality to promote how PNDS can contribute to the increase of women economic situation in their families one gender mini study on women leadership in EJS conducted in Cova Lima, to learn and identify constraints and enabling factors of women leadership in PNDS regular MIS gender disaggregate data update, worked with counterpart and provided input to quarterly report for PID, prepared speech for celebration of women day and prepared talking point for key events regular update on the gender infographic At the end of 2016, 81% of actions from the PNDS GSI Action Plan were underway or complete. Highlights were: 	On track (Dec 2016 = 81%) (June 17 = 58% at mid-year)

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category																		
			<ul style="list-style-type: none">o Training provided by RHTO, PATRIA and the Office of the Prime Minister to Municipal and National Focal Points on disability inclusion, gender inclusion and social auditingo 2 exposition and seminars to promote gender in PNDS (Liquica and Dili)o Gender mini-study in Lautem conducted in mid-December 2016o Monthly updates on progress against GSIAP and national level PNDS coordination meetings <ul style="list-style-type: none">• Those activities that were incomplete at the end of 2016 were the national level GSI briefings for PNDS secretariat staff, leadership training for PNDS female staff, an overseas study tour, gender suco-cross visit and a suco award for the most inclusive suco. Some of these activities have been included in the 2017 action plan. <p>The PNDS social team were 'Dependent' on adviser support to prepare for all actions in the Gender and Social Inclusion Action Plan during this FY. They were very proactive with the implementation of most of these activities once guided.</p>																			
	Frequency and duration of log in to MIS	Increase frequency of MIS use	<p>In September 2016, a three-month MIS roll-out pilot started in Covalima and Dili, and the full MIS roll-out to all municipalities took place from March 2017. This resulted in a significant increase in MIS use, especially in the municipalities. During April-June 2017, the MIS application was accessed 1,686 times, with 1,147 times at municipal level, and 539 times at national level. A better trend on the usage of MIS reporting, mostly at national level, was also noticeable during that quarter.</p> <p>One area where the program has not yet been successful is in promoting a broader use of the PNDS MIS data, beyond PNDS itself. There are no specific demands from MAE for PNDS data, and sector ministries do not use it (presumably because they may not yet be aware of its existence). The move towards stronger municipality-focused program management may perhaps lead to better data sharing with the sector agencies.</p>	On track																		
	Average response time by PNDS Secretariat IT staff to close an IT ticket.	75% of tickets closed in less than 3 business days	<p>This indicator was added in 2015, and has required significant mentoring by PNDS-SP IT Advisers to ensure:</p> <ul style="list-style-type: none">• Diligence in entering ALL the tickets in the system, meaning everything regarding IT work is recorded in the system.• Diligence in CLOSING tickets resolved. Sometimes the team forget to close the ticket, and close it on a later stage, affecting the average response time (in days) to solve a ticket. <p>A PNDS Secretariat staff now acts as the main gate for all client support requests, delegating ICT issues to other team members to assist in resolving them. This process was set up as a result of the IT Service management training conducted in the second quarter of 2017.</p> <p>The average response time to respond to and resolve an ICT issue has also improved over time. The table below show developments since mid-2015. In Jul-Dec 2016, it was noticed that the average time had gone up substantially, but this was largely due to laptop repairs that had to be handled by an external vendor (at least one month for a laptop). From Jul-Dec 2016 onwards, the performance is given for all cases, and for the 'internal' cases only.</p> <table><tr><th>Period</th><th colspan="2">Average time needed to handle an ICT issue</th></tr><tr><th></th><th>All cases</th><th>'Internal' cases</th></tr><tr><td>Jul-Dec 2015</td><td>16 days 11 hrs 13 min</td><td></td></tr><tr><td>Jan-Jun 2016</td><td>2 days 10 hrs 42 min</td><td></td></tr><tr><td>Jul-Dec 2016</td><td>7 days 23 hrs 16 min</td><td>1 day 1 hr 2 min</td></tr><tr><td>Jan-Jun 2017</td><td>4 days 19 hrs 22 min</td><td>19 hrs 39 min</td></tr></table>	Period	Average time needed to handle an ICT issue			All cases	'Internal' cases	Jul-Dec 2015	16 days 11 hrs 13 min		Jan-Jun 2016	2 days 10 hrs 42 min		Jul-Dec 2016	7 days 23 hrs 16 min	1 day 1 hr 2 min	Jan-Jun 2017	4 days 19 hrs 22 min	19 hrs 39 min	On track
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			<p>The ICT team have also started to create a knowledge base to document previous working solution to issues they have dealt with in the past. So far they have identified 15 categories with 40 solutions. This knowledge base also helps to cut down on time needed to deal with technical issues.</p> <p>In the beginning of the year, the Risk Register was maintained by the Support Program ICT Team, but from the third quarter the GoTL ICT team identified the risks by themselves, registered the risks and took action with minimal assistance of the Support Program. An example is the access of municipal staff to the PND Intranet. The GoTL IT team identified the high risk of exposure to malware and virus attacks by municipal staff accessing unauthorized sites. Mitigation action was taken by creating an Internet Traffic Control Policy and Internet Traffic Shaping, which was applied to municipal laptops.</p>	
<i>PND Support Program Outputs</i>	Program quality standards are finalised and socialised	<ul style="list-style-type: none"> • Program Operations Manual (POM) (v2) • Community Finance Management Manual (CFMM) (v2) • Technical Construction Standards • O&M Mini-Guide • PND Municipal Handbook 	<ul style="list-style-type: none"> • 6 new program quality standards documents were finalized and distributed during this reporting period: <ul style="list-style-type: none"> ◦ MIS User Manual 2017 ◦ MIS Report Application User Guide 2017 ◦ Movement of MIS Data (poster) ◦ S-curve graph visualizing physical progress of program implementation against the planned timeline ◦ PND and Saemaul Undong (SMU) Program Integration Concept Paper (submitted to Minister of State Administration) ◦ Technical Agreement - O&M for Water (between PND / DNSA) • 8 other program quality standard documents were revised and updated but not yet finalized / distributed: <ul style="list-style-type: none"> ◦ PND Municipal Handbook (first draft) ◦ Community Finance Management Manual (v2) (final draft) ◦ Program Operations Manual (v2) (not yet finalized) ◦ PND Forms (social, technical and finance) (final revisions) ◦ Procurement Process Mini-Guide (v2) (final draft) ◦ Technical Construction Standards (10 booklets) (final revisions) ◦ PND ICT BackUp Policy (final draft - pending Director's approval) ◦ Playgrounds Finance Management Manual (final revisions) • The target this FY was to complete version two of the Program Operations Manual and the Community Finance Management Manual. The completion of both documents is pending the approval of the proposed restructure of the Community Management Team (EJS) and the introduction of village and decentralization law changes into the PND design. Finding the appropriate time to submit these changes for approval has been the challenge in 2017. Once changes are approved, the first five documents above that are pending finalization will be distributed. • Although the O&M Mini-Guide was not finalized, a Technical Agreement between PND and DNSA was developed following three O&M joint cross visits and a national level consultation forum. • Consultations on the Technical Construction Standards (TCS) are nearing an end. Written approval has been received for irrigation, roads / bridges and police housing. The final recommended changes for water and sanitation, and education are being incorporated. Health changes have been made and we are now awaiting the final letter of approval from that ministry. 	On track

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			<p>Design layout began for one of the ten construction standard booklets and PNDS branded USB's have been purchased to save the standards to once finalized.</p> <ul style="list-style-type: none"> Following the distribution and training in the Complaints Handling System (CHS) last financial year, the CHS committee has met five times (on average every second month). All municipalities except two (Liquiçá and Ermera) have submitted complaints using the system. Some 55% of complaints are handled within five days, and another 30% within 6-10 days. 	
	Financially feasible training program prepared based on needs assessment and agreed with PNDS Secretariat.	Training Needs Assessment Framework	<ul style="list-style-type: none"> A costed integrated training program using GoA and HCDF funds was developed in consultation with PNDS national staff and advisors. Training needs were prioritised based on needs identified through staff surveys, performance evaluations and adviser recommendations. The procurement process for selecting the most financial feasible training providers was undertaken for: <ul style="list-style-type: none"> Ms. Excel training. Delivered by InfoTimor, twice in 2016, and twice in January 2017. In total 70 APFFs were trained (M:49, F:21). Community Facilitation Skills training. Contract and curriculum development with SDRA in late 2016, and training to 117 APTFs (M:93, F:24) in Jan-Feb 2017. 'Community Facilitation Skills training' is an accredited training by INDMO and it fits under certificate III of Timor-Leste's National Qualification Framework. The Social and Finance facilitators of the administrative posts already received similar training in 2015 and 2017, delivered by the same national training provider. Conflict resolution training. This training was designed based on a training needs analysis from Social Facilitators of AP. Contract and curriculum discussions took place in early April, and the training was provided in Dili by the NGO Ba Futuro in late April and May 2017 to 70 APSFs (M:49, F:21). PNDS women leadership training. This training was part of the GSI action plan and it was developed to enhance the capacity of PNDS female staff, both national and sub-national. The training was provided by NGO Belun in early June 2017. Most of the 31 participants (M:2, F:29) were AP facilitators. A Short-Term Engineer (who took part in the 2016 Technical Audit) was contracted for 18 days in Nov 2016 to develop and deliver a training on road geometrics. This was followed by eight on-the-job training sessions, conducted by FST Engineers between Oct-Dec 2016, in Oecusse, Manatuto, Manufahi, Liquica, Ermera and Ainaro. In total 28 (M:25, F:3) Municipal, National and FST engineers were trained. In October 2016, a discussion was held about establishing an in-house Technical Roving Unit (TRU) with three technicians with different areas of expertise (e.g. masonry/carpentry, plumbing and electricity). This was thought to be a more cost-effective option than the Mobile Training Team (MTT) approach that was implemented in the previous financial year. This activity was however put on hold after it was confirmed that there would be no new grants for PNDS suco in 2017. This will be reassessed in 2018. The PNDS training team also conducted a market survey of different training providers (like CNEFP-Tibar, Dom Bosco and SENAI-Becora) to ascertain whether they are interested in a new way of setting up the Technical Roving Unit. However, no one was interested, and because there were no grants to build infrastructure in 2017, the budget for this activity was reallocated to fund the Mobile Technical Training to support the APTFs. The MTT support was provided in April-June 2017 to finalize constructions where progress was below 30%. So, during 	On track

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			the period, 12 projects were supported in eight municipalities and 16 APTFs (M:11, F:5) were trained by the MTT team from CNEFP-Tibar.	
	Program implementation support to sector coordination at national level e.g. preparation for meetings	N/A	<p>From the sector coordination meetings listed above, the following support was provided by PNDS-SP advisers to assist meeting implementation:</p> <ul style="list-style-type: none"> • Technical Sector Coordination Group (TSCG): Meeting # 3/4 > prepared the presentations of findings from PNDS technical and economic audit reports, joint field trip, prepared first draft of the minutes, co-chaired the meeting, provided snacks • Consultation meetings: organized follow-up meetings with agriculture, health, education, and public works to discuss and seek approval for TCS • Ministry of Finance: prepared visit schedule, organized all logistics, and developed draft report for joint monitoring visit • TAF / M&E Partner meeting: attended meeting with counterparts and provided input into brainstorming PNDS M&E needs and preliminary result findings • Ministry of Education: attended meetings with counterparts, contributed to design of playground, drafted finance manual • Ministry of Interior: finalized design and BoQ for police housing • GSI Partners: prepared copies of gender strategy and talking points for national focal point to use in meetings with partners 	N/A
	% Gender and Social Inclusion Strategy and Action Plan activities, that PNDS-SP are responsible for, are on track to complete on time	N/A	<p>PNDS-SP Gender Officer successfully undertook the following activities for PNDS-SP:</p> <ul style="list-style-type: none"> • Together with the PNDS-SP social team. supported the PNDS GSI Focal Points to implement their action plans • Participated in Gender Sensitive Budgeting meetings at MAE • Updated data on women leaders in EJS and worked with the PNDS National GSI Focal Points to analyse the data • Reported PNDS GSI progress at Embassy Gender Week • Provided brief info and photo to Embassy Facebook Page on Women Empowerment through PNDS in celebrating International Rural Women's Day • Short presentation on Women Leadership through PNDS in Embassy GWG meeting • Updated and Reported PNDS Gender and Disability Action Plan at Embassy Gender and Disability Quarter meeting (April 2017) • Provided inputs to development of Gender and Disability Brochure (Apr-Jun 2017) • Planning for GDAP next quarter activities • Shared TAF Research and Monitoring reports to Embassy, Secretariat, Canberra and other relevant institution in Timor-Leste • Provided inputs to PNDS M&E quarterly report for gender and disability activities • Cardno's BuiMau Committee also implemented the following activities for PNDS-SP: <ul style="list-style-type: none"> ○ Three Lunch Forums - guest speakers included Bela Galhos (Basic Gender and Responsibility in the Family), Hugo Fernandes, The Asia Foundation (gender relations within families), and NGO Marie Stopes (Reproductive Health) ○ Two Guest Speakers at LES Meetings - Bela Galhos (Mana Mena's Story) and RHTO (Life with a Disability and Work of RHTO) ○ Representatives from BuiMau attended the Gender Working Group meeting at the Embassy where RHTO and TOMAK presented their works 	N/A

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category																														
	% of tickets/problems solved by GoTL IT team independently/guided	80% of tickets solved by GoTL IT independently and guided	<p>The helpdesk system is now being fully utilized by PNDS staff, it provides very useful information and trends on IT across the Secretariat. Over the year, on average 81% of all problems have been solved by the GoTL team, with minimal to no assistance from PNDS-SP IT Advisers. The target of 80% GoTL IT support has been achieved. The tasks where the PNDS-SP IT Advisers assisted were the more complex and/or new tasks, such as upgrading systems, working out on disaster recovery and threat identifications, inter alia.</p> <table><tr><th rowspan="2"></th><th colspan="2">2016</th><th colspan="2">2017</th><th rowspan="2">Average</th></tr><tr><th>Q3 (Jul-Sep)</th><th>Q4 (Oct-Dec)</th><th>Q1 (Jan-Mar)</th><th>Q2 (Apr-Jun)</th></tr><tr><td>Total incidents resolved by IT Advisers</td><td>10</td><td>21</td><td>8</td><td>6</td><td>19%</td></tr><tr><td>Total incidents resolved by PNDS IT Officers</td><td>40</td><td>61</td><td>42</td><td>45</td><td>81%</td></tr></table>		2016		2017		Average	Q3 (Jul-Sep)	Q4 (Oct-Dec)	Q1 (Jan-Mar)	Q2 (Apr-Jun)	Total incidents resolved by IT Advisers	10	21	8	6	19%	Total incidents resolved by PNDS IT Officers	40	61	42	45	81%	On track (81%)								
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PNDS Secretariat municipal staff indicators	% MIS data on social, financial and technical activities input by municipal staff	100 % completed per module (social, finance and technical)	<p>The MIS was installed in all municipalities, and the data synchronization module, to import municipal data worked successfully, except for a few exceptions. A good indicator of MIS activity are the number of records entered by each municipal office. The number of records on social, technical and finance modules entered into the MIS until the end of June 2017 is as follows:</p> <table><tr><th>Municipality</th><th># of records entered</th></tr><tr><td>Aileu</td><td>450</td></tr><tr><td>Ainaro</td><td>326</td></tr><tr><td>Baucau</td><td>1,131</td></tr><tr><td>Bobonaro</td><td>887</td></tr><tr><td>Covalima</td><td>1,169</td></tr><tr><td>Dili</td><td>537</td></tr><tr><td>Ermera</td><td>1,194</td></tr><tr><td>Lautem</td><td>860</td></tr><tr><td>Liquica</td><td>268</td></tr><tr><td>Manatuto</td><td>643</td></tr><tr><td>Manufahi</td><td>387</td></tr><tr><td>Oecusse</td><td>228</td></tr><tr><td>Viqueque</td><td>420</td></tr><tr><td>Total</td><td>8,500</td></tr></table> <p>Data verification is one of the critical skill areas to ensure good data quality in the MIS, and this process is mostly handled at national level. National Finance team receive monthly back statements which are used to confirm monthly data entered by the Municipal Accountants. At the municipal level the teams are advised to double-check data entered with the physical documents before exporting data.</p>	Municipality	# of records entered	Aileu	450	Ainaro	326	Baucau	1,131	Bobonaro	887	Covalima	1,169	Dili	537	Ermera	1,194	Lautem	860	Liquica	268	Manatuto	643	Manufahi	387	Oecusse	228	Viqueque	420	Total	8,500	On track
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			The increased use of the MIS also brings to light missing data items, and inconsistencies in the data. Such occurrences are reported to the national MIS team, who contact the concerned municipalities to verify the data and address the identified issues.																																
	# and quality of sector coordination meetings led by PNDS municipalities	Quarterly	It is recorded that between July 2016 and June 2017, FST supported and attended 23 sector coordination meetings at municipal level and supported and attended two sector coordination meetings at Administrative Post level. Most of the 15 Jan-Jul 2017 meetings were for PNDS Annual Evaluation Workshops and suco cross-visits (implemented in three sucos in three municipalities). Municipal teams are not yet routinely conducting quarterly sector coordination meetings. In 2017 FST have begun reporting monthly on all sector coordination meeting at the municipality rather than just the meetings that they would attend as per previous reports. This enable us to track this indicator better.	Not on Track																															
	ICT utilisation by PNDS Secretariat municipal staff (% increase of email usage by volume, # VoIP answered calls, % use of shared drive)	<ul style="list-style-type: none">• 100% PNDS staff communicate using PNDS email• Increased # of VoIP calls• Increased % of Shared Drive utilization in National• Increased % of Shared Drive utilization in Municipal• Increased % in Remote Request	<p>The ICT team work to ensure that PNDS staff at national and sub-national levels fully understand and use the ICT tools implemented in PNDS to assist their work and delivery of the program. The team has undertaken several Municipal Learning Forums (MLF) over the year and checked that all municipal staff had received and knew how to utilize their ICT Handbook. The performance over the last two years were:</p> <table><tr><th>Indicator</th><th>FY 2015-2016</th><th>FY 2016-2017</th><th>Overall Results</th></tr><tr><td># of VoIP answered calls</td><td>1,672</td><td>6,101</td><td>38% Increase</td></tr><tr><td># of SMS sent</td><td>671</td><td>1,068</td><td>73% Increase</td></tr><tr><td>Municipal Share Folder usage</td><td>42%</td><td>38%</td><td>4.7% decrease</td></tr><tr><td>National Share Folder usage</td><td>25%</td><td>32%</td><td>7.7% increase</td></tr><tr><td>Municipal National (DISNAC) Share Folder Usage</td><td>75%</td><td>80%</td><td>4.5% increase</td></tr><tr><td>Remote Support Request</td><td>264</td><td>217</td><td>47 decrease</td></tr><tr><td>Email Usage (size in GigaByte)</td><td>75 GB</td><td>84 GB</td><td>15% increase</td></tr></table>	Indicator	FY 2015-2016	FY 2016-2017	Overall Results	# of VoIP answered calls	1,672	6,101	38% Increase	# of SMS sent	671	1,068	73% Increase	Municipal Share Folder usage	42%	38%	4.7% decrease	National Share Folder usage	25%	32%	7.7% increase	Municipal National (DISNAC) Share Folder Usage	75%	80%	4.5% increase	Remote Support Request	264	217	47 decrease	Email Usage (size in GigaByte)	75 GB	84 GB	15% increase
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PNDS Support Program Outputs	MIS is developed, socialised (national level) and rolled out (municipal level), including development of MIS systems utilisation report to track user trends	Municipal level roll out (all modules)	<p>The MIS full rollout of all modules was piloted in Dili and Covalima from September 2016. In December 2016 the result of the MIS pilot rollout was assessed and it was satisfactory. A consensus was reached with the PNDS national finance team that all aspects of finance data (data entry, verification, and closure of budget year and cycles) would be decentralized to municipal offices, and there would be no data entry by the national accountants.</p> <p>The data synchronization tool (DST) has been implemented since April 2015, at first only for the social module. Since this had worked well, it was decided to do the same for the technical and finance data. From mid-September 2016, the DST was expanded to synchronize data for all three modules. The social, technical and finance data are now successfully synchronized with the national database server.</p>	On track																															

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			Technically the MIS has been functioning well since the rollout, but there were some issues with missing data, as well as data accuracy and consistency. Data corrections have been made continuously during the reporting period, but - particularly for finance data - are sometimes problematic; once a budget year is closed, reports for the entire 12 months are locked, which means that users cannot simply go back to stored records and enter corrections. It requires already closed data to be re-opened again. Another issue that has proved problematic is that, contrary to the initial agreement, national finance staff continued to do data entry at national level. This led to: <ul style="list-style-type: none">• duplicate report entries• interruption in data synchronization• duplicates in budget year closure, which the system did not allow, and which resulted in data import to be interrupted. These issues have all been rectified this year, and the full rollout to all municipalities started in February 2017.																															
	Program implementation support to sector coordination at municipal level e.g. preparation for meetings	N/A	Program implementation support to sector coordination at municipal level involves FST staff supporting: <ul style="list-style-type: none">• Meetings to take place (encouraging that they be organized)• Preparation of presentations when required• Logistics for joint field trips• Participation in the meeting and supporting to respond to PNDS related questions if required	N/A																														
PNDS Secretariat AP Facilitators indicators	% suco that achieve moderate or higher rating in the GFM 4 Financial Monitoring Tool as reported by FST	90%	<p>FST Finance Officers visited 234 suco between Jul-Dec 2016 and 158 suco between Jan-June 2017. Total suco visited were 392 this year (Jul 2016-June 2017). During these visits they used the GFM 4 Finance Monitoring Tool together with the PNDS Finance staff. The results of the rating for the assessments by municipalities was as follows.</p> <table><tr><th colspan="6">Rating</th></tr><tr><th colspan="3">July - December 2016</th><th colspan="3">January - June 2017</th></tr><tr><th>Satisfactory</th><th>Moderate</th><th>Unsatisfactory</th><th>Satisfactory</th><th>Moderate</th><th>Unsatisfactory</th></tr><tr><td>8</td><td>153</td><td>74</td><td>8</td><td>118</td><td>32</td></tr><tr><td colspan="2">69%</td><td>31%</td><td colspan="2">80%</td><td>20%</td></tr></table> <p>The annual average is 73% rated satisfactory and moderate, and 27% rated unsatisfactory. This is below the target of 90% and is actually lower than previous years.</p> <p>Of the 234 sucos evaluated, 78% complied with the Financial and Procurement Policy component of the tool. 67% complied with the Accounting System, but only 24% complied with Transparency. This continues to be a problem and is mostly due to the failure to publish monthly reports on the community noticeboard.</p> <p>After more intensive targeted support by FST in the second half of the year results improved significantly with 80% compliance with the Financial and Procurement Policy component of the tool, 66% with the Accounting System, and 44% with Transparency.</p> <p>Apart from the use of the GFM 4 tool for monitoring compliance with finance regulations, there is also the issue of submission of such reports by the municipalities to the national level. This is still unsatisfactory. Only for 29% of all sucos, in five municipalities, is the GFM 4 reports submitted by</p>	Rating						July - December 2016			January - June 2017			Satisfactory	Moderate	Unsatisfactory	Satisfactory	Moderate	Unsatisfactory	8	153	74	8	118	32	69%		31%	80%		20%	Not on track (on a year basis 73%)
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			<p>Municipal Accountants to the National Accountant, even though all 13 municipalities use the GFM 4 tool.</p> <table><tr><th rowspan="2">Municipality</th><th rowspan="2">No. of sucos</th><th colspan="2">Satisfactory</th><th colspan="2">Moderate</th><th colspan="2">Unsatisfactory</th><th rowspan="2">Total No. of sucos with GFM 4 form</th><th rowspan="2">% of total sucos</th></tr><tr><th>KM</th><th>FFPA</th><th>KM</th><th>FFPA</th><th>KM</th><th>FFPA</th></tr><tr><td>Aileu</td><td>31</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Ainaro</td><td>21</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Bobonaro</td><td>50</td><td>0</td><td>6</td><td>0</td><td>22</td><td>0</td><td>0</td><td>28</td><td>56%</td></tr><tr><td>Baucau</td><td>59</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Covalima</td><td>30</td><td>0</td><td>0</td><td>7</td><td>0</td><td>0</td><td>0</td><td>7</td><td>23%</td></tr><tr><td>Dili</td><td>31</td><td>0</td><td>0</td><td>17</td><td>21</td><td>18</td><td>12</td><td>25</td><td>81%</td></tr><tr><td>Ermera</td><td>52</td><td>0</td><td>1</td><td>0</td><td>34</td><td>0</td><td>3</td><td>38</td><td>73%</td></tr><tr><td>Lautem</td><td>34</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Liquica</td><td>23</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Manatuto</td><td>29</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Manufahi</td><td>29</td><td>0</td><td>0</td><td>0</td><td>19</td><td>0</td><td>10</td><td>29</td><td>100%</td></tr><tr><td>Oecusse</td><td>18</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>Viqueque</td><td>35</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0%</td></tr><tr><td>National</td><td>442</td><td>0</td><td>7</td><td>24</td><td>96</td><td>18</td><td>25</td><td>127</td><td>29%</td></tr></table> <p>FST measures the capacity of APFF and Municipal Accountants to utilize the GFM 4 form. Results showed that capacity level has increased rapidly over the last two semester with the move from 14 to 38% now independently able to use the tool.</p> <table><tr><th rowspan="2"></th><th colspan="2">Dependent</th><th colspan="2">Guided</th><th colspan="2">Assisted</th><th colspan="2">Independent</th></tr><tr><th>Jul- Dec16</th><th>Jan- Jun17</th><th>Jul- Dec16</th><th>Jan- Jun17</th><th>Jul- Dec16</th><th>Jan- Jun17</th><th>Jul- Dec16</th><th>Jan- Jun17</th></tr><tr><td>APFF</td><td>29</td><td>5</td><td>70</td><td>25</td><td>62</td><td>31</td><td>7</td><td>14</td></tr><tr><td>MA</td><td>5</td><td>0</td><td>21</td><td>3</td><td>45</td><td>9</td><td>30</td><td>31</td></tr><tr><td>%</td><td>13%</td><td>4%</td><td>34%</td><td>24%</td><td>40%</td><td>34%</td><td>14%</td><td>38%</td></tr></table>	Municipality	No. of sucos	Satisfactory		Moderate		Unsatisfactory		Total No. of sucos with GFM 4 form	% of total sucos	KM	FFPA	KM	FFPA	KM	FFPA	Aileu	31	0	0	0	0	0	0	0	0%	Ainaro	21	0	0	0	0	0	0	0	0%	Bobonaro	50	0	6	0	22	0	0	28	56%	Baucau	59	0	0	0	0	0	0	0	0%	Covalima	30	0	0	7	0	0	0	7	23%	Dili	31	0	0	17	21	18	12	25	81%	Ermera	52	0	1	0	34	0	3	38	73%	Lautem	34	0	0	0	0	0	0	0	0%	Liquica	23	0	0	0	0	0	0	0	0%	Manatuto	29	0	0	0	0	0	0	0	0%	Manufahi	29	0	0	0	19	0	10	29	100%	Oecusse	18	0	0	0	0	0	0	0	0%	Viqueque	35	0	0	0	0	0	0	0	0%	National	442	0	7	24	96	18	25	127	29%		Dependent		Guided		Assisted		Independent		Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17	APFF	29	5	70	25	62	31	7	14	MA	5	0	21	3	45	9	30	31	%	13%	4%	34%	24%	40%	34%	14%	38%	
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	Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17	Jul- Dec16	Jan- Jun17																																																																																																																																																																																																				
APFF	29	5	70	25	62	31	7	14																																																																																																																																																																																																				
MA	5	0	21	3	45	9	30	31																																																																																																																																																																																																				
%	13%	4%	34%	24%	40%	34%	14%	38%																																																																																																																																																																																																				
	% suco that achieve moderate or higher rating in their community accountability meeting as reported by FST	80%	<p>The tool for monitoring community accountability meetings (SF 4.7) was drafted in late 2015 and rolled out in 2016. Initial results found that 76% of monitored meetings achieved a moderate or higher rating. From July 2016 - June 2017, FST monitored a further 102 accountability meetings. This activity is conducted twice during the cycle. The results below show that there was a 10% improvement in meeting quality from the first accountability meeting to the final meeting. On average 89% of suco monitored during this reporting period achieved the target of satisfactory or moderate.</p> <table><tr><th colspan="4">Rating First Accountability Meeting (FIAM)</th><th rowspan="2">Total</th></tr><tr><th>Satisfactory</th><th>Moderate</th><th>Not Satisfactory</th><th>Not assessed</th></tr><tr><td>11</td><td>25</td><td>7</td><td>9</td><td>52</td></tr><tr><td colspan="2">84%</td><td colspan="2">16%</td><td></td></tr></table>	Rating First Accountability Meeting (FIAM)				Total	Satisfactory	Moderate	Not Satisfactory	Not assessed	11	25	7	9	52	84%		16%			On track (89%)																																																																																																																																																																																					
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	% village infrastructure that achieve good rating in construction quality checklist tool TF 9.3.1-9.3.8 as reported by FST	40%	<p>The Quality Checklist (QC) tools TF 9.63.1– 9.3.8 were developed in 2013, but had not been systematically used by the Administrative Post Technical Facilitators (APTF). In Jan-Jun 2016, the forms were all revised and training provided to APTF, PNDs and FST Engineers on how to use them. The ratings of the projects visited over the last 12 months are shown below:</p> <table><tr><th rowspan="2">Year</th><th rowspan="2">Month</th><th colspan="3">Rating</th><th rowspan="2"># Project visited</th><th rowspan="2"># Project assessed</th></tr><tr><th>Good</th><th>Average</th><th>Bad</th></tr><tr><td rowspan="6">2016</td><td>July</td><td>34%</td><td>64%</td><td>2%</td><td>58</td><td>53</td></tr><tr><td>August</td><td>36%</td><td>59%</td><td>5%</td><td>112</td><td>103</td></tr><tr><td>September</td><td>36%</td><td>58%</td><td>6%</td><td>114</td><td>93</td></tr><tr><td>October</td><td>52%</td><td>38%</td><td>10%</td><td>128</td><td>121</td></tr><tr><td>November</td><td>48%</td><td>44%</td><td>8%</td><td>71</td><td>65</td></tr><tr><td>December</td><td>41%</td><td>52%</td><td>7%</td><td>55</td><td>44</td></tr><tr><td rowspan="6">2017</td><td>January</td><td>46%</td><td>46%</td><td>8%</td><td>76</td><td>76</td></tr><tr><td>February</td><td>40%</td><td>48%</td><td>12%</td><td>90</td><td>81</td></tr><tr><td>March</td><td>40%</td><td>50%</td><td>10%</td><td>50</td><td>48</td></tr><tr><td>April</td><td>35%</td><td>61%</td><td>4%</td><td>23</td><td>23</td></tr><tr><td>May</td><td>50%</td><td>43%</td><td>7%</td><td>124</td><td>103</td></tr><tr><td>June</td><td>46%</td><td>52%</td><td>2%</td><td>46</td><td>46</td></tr><tr><td colspan="2">Average Quality Rating (%)</td><td>Good</td><td>Average</td><td>Bad</td><td>947</td><td>856</td></tr><tr><td colspan="2"></td><td>42.00%</td><td>51.25%</td><td>6.75%</td><td></td><td></td></tr></table> <p>When the revised QC tools were first used in Jan-Jun 2016, 30% of the assessed projects were rated ‘good’. Over the period Jul 2016 to Jun 2017, that rating went up to 42%, thereby meeting the target of 40%.</p>	Year	Month	Rating			# Project visited	# Project assessed	Good	Average	Bad	2016	July	34%	64%	2%	58	53	August	36%	59%	5%	112	103	September	36%	58%	6%	114	93	October	52%	38%	10%	128	121	November	48%	44%	8%	71	65	December	41%	52%	7%	55	44	2017	January	46%	46%	8%	76	76	February	40%	48%	12%	90	81	March	40%	50%	10%	50	48	April	35%	61%	4%	23	23	May	50%	43%	7%	124	103	June	46%	52%	2%	46	46	Average Quality Rating (%)		Good	Average	Bad	947	856			42.00%	51.25%	6.75%			On track (42%)
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	% village infrastructure built by the National Program for Village Development rated ‘good’ against technical standards and assessments [Embassy Timor-Leste Country Program’s Aid Investment Plan Performance Benchmark]	60%	<p>The third technical quality audit was conducted in May-June 2017 covering six municipalities - Aileu, Ainaro, Dili, Lautem, Manufahi and Oecusse. A total of 65 projects were assessed from the following sectors: water and sanitation (35%), roads, bridges, and flood control (42%), agriculture and livelihoods (8%), health (6%) and education (9%).</p> <p>The results of the audit were very positive.</p> <table><tr><th>Area</th><th>Excellent</th><th>Good</th><th>Poor</th></tr><tr><td>Overall construction quality</td><td>8%</td><td>78%</td><td>14%</td></tr><tr><td>Fitness for purpose</td><td>14%</td><td>79%</td><td>7%</td></tr></table>	Area	Excellent	Good	Poor	Overall construction quality	8%	78%	14%	Fitness for purpose	14%	79%	7%	On track (86% rated ‘Excellent’ and ‘Good’)																																																																																						
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			<table><tr><td>Environmental sustainability</td><td>2%</td><td>93%</td><td>5%</td></tr></table> <p>The assessment for specific aspects of the different types of infrastructure were:</p> <table><tr><td></td><td>Meets specifications</td><td>Slightly below specifications</td><td>Below specifications</td></tr><tr><td>Building</td><td>79%</td><td>17%</td><td>4%</td></tr><tr><td>Bridge</td><td>84%</td><td>3%</td><td>13%</td></tr><tr><td>Water & sanitation</td><td>71%</td><td>19%</td><td>11%</td></tr><tr><td>Roads</td><td>82%</td><td>11%</td><td>8%</td></tr><tr><td>Irrigation</td><td>83%</td><td>17%</td><td>0%</td></tr><tr><td>All sub-projects</td><td>78%</td><td>15%</td><td>7%</td></tr></table>	Environmental sustainability	2%	93%	5%		Meets specifications	Slightly below specifications	Below specifications	Building	79%	17%	4%	Bridge	84%	3%	13%	Water & sanitation	71%	19%	11%	Roads	82%	11%	8%	Irrigation	83%	17%	0%	All sub-projects	78%	15%	7%																									
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PNDS Support Program Outputs	# PNDS Secretariat AP facilitators participating in training (by gender, role, municipality)	1 refresher training for all APF's (277)	<p>358 (M:203, F:155) Administrative Post Facilitators participated in training funded by the Human Capital Development Fund (HCDF) and DFAT in the reporting period. Some facilitators participated in multiple trainings. The details are shown in the table below:</p> <table><tr><th rowspan="2">Training Topic</th><th rowspan="2">Participants Position</th><th rowspan="2">Municipalities</th><th colspan="2">Gender</th><th rowspan="2">Total # Participants</th></tr><tr><th>M</th><th>F</th></tr><tr><td>Masterclass training (Specialized technical training on water system, electricity installation and project management)</td><td>APTF</td><td>ALL</td><td>29</td><td>6</td><td>35</td></tr><tr><td>Ms. Excel Training</td><td>APFF</td><td>ALL</td><td>20</td><td>50</td><td>70</td></tr><tr><td>Finance Cross Visit</td><td>APFF</td><td>ALL except Dili</td><td>6</td><td>27</td><td>33</td></tr><tr><td>Community facilitation skills training</td><td>APTF</td><td>ALL</td><td>88</td><td>26</td><td>114</td></tr><tr><td>Conflict resolution and refresher on social forms</td><td>APSF</td><td>ALL</td><td>49</td><td>21</td><td>70</td></tr><tr><td>PNDS Women Leadership Training</td><td>APSF, APFF, APTF</td><td>ALL</td><td>0</td><td>20</td><td>20</td></tr><tr><td>Mobile Technical Training</td><td>APTF</td><td>Dili, Ermera, Manatuto, Lautem, Covalima, Oecussi, Viqueque, Manufahi</td><td>11</td><td>5</td><td>16</td></tr><tr><td></td><td></td><td>TOTAL</td><td>203</td><td>155</td><td>358</td></tr></table> <p>In addition to the training above provided to APF's, various training activities were also provided to national and municipal level PNDS staff between July 2016 - June 2017.</p>	Training Topic	Participants Position	Municipalities	Gender		Total # Participants	M	F	Masterclass training (Specialized technical training on water system, electricity installation and project management)	APTF	ALL	29	6	35	Ms. Excel Training	APFF	ALL	20	50	70	Finance Cross Visit	APFF	ALL except Dili	6	27	33	Community facilitation skills training	APTF	ALL	88	26	114	Conflict resolution and refresher on social forms	APSF	ALL	49	21	70	PNDS Women Leadership Training	APSF, APFF, APTF	ALL	0	20	20	Mobile Technical Training	APTF	Dili, Ermera, Manatuto, Lautem, Covalima, Oecussi, Viqueque, Manufahi	11	5	16			TOTAL	203	155	358	On track
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	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			Below is some feedback from training participants: <ul style="list-style-type: none"> MIS roll out training. <i>"I have learnt how to entry the data into the MIS application and I can prepare the finance report on a monthly basis using MIS"</i>. PNDS women leadership training. <i>"I have now learnt about leadership and leader, management and manager, effective communication, how to make a sound decision on challenges encountered by women"</i>. 	
	% external and in-house training sessions rated as 'good'	90%	During July - December 2016, the analysis of participants' perception from several trainings was very positive: 'refresher training to engineers, Ms. Excel training to APFF's, and IT tools training to municipal staff showed that an average of 65% rated the training session as 'good' while 19% rated the training session as 'very good'. That is a total of 84% participant satisfaction with the training. For the first half of 2017, 'good' ratings by participants for several trainings were: <ul style="list-style-type: none"> 'Conflict resolution and refresher training on social forms to social facilitator of AP': 95% ('satisfied' 51%, 'very satisfied' 44%) 'PNDS women leadership training': 80% ('satisfied' 65%, 'very satisfied' 15%) 'MIS refresher training': 81% ('satisfied' 77%, 'very satisfied' 4%) 'Supervision links to behavior changes': 75% ('satisfied' 50%, 'very satisfied' 25%) 	On track
	% of PNDS training utilised by PNDS Secretariat AP facilitators across municipalities	60%	The evaluation of the use / impact of training was a top priority for the training team in the 2016-2017 financial year. In October 2016, four PNDS and one PNDS-SP staff attended training on how to conduct post-training assessments, and a Training Evaluation Officer was recruited to the PNDS-SP team in November. In March 2017, an international adviser was hired to provide guidance and assistance to the training team. The team has conducted a thorough evaluation on the utilization of training, focusing on APF skills in facilitation and technical ability (water, electricity, project management). The report on these training evaluation outcomes will be presented to stakeholders by mid-2017.	On track
	Frequency and coverage of Field Support Team (FST) visits (# visits by suco, facilitator, activity type (e.g. accountability meeting), infrastructure type)	70% of 442 suco	Between July 2016 and June 2017, FST visited 376 or 85% of suco to do monitoring, training and coaching of municipal and administrative post teams. In total 2,032 visits were made, which gives an average of 4.6 visits/suco (for 442 sucos), or 5.4 visits/suco (for the 376 sucos visited). The top four activities that FST supported during this period were: Project Quality Monitoring (TF 9.3) (15%), Finance Monitoring (GFM 4) (9%), Social Monitoring / Final Accountability Meetings (SF 4.7) (18%), and O&M (post construction). FST conducted 852 project quality monitoring visits between July 2016 to June 2017. Of this 52 were undertaken with PNDS Municipal Coordinators. Technical monitoring found that of the 479 projects evaluated, 6.3% were in poor condition. These included 13 water projects. 9 roads, and 6 bridges. FST engineers worked with the APTF and the community to find solutions to these construction issues. FST conducted 232 social monitoring activities to the field with municipal and administrative post teams. Of this, 44 visits were conducted together with the Municipal Coordinators. Key social issues identified through monitoring were: <ul style="list-style-type: none"> Lack of women participation No list of community labourers Issues of sector coordination, and coordination between teams 	On track (85%)

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			<p>FST conducted 411 finance monitoring activities to look at financial issues. Of this, 33 visits were undertaken together with the Municipal Coordinators. Financial issues observed in the field included:</p> <ul style="list-style-type: none"> • Procurement guideline not followed • Poor bookkeeping (e.g. no receipts, payment vouchers not signed) • Misuse of funds by some EJS (reported immediately to PNDS-ST) • Weak capacity and skills of EJS to manage funds (including using forms) and preparing reports 	
<i>End of Program Outcome 3: Counterparts (Director, Department Xefes and Municipio Coordinators) maintain and demonstrate leadership and management practices</i>				
PNDS Secretariat national staff indicators	# Staff meetings facilitated by PNDS Secretariat National Director / Unit Managers	<ul style="list-style-type: none"> • 6 mgt meetings which ND and / or Unit Mgr lead 	<ul style="list-style-type: none"> • The PNDS National Director led three national level coordination meetings with her Municipal Coordinators and National staff between July 2016 - June 2017. A fourth was held in June 2016 but the National Director did not attend. These meetings are scheduled to be held monthly in the Program Operations Manual and have been running monthly for the last three years. The Public Institute Law was put forward as a priority in January 2017 but after that other more pressing laws were given priority by the Ministry of State Administration and it has not yet been finalized. This affected monthly meetings with Municipal Coordinators. • To ensure that Municipal Coordinators and PNDS Secretariat management remained in contact in 2017, PNDS-SP organized four key meetings during January - June; 2017 planning and reflection day (January), 2018 budget preparation and municipal planning (April), professional development day / coordination meeting (early June), and the EJS restructure forum (end June) • The PNDS National Director and her Senior Management team met approximately 6 times between July 2016 - June 2017. Meetings were called on an as-needs basis which impacted continuity. • The National Director held all staff meetings approximately once every three months on an as-needs basis. • Neither Unit Managers (Administration or Operations) held any formal meetings with their Heads of Department. The Head of the Operations Management Unit scheduled meetings twice but both were cancelled. Approximately two adhoc meetings were held by the Operations Management Unit Head with his Department Chiefs but advisers were not involved • The Heads of the Implementation, Human Resource and Training, and M&E Departments were active in undertaking team meetings. Although not yet routine, they each held approx. 5 meetings with their staff and advisers. The majority were held during 2016. • Eleven Program Implementation Department and FST joint meetings were also conducted between July 2016 and June 2017 to share information and to discuss priorities, issues and progress from the field. All meetings were chaired by the Head of the Implementation Department or his representative. 	Not on track
	% of PNDS Secretariat management women (National Director, Unit Managers, Department Xefe)	<ul style="list-style-type: none"> • 40% (at least 4 positions filled by women) 	Three women (or 33%) currently hold management position in the PNDS Secretariat (National Director, Head of HR & Training Department, and Head of Finance & Administration Department). There has been no change this reporting period	On track (from 0% to 33%)
	Extent to which PNDS Secretariat political circulars relating to policy change, and updates to PNDS Operations Manual policy, are completed by PNDS	<ul style="list-style-type: none"> • 30% political circular processes led 	There were fifteen policy related documents drafted between July 2016 - June 2017. The following seven documents were prepared at the independent or assisted level by PNDS management with PNDS-SP input into the final version (46%):	On track (46%)

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
	Secretariat staff at the assisted and independent level	by GoTL with input from PNDS-SP	<ul style="list-style-type: none"> instruction for phase 3 at risk suco (slow physical progress) (memo) instructions to collect GPS coordinates for PNDS projects (memo) Municipal Integrated Planning (PIIM) Manual (manual) instruction on the implementation of PIIM and the use of operational funds during PIIM (circular) payment of EJS incentive following suco elections (circular) IT Back Up Policy (policy) changes to the draft Public Institute Decree Law (memo) <p>The following were drafted by PNDS-SP advisers (64%) with PNDS staff input into the content. These included:</p> <ul style="list-style-type: none"> deadline of grant disbursement documents, and temporary close of suco bank accounts for Phase 3 (memo) financial reporting requirements (circular) process for project alteration / change order (circular) letter to the Vice Minister regarding changes to grant allocation in line with revised census data (not distributed) PNDS Municipal Manual (manual) Playgrounds Finance Management Manual (manual) EJS restructure proposal (presentation) <p>There has been significant change in PNDS staff taking on the responsibility for preparing instruction / guidance on policy changes. Key policy documents such as manuals still require significant input from PNDS-SP advisers.</p>	
<i>PNDS Support Program Outputs</i>	Program implementation support to PNDS Secretariat staff meetings and policy revisions at national level	N/A	<ul style="list-style-type: none"> PNDS-SP supported a one day discussion forum with Municipal Coordinators and national PNDS staff to look at the proposed recommendations for the EJS restructure. The National Director for Suco Administration was invited to the forum. He presented on the revised Suco Law and provided input into the restructure discussion. In April 2017, PNDS-SP supported a one-day forum to introduce the budgeting and annual planning process to Municipal Coordinators who now under decentralization will take on a more active role in annual preparations. Guidance was provided on templates and method used to calculate targets / budgets. Further support is required to make this process more seamless in the coming budget period. In late 2016, MAE commenced the process to develop a Strategic Plan until 2030. PNDS-SP Advisers supported PNDS management to draft a PNDS specific strategic plan. In January 2017 PNDS-SP facilitated a half day workshop with PNDS leadership to identify priorities for 2017 given the revised budget situation. A number of major activities were identified including: completion of current cycle, implementation of steps 1-5 for 2018 cycle, O&M inventory of cycle 1 projects, implementation of New Zealand MFAT funded playgrounds and police housing, and assistance with suco level multi-year development planning. Work is ongoing with all of these activities. PNDS-SP was asked to provide input into the draft Decree law on PNDS becoming a public institute. Feedback was provided in early January. As a result of the new Decree Law 3/2016 (Statute of Municipal Administration), PNDS requested PNDS-SP to develop a draft guideline for municipalities on PNDS. The first draft was prepared and a consultation meeting held with PNDS leadership. The draft was never finalized however due to 	N/A

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			<p>a lack of clarity in reporting lines between PNDS municipal teams and the PNDS Secretariat. This is pending approval.</p> <ul style="list-style-type: none"> PNDS-SP Advisers supported the finalization of the PIIM Manual and supported the preparation for and implementation of a two day workshop for Municipal Presidents / Administrators and Administrative Post Administrators Meetings were held to discuss the playgrounds work plan and prototype designs. At the end of June 2017 the final design was approved by the MoE. The draft MoU, Technical Agreement and design and BoQ for police housing were finalized. This agreement is pending signing from the two Ministries. The signing of the agreement is scheduled to take place in July / August 2017 The Samuel Undong (SMU) Korean Community Development program was visited by the Minister of State Administration and the PNDS National Director in late 2016. This led to the signing of an MoU between the two countries. To support the commitments of the MoU, PNDS-SP was asked to support the development of a Concept Note on collaboration / integration between the two programs. This was followed by a seminar in December 2016. PNDS-SP will continue to support the Secretariat with the SMU pilot in Lautem. The Asia Foundation (TAF) is contracted by DFAT to support PNDS with monitoring and research. PNDS-SP Advisers facilitated discussion between PNDS staff and TAF to identify the research and evaluation needs of PNDS for the 2016-17 financial year. Four areas of monitoring were agreed: perceptions paper, community scorecard pilot, best practice examples of community contribution and local authority involvement in PNDS, and a small study research on PNDS and local authorities. A training for partners (Belun and Luta Hamutuk) was co-facilitated between PNDS and the support program. Support was also provided into the drafting of research questions and the editing of final reports. 	
PNDS Secretariat municipal staff indicators	Frequency and quality of municipal PNDS meetings facilitated by Municipal Coordinators	Monthly meetings	<ul style="list-style-type: none"> Through FST reporting, it is recorded that there were 27 monthly municipal meetings that FST supported and attended between July 2016 and June 2017. This is only 17% of the total number of meetings that should have taken place. Between July-December 2016, 17 meetings were held across 11 municipalities. Between January - June 2017, this declined further to 10 meetings across 7 municipalities. 2 municipalities (Lautem and Manatuto) are recorded to have held no team meetings during this twelve-month period. Aileu held the most number with six meetings but on average municipalities only held two meetings each this financial year. As with the national level coordination meetings, the addition of non-PNDS work (human resource survey, suco elections, PIIM), plus the introduction of decentralization, PNDS has directly impacted the routine PNDS task of holding a monthly municipal team meeting. 	Not on track
	# female Municipal Coordinators	At least 1	There are currently no female Municipal Coordinators. There have been no vacancies for these positions during the reporting period	Not on track
	% of action items (as agreed to with Municipal Coordinator during FST visits) followed up appropriately by municipal staff	70%	In 2016, FST introduced a system to record key feedback / action items for the municipality to follow-up. At the end of every field visit, the FST Field Coordinator provides a copy of the follow-up action list to the Municipal Coordinator and his team for approval and signature. This is then shared with administrative post staff. At the start of each field visit, the FST team sit down with the team to check and measure progress against the agreed actions. This tool has been received well by Municipal Coordinators and their teams as it provides a written list of key recommendations from FST at the end of their week in the field.	On track 85% of actions followed-up

	Indicator / Outputs / Questions	Target June 2017	Results	Status Category
			Between July 2016 and June 2017, around 580 follow up actions have been reported by FST to Municipal Coordinators. Out of these, 360 were acted on and issues were resolved, 199 issues are in process, and 21 issues were filed and not resolved. Therefore, approximately 85% of the actions were resolved and/or are in process. Issues that were resolved were principally minor issues, such as: incomplete receipts, payment vouchers not signed, labor lists not completed, and so on. Issues that are in process are those with regard to fraud or mismanagement of funds (also reported to the complaints team), and land issues. Issues that were archived or filed were those about resignation of EJS members, and lack of FPA visits to project locations.	
<i>PNDS Support Program Outputs</i>	Frequency and coverage of FST visits to Municipal Coordinators (# visits per Municipal coordinator, visit type)	Monthly per Municipal Coordinator	On average, each FST team (7) met their Municipal Coordinator at least once per month during the reporting period. Between July 2016 and June 2017, there are 343 activities that FST supported and undertook together with PNDS Municipal Coordinators. The top three activities were: monitoring of project quality (52 times), social monitoring (44 times) and finance monitoring (33 times). The top six PNDS Municipal Coordinators for these activities were from: Oecusse, Bobonaro, Manatuto, Baucau, Ermera and Lautem In this reporting period, FST attended and supported 27 municipal coordination meetings. This is significantly less than last year, due to a number of reasons listed above under <i>Frequency and quality of municipal PNDS meetings facilitated by Municipal Coordinators</i> .	On track (monthly)
	Monthly action list from FST visits prepared and shared with Municipal staff	Every visit	At the end of every visit, the FST Field Coordinator provides a copy of the follow-up action list to the Municipal Coordinator for approval and signature. This is then shared with other municipal staff. At the beginning of each field visit the FST team checks in with the municipal team to measure progress against agreed actions.	On track
	% of PNDS training utilised by the Municipal Coordinators	60%	A ToR for evaluating the training utilized by PNDS Municipal Coordinators was drafted in 2016, which includes an evaluation of a sample of training delivered to the Municipal Coordinators. An international evaluation adviser was contracted in March 2017, and provided support to the training evaluation officer and the training team for developing assessment tools for training delivered in 2015 and 2016. Data collection was done in April-May, and the data has been analysed and written up. The draft report is expected to be completed in August 2017. Discussion with INAP is also underway to proceed with the registration of the PNDS Management and Leadership training with INDMO.	On track

Annex 2 – Results of July 2016 – June 2017 for PNDS-SP2 Program Management, Corporate Services and Logistical Services

Program Management

Activity plan	Status Code	Progress Description
Key Target Outputs		
Develop operations team annual report #3 (July 2015 – June 2016); submit to DFAT.	Fully completed	Report reviewed and accepted by DFAT
Develop the Annual Strategic Overview (July 2016-June 2017); submit to DFAT	Underway	The PNDS Director did not wish to prioritise developing a mutual plan, a summary document was development and a presentation to both the Embassy and the PNDS Secretariat leadership took place in March 17 outlining parameters.
Develop the integrated workplan (July 2016-June 2017), submit to DFAT	Fully completed	Both an original workplan and a mid-year revision were completed and accepted by DFAT.
Update the Risk management plan #4 to incorporate broader program risk	Fully completed	Submitted to DFAT
Review the Ways of Working document	Fully completed	Revised and submitted to DFAT
Present team progress to date via interactive presentation	Fully completed	Presentation took place in February 2017 to Embassy
Develop annual report (July 2016 – June 2017); submit to DFAT.	Fully completed	Submitted 31/7/17
Develop Program completion report *(depends on status of contract extension)	Dropped	Contract extended until 30/6/18
Handover plan * (depends on status of contract extension)	Dropped	Contract extended until 30/6/18
Team restructure		
Lead and manage the transition and process from the Program Director to the Team Leader model, including delegation changes, ways of working review, key system changes	Fully completed	All changes made to core documents, staff contracts, socialisation with staff etc.
Support the Mid-term review for inputs into the next phase of PNDS-SP (if approved)	Fully completed	MTR supported and follow-up actions undertaken, the contract was extended an additional year.
Hold a launch event and information session for staff at the commencement of the new structure to socialise changes	Fully completed	The changes to the program were launched and socialised with all staff

Activity plan	Status Code	Progress Description
Finalise the recruitment of all vacant positions as a result of the change to organisational structure	Partially completed	All completed, minus 3 positions that were recruited for (MIS Advisor, Economic Development Co-ordinator, Communications Officer), however due to the impending contract end date candidates declined offers. These roles have been planned for the next FY.
Ensure all staff TORs are up to date and reflect the change in organisational structure	Fully completed	All required revisions completed and staff re-contracted.
Systems, policies and procedures		
Review, update and distribute the PNDS-SP security plan	Fully completed	The security plan was revised alongside the field guide.
Maintain and periodically review the PNDS-SP operations manual to suit program needs, submit updated manual to DFAT.	Fully completed	The last round of revisions was completed in October 2016. With some occasional policies revised on an ad hoc basis.
Review program delegations and approval authority within the new program structure	Fully completed	A DoA has been revised twice in the previous year to reflect personnel changes.
Governance		
Participate in monthly program management meetings with DFAT.	Fully completed	Monthly meetings conducted as scheduled.
Discuss high and very high risks identified in risk plans at six-monthly reflection and review workshops.	Partially completed	One R&R took place in Sept 16, however the next R&R has been postponed until after the next Government has been installed.
Participate in the Secretariat-DFAT bilateral meetings.	Partially completed	Two bilateral meetings have taken place with the PNDS Secretariat leadership and the Embassy.
Communication		
Consistent with the Ways of Working Strategy, plan and implement communication and networking forums.	Fully completed	All staff meetings were held in July, Dec, March and June, alongside LES meetings and other internal management forums.
Facilitate all staff gatherings	Fully completed	As above
Publish Lia Tatoli newsletter and support broader PNDS-SP communications	Dropped	As no communications officer was able to recruited, the newsletter was difficult to produce. This activity is earmarked to be re-started in the next FY.
Monitoring, evaluation, reporting and review		
Support the MRG when scheduled by the Embassy	Dropped	The next MRG will take place in 2018 once PNDS budget is confirmed

Activity plan	Status Code	Progress Description
Revision of PNDS-SP Monitoring and Evaluation Framework if program extended to next phase	Dropped	The MEF will be reviewed during the workplanning phase in August 2017 and further reviewed if the program continues beyond June 2018.

Corporate Services Management

This section describes the financial and human resource systems and support that Cardno will establish, maintain and implement for the effective management of the program.

Activity plan	Status Code	Progress Description
Strategic HRM		
Provide the Australian Embassy with an 'Adviser Information' report as per Clause 46 Part B of the head contract.	Fully completed	Adviser stocktakes were submitted to DFAT by the PNDS-SP Contractor Representative on schedule in July 2016 and January 2017.
Undertake annual salary review for 2017, if program continues in FY17/18	Underway	Comprehensive review of LES salary framework policy currently being undertaken. Final draft of policy will be submitted to DFAT for review in August 2017 and annual salary review will take place immediately after.
Complete annual staff survey	Not started	Previous annual staff surveys have received a high number of responses related to remuneration. We've decided to delay the 2017 staff survey until after the release of the revised LES salary framework, due for completion in August 2017 (see above)
Develop action plan and respond to the results of previous year staff satisfaction survey.	Fully completed	LES salary framework policy review and internal trainings offered by the capacity development committee (business English, vehicle maintenance, internal auditing) were undertaken based on feedback from the staff salary.
Ensure up-to-date personnel plan, HRMIS, organisation chart and ToR after TAT restructuring.	Fully completed	HR master list kept up to date based on new recruitment, contract extensions and contract completions. Position numbers added to HR master list and linked to monthly payroll calculations and pay slips.
Coordinate All LES meeting, prepare the agenda, book the venue and organise catering.	Fully completed	All four LES meetings were successfully conducted on schedule.

Activity plan	Status Code	Progress Description
Develop Corporate Services unit personnel resource strategies to respond to staff's maternity leave absence.	Fully completed	Two Corporate Services staff were on maternity leave during FY16/17. Continuity of operations and consistency of service levels were maintained via backstopping and higher duties arrangements.
Professional development		
Finance Officer and Finance Assistant to attend audit procedures training with TAT finance staff	Fully completed	Audit training was attended by Finance Officer and Finance Assistant along with TAT Finance staff
Appoint new chair, confirm membership and schedule first FY16/17 meeting of the Capacity Development Committee.	Fully completed	Corporate Services Manager was appointed committee chair and new ToR for CDC was developed
Review training requests from workplans and performance management reviews, source providers and present options to LES for training that will be funded through the Capacity Development Committee in 2017.	Fully completed	Three training proposals were presented - vehicle maintenance, business English, internal auditing. All three proposals were approved the senior management team.
Support nominated PD activities through the Capacity Development Committee.	Fully completed	Vehicle maintenance (12 students), business English 12 students but only 7 students succeeded and the other 5 students failed, and internal auditing trainings 10 students (8 FSTs and 2 Finance CS staff) were completed in FY16/17.
Update internal fraud awareness training presentation and conduct refresher training for all program personnel	Fully completed	Corporate Services Manager presented Fraud and Anti Bribery refresher training to 52 staff at the December 9, 2016 all staff meeting.
Recruitment, selection, contracting, mobilisation and induction		
Complete open-ended contract process or exit process for staff who reach the 3 year fixed term milestone	Fully completed	All 29 LES who reached the 3-year fixed term milestone transitioned from fixed term to open ended contracts in FY16/17.
Complete the recruitment process for the majority of vacant positions that have arisen from restructure and internal promotions.	Fully completed	20 LES positions were recruited during FY16/17 (short term and long term). From 20, 1 position dropped due to unavailability of the candidate for the short period of contract, and 3 positions are currently underway the process. 6 STAs were recruited and 3 LTAs were recruited.
Issue notification letters to all LES two months prior to program completion	Dropped	Contract extended to June 30, 2018 so end of program contracts management procedures were not initiated

Activity plan	Status Code	Progress Description
Develop and execute exit plan for all LES if program not continuing into the next FY	Dropped	Contract extended to June 30, 2018 so end of program contracts management procedures were not initiated
De-mobilise all LTA staffs if program not continuing into the next FY	Dropped	Contract extended to June 30, 2018 so end of program demobilisation procedures were not initiated
Prepare and calculate severance payment entitlement and disburse in final payroll	Dropped	Contract extended to June 30, 2018 so end of program payroll management procedures were not initiated
Performance management		
Complete annual performance assessments for all specified LTA in the operations team.	Partially completed	FY 15/16 APAs pending for Will be signed off this round.
Complete annual performance management reviews for all operations team LES and in accordance with Cardno policy.	Fully completed	All LES performance management reviews were completed. Some delays experienced in the Logistics team where all PMRs were not finalised until December 2016.
Support the team leader and senior advisers to ensure adviser performance assessments are conducted at contract end and in accordance with DFAT and Cardno policy.	Not yet	APA will be conducted in August and September 2017 as per normal cycle.
HR policy		
Coordinate refresher training for all personnel in key corporate policy areas - fraud, anti-bribery and child protection; conduct training for newly joined staff.	Fully completed	Corporate Services Manager presented Fraud and Anti Bribery refresher training to 52 staff at the December 9, 2016 all staff meeting. Corporate Services Manager presented Child Protection refresher training to 47 staff at the October 27, 2016 LES meeting.
Finalise outstanding reviews and updates of operational policies and procedures. Provide DFAT with a current version of operations manual.	Fully completed	32 Ops policies updated (19 HR & 13 Finance). Recruitment strategy work flow chart was also developed and included in HR policies. Hard copy of updated operations manual submitted to DFAT on December 15, 2016.
Undertake socialisation of HR policies and procedures via all staff and LES meetings.	Fully completed	Medical claim policy refresher training presented by HR Officer on (26/1/17 ETDA on LES Meeting 13 th month annual bonus refresher training presented by HR Officer on 07/4/17 in Arbiru beach on LES meeting New salary framework policy presented by Associate HR Manager on (30/6/17 in ETDA on all staff meeting)

Activity plan	Status Code	Progress Description
Customer service		
Provide STA input balance and reminder of STA contract end day to Deputy Team Leader	Fully completed	STA input tracking managed by Dili-based HR Officer and Melbourne-based Project Support Officer. This information was used by the Deputy Team Leader to plan STA inputs throughout the year. Four STAs required contract amendments in FY16/17 for additional input days.
Send alert emails to staff reminding them to take annual leave before contract end date or annual expiry date	Fully completed	Monthly payslip format updated to include current leave balances and next upcoming lapse date.
Send an alert notification to staff reminding them to submit medical claims before the quarterly expiry date	Fully completed	Every quarterly email reminder was sent to staff.
Maintain online leave tracking system (monthly view in Gantt chart format) with a minimum of weekly data updates from the online leave application system.	Fully completed	Online leave application system monitored daily by HR Officers. Online Gantt chart leave summary updated at least weekly based on data from the online leave application system.
Strategic financial management		
Provide to DFAT a statement of expenditure against each previous six-monthly work plan budget, and a summary of total program expenditure broken down by reimbursable cost categories; append to the six-monthly progress report.	Fully completed	Updated lifetime budget shared with DFAT ahead of each quarterly finance meeting. Statement of expenditure against major categories included with each monthly reimbursable invoice.
Develop budget for annual work plan (July 2016-June 2017).	Fully completed	Budget for annual workplan presented to DFAT during the October 13, 2016 quarterly budget meeting.
Undertake an internal audit	Not Started	This activity has been delayed until after Finance Officer and Finance Assistant could complete internal audit training. Expected to be completed by November 2017.
Develop financial completion check list, if the program will not continue after June 30, 2017	Dropped	Contract extended to June 30, 2018 so end of program financial management procedures were not initiated
Archive PSPII finance document electronically and send to Project Accountant as part of project completion package	Dropped	Contract extended to June 30, 2018 so end of program contracts management procedures were not initiated
Financial management systems		

Activity plan	Status Code	Progress Description
Incorporate changes arising from restructure into financial management policies and procedures; update finance manual including forms, financial authority delegation and bank signatures.	Fully completed	No changes to financial management policies or procedures were required based on structure changes. In May 2017 PNDS-SP was assigned a different Contractor Representative and new Project manager; both were added as signatories to the bank account.
Review financial approval process to improve the effectiveness and efficiency of payment process and avoid conflict of interest.	Fully completed	Finance staff reviewed procedures around separation of duties to ensure that vendor selection forms, purchase order approvals, payment approval forms and cheque signature processes involved a minimum of two, but preferably three, delegated approvers.
Review delegation of authority	Fully completed	Previous delegations were determined to still be appropriate and remained unchanged.
Finance logistics tracking data stocktake. Write off any accommodation credit outstanding more than 18 months.	Fully completed	All district accommodation providers with outstanding invoices more than 3 months old were contacted and submitted outstanding invoices.
Coordinate with suppliers to ensure final invoices are received and all issued cheques are cleared before the bank account close off.	Dropped	Contract extended to June 30, 2018 so end of program financial management procedures were not initiated. The majority of FY16/17 supplier invoices and some FY17/18 supplier prepayments were processed prior to June 30, 2017 end of financial year.
Acquit all outstanding debts in balance sheet, e.g. staff advance, deposit payment, etc.	Fully completed	All outstanding staff advances acquitted prior to June 30, 2017 end of financial year.
Ensure all suppliers are paid and no outstanding payment after program complete	Dropped	Contract extended to June 30, 2018 so end of program financial management procedures were not initiated
Close Program bank account and transfer out closing bank balance as per Project Accountant's instruction	Dropped	Contract extended to June 30, 2017 so end of program financial management procedures were not initiated
Budget management		
Maintain the budget for work plan #5 as current and incorporate all changes on a rolling basis.	Fully completed	Activity management / numbering system integrated with activities register in project lifetime budget.
Integrate new operations structure and cost shifting into live budget template and create cost codes for new positions and activities; ensure consistency and integrity of year to date financial reporting.	Fully completed	

Activity plan	Status Code	Progress Description
Manage FY16/17 end of financial year budget completion	Fully completed	FY16/17 budget of \$6,015,000 expended with \$0 variance
Undertake monthly budget meetings with budget managers; advise DFAT of any material changes to the financial estimate.	Fully completed	
Undertake quarterly budget meetings with DFAT.	Fully completed	Quarterly budget meetings held: October 13, 2016 January 17, 2017 April 18, 2017
Fraud reporting and management		
Review fiduciary risk profile; identify risks in new operations team structure and develop mitigation strategies.	Fully completed	Review completed in December 2016, slightly behind schedule, as part of the PNDS-SP Risk Management Plan (January 2017-June 2017)

Logistical Services Management

This section describes the logistics services, procurement, assets and office management systems established and implemented by Cardno to support the program. It also encompasses workplace health and safety policy, systems and procedures.

Activity plan	Status Code	Progress Description
Procurement and sub-contracting		
Review and update preferred supplier agreements/standing offers for the provision of the following high volume goods and services: <ul style="list-style-type: none"> • printing and binding • office stationery • Accommodation • vehicle repairs and servicing • Workshop venues and catering. 	Fully completed	Vehicle repairs and services have been reviewed and new suppliers for printing, stationary, accommodation and fuel have been sourced and contracted. This includes contacting E-Silva to provide all vehicle maintenance and services for the fleet. Villa Graphica and ACE are new vendors for stationary. PESO printing are now sourced to provide most printed materials. All district accommodation has been reviewed including contracting new accommodation sites and terminating old contracts that don't meet WHS standards. We have maintained using venues such as EDTA, RAMALAU and Arbiru due to its availability and are also using new venues more frequently such as Marie stopes, the Cove hotel and Timor Plaza
Establish a new print and IT procurement process and procedures Inc. design/specifications and evaluation process	Fully completed	A new automated Activities Request System has been designed, approved and piloted for a full year. This new AR system includes a detailed step by step standard set of questions which applies not only to the print process but for all activities requested by TAT. Further refinements of this new system will be undertaken within the new financial year

Activity plan	Status Code	Progress Description
<p>Manage payments and contract management for training services contracts awarded during 2016, namely:</p> <ul style="list-style-type: none"> • Master class training • MTT Stage 4 • PRUSMAP <p>Leadership and management training</p>	Fully completed	<p>The activities team have effectively undertaken and implemented all international and local trainings requested by TAT these include:</p> <ol style="list-style-type: none"> 1. PNDS-SP Study tour to Indonesia, 2. VM-Ware Sphere workshop v5.5 with INIXINDO in Indonesia. 3. Community Facilitation skills training with SDRA 4. Conflict Management training with Ba FUTURU. 5. Mobile Technical Training with CNEFP. 6. Finance/excel training with INFOTIMOR. 7. Information Technology Infrastructure Library Training with METRODATA Indonesia 8. Womens Leadership & Management training with BELUN 9. Light steel Truss Training with CNEFP. 10.CDD conference in Philippines
Review activity request system (including quality and costs)	Fully completed	A new automated AR system has been introduced which minimizes human error and allows TAT to be more detailed in their requests. The AR system also locks in all expenses under that same AR code in our FM system. which now allows TAT to calculate the full costs of each activity under one AR. All AR's are tracked and managed through a Activities Ledger.
Review petty cash policy and procedures (covering procurement, logistics, field support team)	Fully completed	A review of the petty cash system has been conducted. Petty cash has been reduced from \$500 to \$250.00 and now managed by the administration and procurement coordinator and used only for certain office consumables. Logs petty cash has been reduced from 200 to 150 and FST petty cash remains the same at 100 for all FC.
Review stock control process and procedures	Fully completed	All stock is controlled through a log book system managed by the procurement team. This includes all stationery and office consumables. All assets are managed by the assets tracking system.
Procure promotional materials i.e. shirts, hats, t-shirts etc.	Fully completed	Procurements of over 1000 PNDS wrist band USB's.

Activity plan	Status Code	Progress Description
ICT		
Conduct Training to Logs team on GPS tracking systems and fuel reporting	Fully completed	GPS training was conducted for the Logs coordinator and Logs Manager
Procurement of IT stock and equipment	Fully completed	Various IT items were procured including laptops CCTV, batteries docking stations etc
Via the GPS system, Geofence all accommodation and fuel suppliers and all district and Sub district office	Fully completed	This has been a major achievement for the team, and is live on the logs system
Via the GPS system, Geofence all PNDS Suco projects	Partially completed	Only two districts have completed all project GPS coordinates and only a small proportion of projects have been geofenced,
Procurement of TV for GPS Field monitoring purposes	Fully completed	The monitoring screen is currently placed in the front area of the office.
Professional development		
Provide one-off trainings for staff in the following: <ol style="list-style-type: none"> 1. First aid refresher training (FST & Logistics staff) 2. Motorbike safety and usage 3. Importation of goods (freight, insurance, customs and excise) 4. Engine maintenance and servicing 5. Server management. 	Partially Complete	<ul style="list-style-type: none"> • First aid Refresher training was attend by Drivers and FST. • Motorbike safety and usage training has been postponed to December 2017 • Importation of goods training has been postponed to Dec 2017 • All drivers participated in the 3-day engine and maintenance training provided by BARAKA • Server management training was participated only by the assets and facilities officer and Logistics Manager
Conduct 2 x 4WD refresher training	Dropped	This training has been postponed to October 2017.
Security assessment and awareness training	Fully completed	CARDNO Melbourne has provided Security Training to some staff.
Continue support for the implementation of the Gender working group (Bui Mau) trainings, and awareness raising and supporting the social committee.	Fully completed	This has been an ongoing support by the logs team
Assets, office and facilities management		
Procure fleet GPS tracking system	Fully completed	Procurement of GPS systems for all vehicles have been completed. PSP currently have 34 vehicles including 15 cars and 19 bikes all equipped with GPS tracking system

Activity plan	Status Code	Progress Description
Review Coordination mechanisms between PNDS Logistics and SP Logistics	Fully completed	Logistics PSP provided training on utilization of the Fleet Manager to PNDS Logistics Department. Ongoing relationship building has become a key for the two departments
Review proprietary asset tracking system effectiveness.	Fully completed	All property asset tracking system has been migrated from excel to the new assets and tools management system. This is routinely updated by the assets and Facilities officer.
Update asset register, then undertake full disposal and transfer of all unserviceable and unneeded assets and other durable items Inc. a 1 day staff working bee	Fully completed	Asset register has been updated and all unserviceable and unneeded assets have been disposed or donated to local NGO's.
Rationalise all electronic filing and archiving in both the Share drive (network) & SharePoint (cloud).	Dropped	This requires a whole institutional approach. Further discussion will be needed in the new FY
Increase storage capacity at the program office (Balide)	Dropped	Various alternatives for extra storage space have been discussed however the physical space in the Balide office is not sufficient to address this issue.
Review stock control system (kitchen and stationary)	Fully completed	Stationary is tracked via a manual tracker where staff sign for goods which they request. All kitchen stock is counted at the end of each day and recorder by the kitchen staff. This is supervised by the Procurement officer daily.
Increase and review Balide security system (including integration of guards and weekly security summary)	Fully completed	CCTV has been procured. A 24-hour emergency recovery unit has been contracted to provided security services during the election period. SENTENEL currently provide a weekly security report to PSP and a 24-hour man guard service for the Balide Office.
Update facilities and furnishings in Balide office (video-conferencing)	Fully completed	Balide's main meeting room has been equipped with new projector screen. The office has been repainted, new railings for some stairs and some new furnisher including chairs have been procured.
Reconciliation and hand over of all assets	Fully completed	PSP recently handed over more than 25 used laptops to the secretariat and various stationary and IT goods.
Vehicle and asset transfer/disposal (liquidation process begins)	Dropped	Waiting on PNDS budget approval before this process begins

Activity plan	Status Code	Progress Description
Logistics services		
Co-ordinate logistical support for international and in-country study tours and across-district visits.	Fully completed	This is an ongoing support for all visiting missions and advisors
Review the new Journey planning form and system, including lessons learned with drivers and logistics staff	Fully completed	The Journey Management plan is an effective method of sharing information amongst drivers. It is completed regularly by each driver before travelling to the Field. No modifications have been made to the current JMP system.
Review the new GPS tracking system, including lessons learned with drivers and logistics staff	Fully completed	GPS is an effective tool for monitoring the fleet. However, we have identified poor connection network in certain areas due to their remoteness. The SOS button must be situated in a different location.
Review the vehicle log book system, including lessons learned with drivers and logistics staff	Fully completed	Implementation of the vehicle log book system is effective. It allows management to cross check staff movements and ensures that drivers are travelling similar distances within a month.
Eye testing for all drivers and staff	Fully completed	Refresher eye testings was conducted from March to April successfully
Review trip report acquittal systems efficiencies with FST and drivers	Fully completed	Errors for reporting staff movements have been minimized significantly within the last few months.
Review driver allocation system	Fully completed	A six-month roster has been established allowing equal travel and per diem distribution amongst drivers.
Review Coordination mechanisms between logs and FST	Fully completed	Regular meetings with FST to address issues. The FST coordinator has also been instrumental in Improving relationships.
New survey of fuel providers, including issue or cancellation of new vendor agreements (planning begins in September)	Fully completed	Fuels surveying is a regular activity for the team. New providers have been contracted and old ones discontinued. We are now negotiating with an alternative fuel Provider E-silva in Dili.
Review current fleet management system	Fully completed	A complete review has been conducted and no modification is required.

Activity plan	Status Code	Progress Description
Distribution of PPE, electrical and Plumbing tools	Fully completed	Completed within and two month period in collaboration with Logistics PNDS staff.
Work health and safety		
Assess the safety needs of all PNDS buildings Inc. Balide, Fatuhada	Fully completed	Ongoing to support to all sites provided by the logs team
Review and update of PNDS-SP security manual.	Fully completed	Has been review and currently is in the process of been modified.
Continue implementation of the WHS framework, including assessments, trainings, and awareness raising and supporting the WHS committee.	Fully completed	Ongoing monthly meetings are held with staff. Regular trainings during LES meeting such as driver and of office WHS awareness training and risk and hazards training. An election awareness training was also recently conducted for all staff.

