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Approved by: Peter Doyle, Head of Mission, Dili Post  
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## Midterm Review (MTR) of Roads for Development (R4D) MANAGEMENT RESPONSE

### Initiative Summary

Initiative Name	Roads for Development (R4D)		
AidWorks initiative number	INK211		
Commencement date	1 June 2011	Completion date	29 February 2016
Total Australian \$	30,000,000		
Total other \$	Government of Timor-Leste (GoTL) US\$20, 569, 200		
Delivery organisation(s)	International Labour Organization (ILO)		
Implementing partner(s)	ILO, Timor-Leste Ministry of Public Works (MPW)		
Country/Region	Timor-Leste		
Primary sector	Infrastructure		
Initiative objective/s	The development objective of R4D is that women and men in rural Timor-Leste are deriving social and economic benefits from improved road access. Its immediate objective is that <i>The GoTL is more effectively planning, budgeting and managing rural road works using labour based methods, as appropriate.</i> R4D's combines both direct investments in rural road works and capacity and institutional support to MPW to plan, budget and manage rural road works.		

### Evaluation Summary

#### Evaluation Objective:

The purpose of this Mid-Term Review (MTR) is to assess the continued relevance of R4D interventions and the progress made towards achieving its planned objectives. It provides an opportunity to make modifications to ensure the achievement of these objectives within the lifetime of the project.

In addition the MTR provide an opportunity to ascertain the interventions are still coherent and useful to key stakeholders particularly the GoTL, coherent to DFAT and ILO's strategic objectives and to assess whether the interventions are being conducted in an efficient manner as per DFAT and ILO standards and the agreed project document. The MTR will also provide recommendation regarding the remaining 18-months of the program and some general considerations around a possible second phase of R4D.

**Evaluation Completion Date:** 26 September 2014

**Evaluation Team:**

Ty Morrissey - Team Leader/Monitoring and Evaluation Specialist

Charles Melhuish – Rural Road Engineer Specialist

Kaj Thorndahl – Capacity Development and Training Specialist

Mark Barrett – Senior Sector Specialist, Infrastructure Section, DFAT

**DFAT's response to the evaluation report**

The MTR was jointly managed by DFAT's Timor-Leste Program in Dili and Canberra and ILO in consultation with the MoPW. DFAT considers the review to be of a good quality and that it sufficiently addressed the questions in the Terms of Reference (ToR) and subsequent Evaluation Plan.

The recommendations proposed in the review are based on the MTR's consultations, analysis and discussions. They relate to suggested ways to work during the remaining months of the R4D implementation. The next IMG, scoping/design/exit strategy mission, is recommended, preferably in May 2015.

**DFAT's response to the specific recommendations made in the report****Recommendation One**

**Recommendation:** R4D to develop and operationalise standardised drawings, technical specifications and designs across all Districts.

**Response:** Agree

**Actions:** Finalise standards, specifications and quality control guidelines as matter of highest priority

**Responsibility:** ILO

**Recommendation Two**

**Recommendation:** R4D to prepare a rural road design manual to guide rehabilitation and maintenance of rural roads at the district level to strengthen quality assurance and control.

**Response:** Agree – Is part of recommendation one

**Actions:** Same as under recommendation one

**Responsibility:** ILO

**Recommendation Three**

**Recommendation:** R4D in partnership with MoPW to strengthen the future planning and prioritisation of rural roads based on the findings and conclusions of the Rural Roads Master Plan (RRMP), placing high priority on connectivity issue.

**Response:** Agree

**Actions:** Start implementation of Rural Roads Master Plan (RRMP) once finalised.

**Responsibility:** ILO

**Recommendation Four**

**Recommendation:** Focus capacity building at central level around implementation of RRMP. In supporting deconcentration, R4D to increase capacity development support training for MoPW district level officials (and where appropriate technical engineers and supervisors from other programs/agencies)

**Response:** Partially Agree

**Actions:** At central level already on-going capacity building of the MoPW also needs to be continued (e.g. in the areas of planning/GIS, surveying and design, social safeguards, environmental safeguards, tendering, contract management). At district level R4D's scope increasing its capacity development support is limited due to the limited number of available ILO TA and the fact that substantial time of the ILO TA needs to be spent on implementation support (due to MoPW's capacity constraints)

**Responsibility:** ILO

#### **Recommendation Five**

**Recommendation:** Immediate priority is placed on resolving implementation and management issues with the RRMP external service provider.

**Response:** Agree

**Actions:** Meetings with Cardno team to resolve the issues (Already done)

**Responsibility:** ILO

#### **Recommendation Six**

**Recommendation:** RRMP institutional engagement is prioritised and completed by the end of November 2014.

**Response:** Agree

**Actions:** Meeting with Cardno to jointly developed and agree on a detailed work plan that also addresses the various institutional issues that need to be incorporated in the RRMP (Already done).

**Responsibility:** ILO

#### **Recommendation Seven**

**Recommendation:** R4D to support MoPW with the establishment and operationalization of a sector wide rural roads Steering committee to facilitate work and commitments in accordance with the RRMP.

**Response:** Agree

**Actions:** Reach agreement with MoPW on already developed ToR and engage with the Minister to agree on the necessary follow-up action by MoPW.

**Responsibility:** DFAT and ILO

#### **Recommendation Eight**

**Recommendation:** R4D M&E to initiate engagement (and possibly lead) the technical sharing of information, approach and methodology with other DFAT programs in the rural development sector with the intention of aligning M&E approaches and in the longer-term to developing joint impact study for rural development investment

**Response:** Partially Agree

**Actions:** Engage with BESIK and SOL to share information and explore the scope for aligning M&E approaches (Only where feasible and relevant).

**Responsibility:** ILO and DFAT

#### **Recommendation Nine**

**Recommendation:** DFAT and R4D advocate with GoTL to recognise the priority for road maintenance and create specific line item in the MoPW annual budget to provide financial resources for routine and periodic maintenance of districts roads

**Response:** Agree

**Actions:** Engagement with senior decision makers of GoTL (like MoPW, MoF, Parliamentary Commission E (Infrastructure), organise high level event to bring the issue of maintenance to the attention of senior policy makers, incorporate recommendations in RRMP regarding maintenance.

**Responsibility:** ILO and DFAT

### **Recommendation Ten**

Recommendation: R4D should keep more consistent records on the use of labour and verify the amount of labour used for various civil works operations

**Response:** Agree

**Actions:** Intensify monitoring and supervision of record keeping.

**Responsibility:** ILO

### **Recommendation Eleven**

Recommendation: R4D should analyse and compare non-labour costs with similar countries on the region and examine possibilities to reduce the costs

**Response:** Agree

**Actions:** Prepare technical paper with analysis and comparison of labour costs.

**Responsibility:** ILO

### **Recommendation Twelve**

Recommendation: R4D in collaboration with ERA (for the training of both contractors and MoPW staff in rural road rehabilitation, maintenance and supervision including refresher and pre-bid training) should be maintained and avenues explored for ERA to assume greater involving training

**Response:** Agree

**Actions:** Dialogue with ERA to explore and agree on a larger role for ERA with regards to the training of contractors.

**Responsibility:** ILO

### **Recommendation Thirteen**

Recommendation: A mentoring system for successful contractors should be introduced on new contracts providing business and management support

**Response:** Agree

**Actions:** Discuss and agree with ERA on the development of a mentoring system (including guidelines, modules, etc.), develop such a system and start implementing the system.

**Responsibility:** ILO

### **Recommendation Fourteen**

Recommendation: R4D should continue with competitive bidding for the works planned for 2015 and should work for preference being provided to LBT certified contractors

**Response:** Partially Agree

**Actions:** Continue with competitive bidding as per GoTL/MoPW procedures/laws. R4D cannot guarantee under current MoPW procedures that LBT certified contractors will get preference in contract awarding but will continue to promote with MoPW for the establishment of a sub-class of LBT certified contractors under MoPW's current contractors classification system.

**Responsibility:** ILO

#### **Recommendation Fifteen**

**Recommendation:** DFAT, together with MoPW and R4D, take a more active approach and engage the Timorese political leadership on rural roads to confirm future engagement and contributions

**Response:** Agree

**Actions:** Organise high level meetings and events with the aim of increasing engagement and commitments. Already started: Video Launching, RRMP

**Responsibility:** DFAT and ILO

#### **Recommendation Sixteen**

**Recommendation:** DFAT to discuss with GoTL on the ownership and engagement issues in general ascertain GoTL on a possible Phase II to the program

**Response:** Agree

**Actions:** Continue engagement with MoPW. Brief HOM so that he will raise issues when appropriate.

**Responsibility:** DFAT

#### **Recommendation Seventeen**

**Recommendation:** Due to the limited budget available for rehabilitation in 2015 civil works should be limited to 4 districts for rehabilitation and 10 districts for maintenance

**Response:** Agree

**Actions:** Limit works to recommended districts

**Responsibility:** ILO

#### **Recommendation Eighteen**

**Recommendation:** the focus of capacity development should be shifted to the district level. If the pilot deconcentration program is to be initiated in 2015 then the 2 additional pilot districts (Ermera and Liquica) should be included in the program

**Response:** Partially Agree

**Actions:** Same as under recommendation number 4. In Addition, with available ILO-R4D TA Capacities – and considering the work load related to providing implementation support – the scope to engage intensively with districts authorities in the 3 pilot deconcentration districts will be limited.

**Responsibility:** ILO

#### **Recommendation Nineteen**

**Recommendation:** Further assistance to Oecusse should be limited to maintenance until GoTL decides on the institutional and management issues of the newly created SAR. From 2016 onwards, no additional rehabilitation work is to be supported

**Response:** Partially Agree

**Actions:** Initial discussion have been held with the authorities responsible for the development of Oecusse as a special Autonomous Zone and the authorities are currently considering a continuation of R4D in Oecusse with separate funding.

**Responsibility:** DFAT and ILO

### **Recommendation Twenty**

Recommendation: R4D to consider current internal staffing arrangements to ensure sufficient staff remains to complete existing works. In delivering works it is expected that key specialist positions at least 50% of time in the field supporting RE's and MoPW district staff. All engineering staff should be contracted up until September 2015 with a final decision on extensions to be made in April 2015 following the next IMG review

**Response:** Partially Agree

**Actions:** In principle agreed that sufficient time is spent by key specialists in the field but considering the work load in Dili it is not expected that Dili-based key specialists will be able to spend at least 50% in the field.

**Responsibility:** ILO

### **Recommendation Twenty One**

Recommendation: DFAT confirm funding arrangements for a possible R4D Phase II by March 2015

**Response:** Partially Agree

**Actions:** Dependent on GoA May 2015 budget and GoTL 2015 budget allocation for rural roads.

**Responsibility:** DFAT

### **Recommendation Twenty Two**

Recommendation: DFAT to schedule IMG visit as a review process and scoping/design/exit strategy mission, preferably in April 2015

**Response:** Partially Agree

**Actions:** Actual timing depends on the budget outcomes (both GoA and GoTL). New proposed timing would be May 2015.

**Responsibility:** DFAT