

# FIRST ANNUAL PROGRESS REPORT (2016-17)

July 2017

# Table of Contents

<b>Abbreviations &amp; acronyms.....</b>	<b>2</b>
<b>Executive summary .....</b>	<b>4</b>
<b>Main Report .....</b>	<b>7</b>
1. Operating Context .....	7
2. Progress Towards Outcomes .....	8
2.1. Component 1 - Food Security and Nutrition.....	8
2.1.1. Key achievements.....	8
2.1.2. Progress towards outcomes.....	10
2.2. Component 2 – Market System Development .....	11
2.2.1. Key achievements.....	11
2.2.2. Progress towards outcomes.....	13
2.3. Gender and social inclusion .....	15
2.3.1. Key achievements.....	15
2.3.2. Progress towards outcomes.....	18
2.4. Sustainability .....	20
2.4.1. Food security and nutrition.....	20
2.4.2. Market system development .....	20
2.4.3. Gender and social inclusion .....	20
3. Learning and Adaptation.....	21
3.1. Lessons learned.....	21
3.1.1. Food security and nutrition.....	21
3.1.2. Market system development .....	22
3.1.3. Gender and social inclusion .....	23
3.1.4. Other lessons.....	24
3.2. Processes being established to drive learning and adaptation .....	24
3.2.1. TOMAK's MRM system.....	24
3.2.2. Learning and development platform.....	25
4. Program Management.....	25
<b>Appendices .....</b>	<b>27</b>
Appendix 1: Assessment Against AQC Criteria.....	27
Appendix 2: Activity Implementation Summary .....	32
Appendix 3: Updated Risk Management Plan .....	34
Appendix 4: PAF Reporting.....	40
Appendix 5: Program Expenditure Report.....	41

# Abbreviations & acronyms

ACIAR	Australian Centre for International Agricultural Research
AE	Agricultural extensionists
ASI	Adam Smith International Pty Ltd
AVANSA	Avansa Agrikultura Project (USAID)
CA	Conservation agriculture
CRS	Catholic Relief Services
CSO	Civil society organisation
Demplot	Demonstration plot
DFAT	Australian Government Department of Foreign Affairs and Trade
FAO	Food & Agriculture Organization of the United Nations
FCS	Food consumption survey
FFD	Farmer field day
FGD	Focus group discussion
FSN	Food security & nutrition (Component 1)
GAP	Good Agricultural Practices
GFP	Gender Focal Point (MAF)
GESI	Gender equality & social inclusion
GESIA	Gender & social inclusion analysis
GoTL	Government of Timor Leste
IADE	Instituto de Apoio ao Desenvolvimento Empresarial (Institute for Business Support and Development)
ICS	Information consumption survey
IDD	Investment design document
INGO	International NGO
KAP	Knowledge, attitudes & practice
KII	Key informant interview
KONSSANTIL	National Council for Food Security, Sovereignty and Nutrition in Timor-Leste
L&DP	Learning and Development Platform
LDC	Least developed countries
LTA	Long-term adviser
MAF	Ministry of Agriculture and Fisheries
MDF	Market Development Facility (Australian Aid)
MIYCF	Maternal, infant & young child feeding
MLC	Municipal Liaison Committee
MoH	Ministry of Health
MoU	Memorandum of Understanding
MRM	Monitoring and results measurement
MSD	Market systems development
NGO	Non-governmental organisation
NPO	National program office
NSA	Nutrition-sensitive agriculture
OHM	Organizasaun Haburas Moris
PGS	Program Guiding Strategy (TOMAK)
PHD	Partnership for Human Development (Australian Aid)

PNA	President's Nutrition Awards Program
PNDS	National Program for Village Development Support (GoTL executed, Australian TA support)
RHTO	Raes Hadomi Timor Oan (Timor-Leste Disability Association)
SBCC	Social and behaviour change communication
SEM	Secretariat of State for the Socio-Economic Support of Women
TAF	The Asia Foundation
TOMAK	<i>To'os Ba Moris Diak</i> (Farming for Prosperity) Program
USD	United States dollar
VC	Value chain
VfM	Value for money
WASH	Water, sanitation and hygiene
WEE	Women's economic empowerment
WO	Women's organisation

# Executive summary

**Background.** The *To'os Ba Moris Diak* (Farming for Prosperity) Program (TOMAK) is a five (plus five) year agricultural livelihoods program funded by the Australian Government in Timor-Leste, with Phase 1 funding of AUD25 million (2016-2021). TOMAK's goal is to ensure rural households live more prosperous and sustainable lives. It will achieve this through parallel and linked interventions that aim to:

- Establish a foundation of food security and good nutrition for targeted rural households (Component 1); and
- Build their capacity to confidently and ably engage in profitable agricultural markets (Component 2).

The Program is set in the context of an overwhelmingly subsistence-oriented rural sector with weak market linkages; food insecurity with a regular 'hungry season' that is accentuated by climate change; and serious malnutrition, especially among children.

Component 1 (Food Security and Nutrition) promotes nutrition sensitive agriculture (NSA) approaches to improve the availability and utilisation of nutritious food. On the supply-side, this involves promoting improved production, storage, processing, preservation, and preparation of nutritious food; improved household purchasing and investment power; and more inclusive decision-making around nutrition within the home. On the demand-side it involves working to influence the behaviour of households towards better nutritional practice through social and behaviour change communication (SBCC) approaches.

Component 2 (Market System Development) promotes the development of commercial agriculture following a market system development approach, focussing on selected higher-potential value chains. SBCC approaches are also being applied under this component to promote profit-seeking and self-advancement behaviours.

Gender is embedded in the planning, implementation and monitoring of activities across the Program, promoting gender equality and women's economic empowerment.

The primary target area for Phase 1 comprises 66 inland mid-altitude suku (villages) with reasonable agricultural potential, located in Baucau, Viqueque and Bobonaro municipalities.

Implementation is based on a systems approach, working with and through a broad range of partners, including Government (across various Ministries and administrative levels), NGOs, CSOs and the private sector.

This Annual Progress Report covers the first thirteen months of the program from 1 June 2016 to 30 June 2017. In line with the IDD, this period has focussed mainly on research and analysis to inform TOMAK's *Program Guiding Strategy* (PGS). Implementation of field activities commenced in Feb-March 2017, three-four months ahead of schedule<sup>1</sup>.

**Progress towards outcomes.** Given the very early stage of field delivery, progress is necessarily described more in terms of key activities and how they will build towards outcomes, rather than on achievement of outcomes *per se*. Quantitative assessment against outcomes will only be possible once field implementation is more advanced, and Monitoring and Results Measurement (MRM) processes are fully established.

Major achievements over the first year have included:

- Extensive research and analysis has been carried out to inform development of the PGS<sup>2</sup>. This has involved over 12 major field surveys and assessments.

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<sup>1</sup> Implementation of field activities was originally intended to commence in the second half of 2017 following a full year of analysis and design work. Program establishment and strategy development have been compressed into the first seven months, allowing for slightly earlier roll-out of initial field programs.

<sup>2</sup> Approved by DFAT in January 2017.

- The Program has been extensively socialised, and working partnerships established with a wide range of government and non-government agencies, both funded and non-funded.
- Initial training programs and materials have been developed.
- Initial field programs have commenced.

Overall, a solid foundation has been established for the Program to build on going forwards.

More specifically, under Component 1:

- Key nutrition gaps and a range of possible supply-side NSA activities have been identified; and key SBCC-related behaviour themes have been identified.
- A more detailed SBCC strategy is under preparation, identifying specific behaviours that will be promoted, and how.
- Lead Partners have been engaged to manage the delivery of Component 1 activities at community-level in each municipality, and activity designs completed.
- Implementation of field activities under these Lead Partner agreements is just starting. The three agreements cover implementation in 66 suku, with a total value of around AUD4.6 million through to mid-2021.
- An NSA Operational Guide has been developed and associated Training-of-Trainers undertaken.

Under Component 2:

- Four initial target value chains and six broad market system intervention areas have been identified.
- Improved extension materials have been developed for five crops.
- Twelve demonstration plots (demplots) (with associated Farmer Field Days) have been established for mung beans and onions, promoting improved technologies and production approaches. Demplots for red rice and peanuts are under development.
- A training program on farm business management skills has been developed.
- Potential private sector partners have been identified, and discussion initiated on how they might be supported to better link farmers with markets.
- A Memorandum of Understanding (MoU) with DFAT's Market Development Facility (MDF) has been established, setting out how the two programs will work together.
- An agricultural entrepreneurship survey is underway to inform the SBCC strategy related to the profit-seeking behaviour of farmers.
- Targeted business development support has been provided to a Maliana-based women's NGO, helping it to restructure into a foundation and a social business.

In relation to gender and social inclusion (GESI):

- GESI has been systematically and fully incorporated into the design and implementation of all activities completed to date.
- The capacity of TOMAK staff and partners relating to GESI is being systematically strengthened through targeted gender assessments, training and technical support.
- Training and technical support has been provided to the Ministry of Agriculture and Fisheries (MAF's) Gender Focal Points within two key directorates.
- Collaboration with gender and disability partners is strong at policy/strategic as well as implementation levels. To date, eight organisations involved in promoting women's rights have been funded by TOMAK to undertake GESI-related activities.
- Women's representation, leadership and decision-making is being systematically promoted at all levels. This has included organisation of a major national Women's Empowerment, Nutrition and Market System Conference.
- Current NSA practices to improve accessibility and benefits for people living with a disability are being assessed, funded from a DFAT disability grant.
- Women's experiences in trying to negotiate land use agreements for agriculture are being documented; to be used to influence the quality and security of future agricultural land use agreements for women.

**Key lessons learned and challenges.** Key lessons and challenges are noted below<sup>3</sup>. These are already largely incorporated into the scope of the PGS and the current Annual Workplan.

- The Program will need to actively manage scope-creep going forwards.
- There is a degree of tension in the design between Components 1 and 2 that needs to be carefully managed.
- Municipal Administrations are likely to become increasingly important partners for TOMAK.
- The NSA and SBCC development space is crowded. Careful coordination with government and non-government actors will be required to prevent duplication.
- Significant market opportunities for local agricultural products are highly constrained, both local and export.
- The pool of potential private sector partners for strengthening farmers' links to market is highly constrained.
- The lack of basic market understanding among farmers constrains engagement with potential buyers.
- MAF's Agricultural Extensionists are highly motivated and want to 'make a difference', despite a serious lack of relevant technical skills, materials and operational support.
- Fully incorporating GESI from the beginning of the Program has been highly productive.
- Although women's organisations are keen to collaborate with agriculture, nutrition and market sectors to promote change they are already stretched with commitments to other sectors.
- There is little, if any, information flowing from MAF to women's organisations to promote collaboration and improve broader practice.

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<sup>3</sup> Further elaborated in section 3.1, along with responses.

# Main Report

## 1. Operating Context

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At this early stage of implementation, **TOMAK's key development objectives remain highly relevant** to Timor-Leste's development needs. Improved food security and nutrition, along with improved incomes from agricultural activities, is seen as the best strategy for strengthening engagement of rural households in the emerging economy.

In relation to Component 1, key nutritional indicators for Timor-Leste are extremely low, even by least developed countries standards, due to constrained availability and diversity of nutritious food. This is exacerbated by generally poor knowledge, attitudes and practices related to nutrition behaviours<sup>4</sup>. In relation to Component 2, between 65 and 75 per cent of households are considered to be subsistence or aspiring commercial in character, with households moving between the two categories as their circumstances vary.

Timor-Leste's economy is currently highly dependent on oil and gas revenues. With revenues from the energy sector projected to decline dramatically in coming years, dependence on the agricultural sector will inevitably increase. Development of the sector faces significant challenges however, including extremely low labour and land productivity; lack of competitiveness due to the strength of the US dollar; poorly developed market linkages; weak private sector capacity; poor infrastructure; limited investment flows into the sector, both public and private; and social transfer programs (especially veteran's pensions) that act as a disincentive to agricultural production. Out-migration of youth is also a major problem in many rural areas due to lack of perceived economic opportunities. Finally, women face deeply embedded problems regarding equality and access to opportunities for economic advancement.

It is too early to comment on the **relevance of TOMAK's approach**, with implementation of field activities only just commencing. However, the program's strategy is framed to be responsive to changing needs and lessons learned, informed through a quality and targeted approach to MRM. This dynamic and responsive approach to implementation is at the forefront of the team's thinking, ensuring that the approaches being adopted remain as relevant as possible.

Implementation is solidly focussed on a systems approach, working with and through a broad range of implementing partners, including Government (across various ministries and administrative levels), NGOs (international and local) and the private sector. Huge effort has been placed over the first year on mapping these stakeholders, building their understanding of what TOMAK is about, and laying the foundation for productive working relationships. This has already resulted in a wide range of productive working partnerships with both government and non-government agencies, funded and non-funded.

TOMAK is actively managing program risks. An updated Risk Management Plan is provided in Appendix 3. Two new risks have been added, three have been downgraded; and three upgraded. Refer to the following page for the newly identified risks, along with a description of the current highest-ranked risk. Of note, the recent presidential and parliamentary elections have run smoothly, with little civil unrest. However, potential remains for disruption to program activities resulting from changes to senior civil service positions by the incoming government. How this plays out will not be fully known for another month or two.

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<sup>4</sup> Timor-Leste Food and Nutrition Survey, 2013. Early results from the Demographic Household Survey (2016), indicate nutritional status may still be worsening in relation of some key indicators.

### Newly identified risks

1. The original design of TOMAK is deliberately broad, general and enabling. The down-side of this is the **risk of progressive scope-creep**: that technical scope expands to the point where available resources become excessively dissipated, and impact is jeopardised. The potential for scope-creep needs to be actively managed going forward, maintaining a sharp focus on engaging only in activities that are central to the design, and likely to have the greatest impact.
2. To be fully effective, development and delivery of nutrition-related SBCC messaging requires a strong working relationship with the Ministry of Health (MoH) at national level. To date **MoH has been reluctant to engage**. DFAT, with support from the TOMAK team, is continuing to push for a Technical Cooperation Agreement. In the meantime, TOMAK is piggy-backing onto the existing informal relationships that Lead Partners have with the Ministry, and is progressively establishing a working relationship with Health Services at municipal level, facilitated by the strengthened role of Municipal Administrations under the decentralisation agenda.

### Major Risk - Limited market opportunities for agricultural products

The most significant risk currently identified relates to limited market opportunities for agricultural products, coupled with the thin private sector servicing the rural sector. High production costs, amplified by the strength of the US dollar and the subsistence nature of the agriculture sector, affect the ability of local producers to compete against cheap imports in a relatively open economy, and to be competitive on export markets. Domestic markets are also small in volume.

Compounding these currency-related issues, the environment in Timor-Leste has in recent times prevented the gradual, progressive productivity and efficiency gains that have driven agricultural sector growth in many other developing economies. This has been further exacerbated by a distortion of public sector investment that has downplayed the needs and potential role of agriculture in the overall economy. It will require a concerted and coordinated effort, and a long-term commitment, to shift subsistence farmers towards commercial farming practices. Going forward, TOMAK will need to be constantly vigilant as to emerging opportunities, which are likely to be small and incremental in nature, and be prepared to adjust its development portfolio on an ongoing basis, including discontinuing non-performing activities if necessary.

## 2. Progress Towards Outcomes

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### 2.1. Component 1 - Food Security and Nutrition

#### 2.1.1. Key achievements

In the lead up to preparing the PGS, and following a detailed appraisal of existing nutrition-related secondary data in Timor-Leste<sup>5</sup>, TOMAK conducted three field assessments as follows:

- **Food Consumption Survey (FCS)**<sup>6</sup>: This explores the variations in eating patterns across seasons and during special occasions; gender perceptions around different foods; and household food sharing

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<sup>5</sup> TOMAK Technical Report 7: Analysis of secondary data (December 2016).

practices. It was conducted applying qualitative methodologies including focus group discussions (FGDs) with men's and women's groups, and key informant interviews (KII) with various extension workers and local leaders across TOMAK's three target municipalities. The assessment identified a wide range of determinants affecting food accessibility, availability and utilisation. The assessment also documented a range of food taboos and a low level of knowledge regarding the importance of nutritious food.

- **Knowledge, Attitudes and Practices (KAP) Survey<sup>7</sup>:** This assesses the current knowledge, attitudes and practices of men and women around the source and allocation of income for food purchases; maternal, infant and young child feeding (MIYCF) and nutrition practices; handwashing practices; and related gender roles. The survey involved household interviews across the three municipalities.
- **Information Consumption Survey (ICS)<sup>8</sup>:** This explores the media channels that are being most used by target households to access information; their preferred time to access information; and the reach and effectiveness of existing media in conveying messages. As with the KAP survey, the ICS was also administered through a household survey across the three municipalities.

Results from these surveys have been extensively canvassed with a broad range of stakeholders, providing the basis for drafting the PGS Component 1 strategy.

Following finalisation of the PGS, key activities have included:

- **Capacity assessment of MAF Agricultural Extensionists (AEs) relating to the field delivery of NSA activities<sup>9</sup>,** highlighting current gaps in understanding of key NSA concepts and approaches. The assessment also identifies the generally high motivation of AEs, along with serious operational and resourcing issues. It provides an excellent foundation for defining how TOMAK will engage with AEs moving forwards, for both Component 1 and 2 activities. Encouragingly, the exercise attracted particularly strong buy-in from MAF staff at national and sub-national levels<sup>10</sup>.
- **An NSA Operational Guide** has been prepared. This is designed to contextualise NSA approaches and principles to conditions in Timor-Leste; promote a shared understanding amongst various implementing partners (government and NGO) on the basic concepts of NSA; provide an agreed basis for advocating for NSA approaches; and assist the TOMAK team, MAF and Lead Partners to design, implement and monitor NSA interventions. A companion Training Facilitator Guide has also been produced, and a core group of 20 NSA 'champions', drawn from key government and NGO partners were provided with Training-of-Trainers. This group will act as master trainers for follow-on NSA training activities.
- **Preparation of TOMAK's SBCC implementation strategy** commenced in May 2017<sup>11</sup>. This document is designed to provide a more detailed roadmap of what TOMAK will do in relation to the six general behaviour themes identified in the PGS<sup>12</sup>, including identification of the key behaviours that will be promoted, and the specific approaches, actors, intended audiences, communication channels, materials, and platforms that will be used to create change. Intended for use by TOMAK program and implementing partner staff responsible for designing, implementing, and monitoring SBCC approaches, the strategy is intended to be a living document that will be closely monitored and refined as TOMAK moves forwards. As part of the SBCC strategy development process, additional formative research was conducted to gain a deeper understanding of the context for behaviour change around targeted nutrition-related practices. This involved a total of 270 interviews and three FGDs on household nutrition and decision-making practices, across the three municipalities.
- **Lead Partners have been selected and Activity Designs established.** Component 1 activities at community level will be delivered mainly through strategic long-term partnerships with Lead Partners, who will work in consortium with local NGOs and other organisations. These partnerships provide opportunity to build on and progressively refine the established field programs, experience and

<sup>6</sup> TOMAK Technical Report 9: Qualitative assessment of food consumption: survey report (February 2017).

<sup>7</sup> TOMAK Technical Report 10: Nutrition-related knowledge, attitudes and practices: survey report (February 2017).

<sup>8</sup> TOMAK Technical Report 11: Nutrition-related information consumption: survey report (February 2017).

<sup>9</sup> TOMAK Technical Report 12: Assessment of MAF extension capacity (July 2017).

<sup>10</sup> Assessment of health extension worker's capacity will commence once a formal cooperation agreement with the MoH has been established.

<sup>11</sup> Finalised in July 2017.

<sup>12</sup> Note that one of these behaviour themes (profit-seeking behaviour) is related to Component 2.

networks of Lead Partners and their associates, and are designed to last for the duration of the program. Working with and through a limited number of strategic partners in each municipality also provides a mechanism for streamlining coordination of activities between the selected organisations and TOMAK.

Lead Partners were initially selected on the basis of a capability statement. Following this they were required to prepare an Activity Design in line with the PGS, incorporating a mix of activities tailored to the specific development needs and opportunities of different geographic locations, and reflecting their own experiences. These Activity Designs include detailed programming for 2017-18, together with a general framework for subsequent years. Post 2017-18, detailed Annual Workplans will be prepared in consultation with TOMAK, providing the basis for progressive refinement of activities based on emerging cross-program learning. Grant agreements were signed in late June with Catholic Relief Services (for implementation in East Baucau and Viqueque), World Vision Timor-Leste (West Baucau), and Mercy Corps (Bobonaro)<sup>13</sup>. Implementation of field activities under these contracts is just starting. The three agreements cover implementation of Component 1 activities in 66 suku, with a total value of around AUD4.6 million through to mid-2021.

### 2.1.2. Progress towards outcomes

*Increased year-round utilisation of diverse, nutritious and sufficient food*

*Increased household demand for nutritious food*

- **A solid foundation of evidence has been established to guide the implementation of Component 1 activities moving forwards.**

Analysis of secondary data supplemented with nutrition-related survey work carried out during the first year has been sufficient to identify key nutrition gaps. A range of possible supply-side NSA activities has been proposed to address these, including support for aquaculture; poultry production; homestead gardens; conservation agriculture approaches; improved storage systems; and improved food preservation and preservation techniques.

- **Six key behavioural themes have been identified as targets for SBCC.**

These include household nutrition; infant and young child feeding and care; maternal nutrition, care and support; household decision-making responsibilities, and male involvement; and water, sanitation, and hygiene (WASH) and environmental enteropathy. A more detailed SBCC strategy is currently being finalised, which identifies specific behaviours to be promoted under the behavioural themes, along with approaches, actors, audiences, communication channels, materials, and platforms that will be used to create change.

- **Lead Partners have been selected and Activity Designs developed.**

With the conclusion of the Lead Partner Grant Agreements in June 2017, field implementation of supply- and demand-side activities is about to get underway. Healthy working relationships are being progressively established with the Lead Partners, underpinning the intended value-add of the TOMAK team to Lead Partner programs, based on cross-program learning.

- **TOMAK has established healthy working relationships with MAF at national and sub-national level**

These provide a solid foundation for productive involvement of extension staff in the delivery of Component 1 activities, backed with additional NSA training to be provided by TOMAK using recently developed NSA training materials.

- **Initial cross-program NSA training programs and training capacity have been developed.**

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<sup>13</sup> The full scope of these partnerships is detailed in the TOMAK 2017-18 Annual Plan.

With completion of the NSA Operational Guide and associated Training-of-Trainers, the building blocks for rolling out generalised NSA training based on shared concepts and a shared understanding conceptualised to Timor-Leste conditions have been put in place.

## 2.2. Component 2 – Market System Development

### 2.2.1. Key achievements

#### Research and strategy development

The key focus in 2016 was to identify one to two value chains/market systems for each municipality where development efforts could start in 2017. The identification of initial target market systems has involved a systematic three-step process as follows:

- **A broad market assessment of selected agricultural products** was conducted in July/August 2016 to analyse current and potential markets for around 20 agricultural and livestock products, providing a basis for an informed initial selection of value chains for further analysis<sup>14</sup>. The assessment included a review of secondary data and interviews with traders, exporters, supermarkets and other relevant private businesses in Dili, Bobonaro and Baucau municipalities.
- **Further assessment of production systems** was conducted in August/September for 10 products identified through the first study as having the best market potential<sup>15</sup>. The study assessed farm-level aspects of these crop and livestock production systems, including current production practices, constraints, profitability, and opportunities for improvement.
- **Detailed value chain assessments** were carried out between September and November 2016 for the five top-ranked commodities (red rice, onion, mung bean, groundnut and cattle), based on the findings of the earlier two studies<sup>16</sup>. These assessments mapped the core value chains for selected products, analysed the overall market systems, including constraints and root causes of underperformance, and identified potential entry points for TOMAK. The assessment was conducted in Dili and the three target municipalities.

Additional value chain/ market system-related research conducted in the first half of 2017 has included:

- **Smallholder pig production study.** Pigs were included on the initial list of possible target value chains identified in 2016 for a range of reasons, including their importance as a source of income for most rural households; the nature of smallholder pig production which tends to be a backyard activity that utilises 'surplus' household labour; and potential for promoting women's economic empowerment (WEE). However, the potential for moving from a low input/low output production model to a higher input/higher output model based on improved feeding was not sufficiently well understood to proceed to scale-up. To address this, TOMAK commissioned a more in-depth assessment of smallholder pig production systems<sup>17</sup>, which indicates that there are sound development options that are worth trialling, providing the basis for developing a pilot activity in the second half of 2017.
- **Aggregator study.** Most trading and marketing of agriculture products in Timor-Leste is highly localised (i.e. carried out close to the point of production), and often carried out by farmers themselves. TOMAK has recently conducted interviews with aggregators in the target municipalities to better understand the situation and define how TOMAK can build on this capacity<sup>18</sup>.

In the latter part of 2016, considerable effort was devoted to **mapping the agricultural resources and relevant infrastructure across TOMAK's proposed target area**<sup>19</sup>. This has been important for refining the selection of target suku, and ensures that program-funded activities are matched to the resources and

<sup>14</sup> TOMAK Technical Report 1: Market analysis of selected agricultural products (December 2016).

<sup>15</sup> TOMAK Technical Report 2: Potential for improving on-farm productivity of selected agricultural and livestock enterprises (December 2016).

<sup>16</sup> TOMAK Technical Report 3: Market system and value chain assessment (December 2016).

<sup>17</sup> TOMAK Technical Report 14: Assessment of smallholder pig production development opportunities in Timor-Leste (December 2016).

<sup>18</sup> Report pending.

<sup>19</sup> TOMAK Technical Report 6: Agricultural resource overview for TOMAK target areas (November 2016).

conditions in a particular area. A range of relevant information already available from various sources has been consolidated into a single, easy-to-reference and easy-to-use resource. This includes information on administrative boundaries and population distribution; road access; living standards; topography; slope; aspect, soil texture; watershed boundaries; hydrogeology; landcover and land-use; and climate. A series of maps has been prepared in standard format for use by the program, and by municipality and administrative post staff. This provides a solid physical planning resource for the program moving forwards, one that can be easily updated as new data becomes available.

Results from the initial surveys and assessments conducted under Component 1 have been extensively canvassed with a broad range of stakeholders, providing the basis for drafting the PGS Component 2 strategy.

### Field implementation

Implementation of field activities commenced during the first quarter of 2017. To date, the outreach of activities is small, by design, allowing for partners to become familiar with the program and for TOMAK to test new techniques and approaches prior to broader scale-up. The major focus has been to develop relationships with potential implementing partners, and to start developing training and extension materials that partners need for service delivery to farmers.

- **Implementation of extension support to farmers in target value chains is underway.**

MAF is TOMAK's major partner for providing technical services to farmers. Assessment of MAF AEs (see section 2.1.1) showed that most extension workers are enthusiastic and willing to work with farmers but that they are often constrained by limited resources and lack of knowledge of and access to new technologies. TOMAK is working to increase the capacity of the AEs and to facilitate their engagement with farmers. Over the last six months, key activities have included:

- ~ Presentations of TOMAK to MAF at national and municipality level; involvement of MAF in the value chain/ market system assessments and selection/endorsement of proposed target value chains and pilot demplot locations; and identification of the initial batch of 16 farmers that TOMAK is working with to establish onion and mung bean demplots.
- ~ Assessment (together with the Directorate for Agriculture, Horticulture and Extension) of the capacity of the AEs.
- ~ Development (or revision) and reproduction of Good Agricultural Practice (GAP) manuals for red rice, mung bean, maize, red onion, and peanut; partnership with selected AEs to support establishment of initial onion and mung bean demplots; development of crop inspection protocols for AEs; establishment of eight onion and four mungbean demplots where new varieties and technologies are being trialled; and conduct of Farmer Field Days (FFDs) in association with the demplots to expose a larger pool of farmers to the new technologies and approaches being demonstrated.
- ~ Trialling of new onion varieties together with the USAID Avansa program, evaluating the performance of different varieties at various altitudes. Planning is underway for MAF Research to extend these trials to identify suitable locations that can support year-round production.

- **Business management training courses and materials have been designed.**

TOMAK has partnered with the *Instituto de Apoio ao Desenvolvimento Empresarial* (Institute for Business Support and Development, or IADE)<sup>20</sup> for delivery of business management training to farmers. The training introduces basic market economy concepts and is designed to provide farmers with the skills to plan and manage their farm businesses better. It will also help prepare farmers to engage with buyers. Over the last six months, key activities have included:

- ~ Development of a farm business management training program and associated training materials targeting aspiring commercial farmers. The training program is divided into three modules: (i) introduction to basic market economy concepts; (ii) production and expenditure planning; and (iii)

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<sup>20</sup> GoTL's Business Development Service provider, which has nation-wide coverage.

financial record keeping. The first module will be offered to all TOMAK farmers while the second and third modules are intended for more progressive farmers.

- ~ Training-of-Trainers for IADE staff is currently underway; with farmer training scheduled for later in the year.

- **Discussions with potential buyers have been initiated.**

TOMAK is coordinating closely with MDF and is seeking opportunities to leverage on their existing partnerships with Acelda (red rice), Kmanek (onions in Bobonaro) and NPM Industries. Other private sector partners that have been approached include 99<sup>th</sup> Monkey (peanuts), Olam, Leader Supermarket, TimOrganic and Timor Global. Once results from initial demplots are known, TOMAK will be able to firm-up on production estimates and be more definite in discussions with potential buyers. It will also facilitate farmer-buyer agreements once produce is ready to be marketed.

- **Design of the SBCC strategy for profit-seeking and advancement has commenced.**

IADE has just completed an agricultural entrepreneurship survey, to be reported in July 2017. The results of this will be central to the design of messaging and message delivery around the profit-seeking and advancement behavioural theme within Component 2.

- **Targeted business development support is being provided to Organizasaun Haburas Moris (OHM).**

OHM, a Maliana-based women's NGO, is restructuring into a foundation and a social business. It had begun to sell produce (red rice and peanut butter) on behalf of its women's farmer groups from a small kiosk at their office, and to retailers in Dili. They had limited understanding of the costs and risks involved in taking this new direction and no clear business model in place. TOMAK has matched OHM with a business support adviser. As a result of this support, OHM has realised the need to separate the retail accounting from the organisational accounting, and is strengthening its business model to reduce risks to the organisation and its farmer suppliers.

## 2.2.2. Progress towards outcomes

*Farmers improve farm management, production, productivity and post-harvest management.*

*Farmers produce and sell consistent and sufficient quantity and quality to meet market requirements.*

- **Initial target value chains and market systems have been identified.**

The in-depth analysis conducted over the second half of 2016 has been sufficient to identify four initial target value chains and six broad market system intervention areas, along with possible activities, partnerships and gender entry points. The target value chains selected for initial support include peanut, mung bean, red onion and red rice. Pigs have also been recently added to this list following additional assessment, just completed. The market system intervention areas include: farm management; market linkages; local agribusiness support; access-to-finance; enabling environment; and socio-economic norms around self-advancement and profit-seeking behaviour.

- **Demplots and associated Farmer Field Days have been established for mung beans and onions, promoting improved technologies and production approaches.**

Similar activities for red rice and groundnut are also in development, in line with the planting calendar. MAF staff are fully and enthusiastically involved in the roll-out of the demplot and FFD activities, equipped with improved extension materials and improved skills developed through on-the-job training from TOMAK staff. Although results won't be known until harvest has been completed, farmers are generally enthusiastic (see Snapshot 1 below).

### Snapshot 1: Onion farming in Venilale

Jaime Sarmiento lives in Wailaha, a village in the administrative post of Venilale, Baucau. He and his family grow a variety of crops – corn, rice, onions, vegetables, chili and tomatoes – and sell them at the nearest local market in Venilale. They have never sold their produce to buyers in Dili or other municipalities. The corn and rice they harvest is saved for family consumption.

Until recently, Jaime was not receiving regular support from the MAF extension worker in his area but several months ago he was recommended to host a TOMAK demonstration plot (demplot) to explore the commercial potential of onions. Now, he and his family are learning new techniques for growing onions and trialing two new varieties.

“We have been working with TOMAK for about two months now,” says Jaime. “Together, we made nurseries for seedlings and learned how to prepare the land for planting onions. We made small dams and covered the planting beds with plastic for almost a month so that less weeds would grow next to the onions.”



Zulmira da Silva Guterres is the MAF extension worker in Wailaha. She supports numerous groups of farmers and faces ongoing challenges to access the remote farms in her area. Since April, Zulmira has been visiting Jaime’s farm regularly, learning the same techniques, and observing early results.

“This demplot is a good activity for the community. People need to understand farming practices better so they can implement them for themselves,” says Zulmira. “My hope for the farmers I support is that they can try new techniques and learn together. I hope they can do these things on their own one day, without depending on us.”

Zulmira has a strong interest in TOMAK’s focus on market linkages as she worries about the market for farmers’ agriculture products. “Other activities have not had enough connection to markets. People learn how to farm crops but they need to sell it somewhere.”

It is early days yet, but Jaime is optimistic. “The support has been good so far and I feel very hopeful. I am ready to share and teach what I have learned to other farmers in the area. But we need to see the result. If the result is good, then we will plant more next year.”



- **Preparation of training courses and materials targeting the development of farm business management skills is well advanced.**

These have been prepared together with IADE, with TOT then farmer training scheduled over the next year.

- **A range of potential private sector partners have been identified**, and discussion initiated on how they might be supported to strengthen linkages between farmers and markets as production volumes increase.

Related to this, an MoU has been established with MDF, providing broad agreement on how the two programs will collaborate, covering the types of partnerships they will support, and the sharing of information and resources.

- **Development of an SBCC strategy to influence the profit seeking and advancement behaviour of aspiring commercial farmers has just commenced.**

The agricultural entrepreneurship survey just completed by IADE is an important step towards this.

- **Healthy working relationships have been established with MAF, IADE and potential private sector partners at national and sub-national levels**

These provide a solid foundation for productive involvement of staff from these organisations in the delivery of Component 2 activities.

## 2.3. Gender and social inclusion

### 2.3.1. Key achievements

- **Gender equality and social inclusion analysis and support has been fully embedded within program structures and processes.**

A Gender Equality and Social Inclusion Analysis (GESIA) was completed in December 2016, highlighting the socio-cultural norms and context in which women and men live and make decisions in rural Timor-Leste. Results were presented in November to a broad stakeholder group representing 15 organisations. Following on from this initial presentation, results have been discussed with different development audiences at both national and municipal levels on multiple occasions. A learning paper on TOMAK's approach to GESIA was presented to the Global Women's Economic Empowerment and Market Systems Development (MSD) Learning Forum held in Bangkok in May 2017.

The GESIA provides TOMAK with a robust foundation of analysis from which to develop and adapt the program over time. It has been a key document for shaping the PGS, which emphasises that reducing inequalities and strengthening the capacity of rural women to perform their productive roles is likely to have a major impact on improving household food security, nutrition and incomes. Gender is being systematically and fully incorporated into the design and implementation of activities as implementation proceeds.

- **The capacity of TOMAK staff and partners relating to gender equality and social inclusion (GESI) is being systematically strengthened.**

Gender capacity sessions have been undertaken with TOMAK staff and six partner organisations to assess their skills, experience and knowledge relating to GESI. These sessions have also captured current good practice along with ideas and ambitions to build on this. A basic three-day gender training course has been run twice, designed to ensure TOMAK and partner staff have a common understanding of gender issues and how they can practically integrate this into their work at all levels. To date, the training has been provided to 43 people (21 women and 22 men) in Dili and Bobonaro. Participants have recorded good levels of improvement in their gender awareness, skills and motivation as a result of the training. Women participants average pre-test score was 7.9, increasing to 9.3 post-test. For male participants, the average pre-test score was 6.9, increasing to 8.9 post-test.



**Figure 1. TOMAK Gender Training - Pre and post group average score out of possible 10**

- **MAF's capacity relating on GESI is being strengthened.**

In January, TOMAK facilitated training and planning sessions for MAF's Gender Focal Point groups (GFPs) within two key directorates. This assistance was provided after the broader GFP group within MAF had identified that few directorates had set any specific gender targets in their annual plans. Participants were assisted post-training to develop their annual plans. Further gender budgeting training is planned for July 2017.

- **Collaboration with partners is strong and growing.**

Over the first year, TOMAK has undertaken broad consultation to find partners in gender and disability. At the policy and strategic levels, there are strong emerging relationships with the Secretary of State for the Support and Socio-Economic Promotion of Women (SEM), UNWOMEN, MAF Gender Focal Points, Rede Feto (the Timor-Leste Women's Network), RHTO (Timor-Leste Disability Association); as well as with other Australian aid programs<sup>21</sup>. TOMAK has brought these stakeholders together with each other and with other organisations on multiple occasions in order to coordinate efforts, resources and influence.

At implementation level, national and local partners in the three target municipalities are being systematically identified and engaged. During the GESIA and value chain assessments, TOMAK formally partnered with four women's and one disability organisation. The engagement of these organisations has ensured the voice of women and vulnerable groups is being heard, and that participants feel increasingly comfortable talking to TOMAK about the challenges they face.

Overall, eight organisations involved in promoting women's rights have been directly funded by TOMAK to undertake various GESI-related activities, including Rede Feto (2 grants), OHM (4), Hafoti (1) and CDC (1).

- **Women's representation, leadership and decision-making is being promoted at all levels.**

<sup>21</sup> Including TAF, MDF, PHD, PNDS and the President's Nutrition Awards Program (PNA).

A key strategy has been to develop relationships with organisations that have a clear mandate to represent women in Timor-Leste and are engaged in sectors relevant to TOMAK. This has led to particularly strong partnerships with Rede Feto and OHM, and emerging relationships with SEM and the Municipal Women's Associations.

Rede Feto is a national network of 24 women's organisations (WOs) that work together to promote gender equality and women's empowerment through advocacy, networking and capacity building. It is the peak civil society body for women's issues in Timor-Leste. Their strategic plan comes from the Timorese Women's Congress held every four years; they collaborate closely with SEM; and are recognised by Government as the key representative organisation for women's voice.

In March 2017, TOMAK supported Rede Feto and SEM to undertake a Women's Empowerment, Nutrition and Market System Conference. The conference was attended by 161 people (110 women and 51 men), including 25 rural agriculture producer groups. It provided the opportunity for key organisations committed to gender equality to come together to increase their knowledge and improve collaboration and networks, particularly in relation to food security, nutrition, agriculture and market development. The conference resulted in a range of recommendations, two of which have been prioritised for action by Rede Feto and TOMAK over the next 6-months.

TOMAK is now providing Rede Feto with follow-on support to assess the capacity of nine women's organisations, increase the connection and collaboration between groups, and enhance their advocacy efforts (see Snapshot in the following section).

- **Women's representation in decision-making is being pursued at policy and institutional levels.**

TOMAK has been advocating strongly for more women to be included in key consultations, with recent examples being finalisation of MAF's Gender Equality Policy and associated implementation plans. Attention is also being paid to increasing representation of women in training opportunities and within steering committees for TOMAK activities. Examples include the demplots established under Component 2, the land utilisation study, the assessment of MAF extension capacity, the SBCC strategy design process, and program baseline data collection.

- **TOMAK is actively working towards improving visibility of and outcomes for the disabled.**

A disability inclusion grant was approved by DFAT in the second half of 2016 following a competitive process. In collaboration with Mercy Corps, OHM and RHTO, the grant is being used to review and trial improvements to current NSA practices to improve accessibility and benefits for people living with a disability, and their families. The activity also aims to harness user-led innovation by people living with a disability and their families in relation to NSA approaches. To date, NSA training has been provided to 74 people with disabilities (36 women and 38 men), as well as to municipal staff from local support services. Follow-on field visits to see home gardens and horticultural practice sites involved 56 of the participants. Further field visits are currently being planned.

- **Women's access to resources is being strengthened.**

The GESIA, along with other studies, highlights that men have preferential access to, utilisation of, and control over resources and services compared to women. Lack of control by women over property, especially land, is one of the most critical issues in agricultural societies, and is integral to their security and livelihoods. The new Land Law enacted by the Timorese Government on the 1st of June 2017 provides the framework for this to be the case, more than any other time in Timor-Leste's history. Under the new legislation it is expected that women will be able to pursue access to agricultural land, and achieve increased rates of land ownership.

Little is documented about the different experiences that women have had in trying to negotiate land use agreements in the past, and how these agreements have played out in practice. Anecdotal evidence suggests that their experiences in negotiating land use agreements, either individually or as a group, have largely been unsuccessful, or at least unsuccessful in terms of gaining multi-year access. TOMAK is responding to this by supporting OHM, with technical support from the Rede Ba Rai network (Timor-Leste Land Network), to document case studies on women's attempts to negotiate land use agreements for agriculture production in Bobonaro; and to use these to influence the quality and security of future agricultural land use agreements for women. Follow-on studies are planned for Baucau and Viqueque, acknowledging that socio-cultural norms and practices vary considerably from area to area.

### 2.3.2. Progress towards outcomes

*Households make more gender-equitable decisions on income, expenditure, food security and nutritional aspirations*

- **A solid understanding of gender and social inclusion issues has been established.**

In-depth GESI analysis has been undertaken over the first year to better understand the role of gender in household and community decision-making, looking at the issues from a socio-cultural, power and behavioural change as well as gender perspective. Conflict and violence issues have been explored given that decision-making around the use of household resources can escalate family conflict leading to violence. The current PGS is evidence that GESI analysis recommendations have been fully incorporated within the Program.

- **In terms of progressing the agency components of the outcome**, TOMAK has explored the challenges faced by women in decision-making and leadership.

It is actively exploring the skills, service, and knowledge gaps experienced by rural women and men across both Components 1 and 2, identifying where there is gender disparity and bias, and ensuring these are addressed in the design and roll-out of program activities. Specific examples of this include ensuring technical skills and awareness training is accompanied by women's empowerment training or mentoring; that specific training on MSD is provided to women's organisations (WOs) that have traditionally been absent from the MSD sector; and men's engagement in nutrition-related decision-making is prioritised in the SBCC strategy.

- **The key strategy for addressing structural challenges faced by women in household decision-making** has been to promote meaningful partnership and collaboration across a broad range of stakeholders.

This is being achieved by promoting women's decision-making and leadership roles, and pursuing gendered approaches to influence policy and practice change of government and institutions. Where further gender analysis has been required to evidence solutions, this has been undertaken. An example of this is the recently initiated assessment of women's experiences in negotiating land access agreements for agriculture purposes.

TOMAK has modelled organisational good practice in this area. In the last 12 months, WOs have received eight grants that will contribute to outcomes under both components of the program. That TOMAK has been able to do this has showed clearly to others in the sector that WOs are and can increasingly be involved in leadership and decision-making roles.

- **TOMAK has also fostered an enabling environment for collective action between WOs and more mainstream actors** by bringing them together in initiatives such as the Women's Empowerment, Nutrition and Market System Conference held in March (see Snapshot 2 on the following page); and municipal gender training sessions.

The convergence of these two groups is already demonstrating that sectoral and gender outcomes are more likely to be successful and sustainable when they are integrated and stakeholders work together. The next step will be to deepen these partnerships, maximising their collective resources and influence to accelerate change.

## Snapshot 2: Rede Feto

Rede Feto is a national network of women's organisations and a key voice advocating for women's rights, representation, and needs at the national level. In March 2017, TOMAK supported Rede Feto to organise a national conference on women's empowerment, nutrition and market systems. The conference allowed key organisations to come together, improve their collaboration and networks, and build knowledge and awareness of food security, nutrition, agriculture and market development. The conference resulted in a range of recommendations that Rede Feto is now pursuing with support from TOMAK.



Dinorah Granadeiro is the Executive Director of Rede Feto and is optimistic about the work being undertaken with TOMAK. "We are very proud to work with TOMAK. TOMAK has given us not just financial support but the support of its experts, so that we can improve Rede Feto's work in the agricultural sector. Some of Rede Feto's members work directly with communities in this sector but they face issues that require technical support and greater understanding. With TOMAK's support we are helping increase the capacity of women's organisations to respond to the needs of women farmers and explaining to them how they can improve their work."

A key concern for Rede Feto is promoting the sustainable development of its members, particularly organisations representing women producers. "We try to educate communities not to become dependent on donors, particularly women's groups," says Dinorah. "In our work, we never facilitate these groups by just giving them money. We bring groups together so that they can talk to each other, share experiences, and look for ways to gain market access. These groups have existed for a long time and we don't want to encourage dependency."

TOMAK is now providing Rede Feto with follow-on support to facilitate field exchanges between women producer groups, encourage greater networking and collaboration, and develop short and long-term advocacy and engagement strategies. This ongoing cooperation is helping foster a strong relationship with Rede Feto, and building enthusiasm among women's organisations and producer groups.

"Although we have only been working together a short time, we want these activities to continue," explains Dinorah. "The women's groups we are working with feel very happy with the support they are receiving from us. They feel that local and international organisations are interested in their work and they are not working alone. The groups have a way forward and they have motivation to improve what they are doing."

- **The relational aspects of achieving the change required to ensure more gender-equitable household decision-making will probably be the most complex and difficult to influence.**

Over the last year TOMAK has worked with other development partners and communities to better understand the gender dynamics of household decision-making regarding resource utilisation, and its links to violence and backlash. Evidence has converged on the need for an approach that works with families and builds awareness of the broader factors influencing family and farm decision-making. This includes an understanding

of the consequences of poor decision-making on household relations, food security, nutrition and household incomes. TOMAK's approach in this area is to build a platform of like-minded partners who want to collaborate on the development and trialling of a suitable approach. Currently, eight partners have indicated interested in participating, including the Asia Foundation (TAF), Alola, CRS, World Vision, Pradet, FOKUPERS, Mercy Corps and OHM. The groundwork has been laid to develop a family/farm decision-making model over the next 6 months, which will then be rolled out on a trial basis through the Lead NGOs.

## **2.4. Sustainability**

While it is far too early to present clear evidence regarding sustainability, the approaches being systematically implemented by TOMAK demonstrate a drive to ensure sustainable outcomes. Above all else, this involves working with and through local actors that have relevant mandates; wherever possible embedding delivery in the private sector; and consistently layering and sequencing with prior development efforts. Key elements of the approach already being implemented are further summarised below.

### **2.4.1. Food security and nutrition**

- Selection of Lead Partners, in consortium with a wide range of local NGOs and existing civil society groups, for the delivery of Component 1 activities at community level. This is designed to build on their past and current programs, partnerships with local organisations, and existing relationships with communities.
- Ensuring that Lead Partners work with MAF and MoH health staff at local level, and include a strong capacity development component in their programming.
- At community level, engaging with existing civil society groups, including mother support groups, family nutrition groups, savings and loans groups, farmers groups, etc.
- Strengthening market-based supply of NSA inputs (e.g. seed, grain storage silos).
- Recognising MoH's mandate in relation to nutrition-related messaging.
- Augmenting previous SBCC efforts, rather than 'reinventing the wheel'.
- Wherever possible, partnering with private sector media channels, encouraging them to realise the economic opportunity available to them through programming that tackles malnutrition.
- Identifying and using community 'influencers', including local leaders, religious bodies and family members, to support SBCC efforts.

### **2.4.2. Market system development**

- Adoption of a systemic market systems development approach in the analysis, planning and implementation of economic development activities.
- Careful analysis of target products/ value chains to ensure that those selected have best potential for success – technically, economically and socially.
- Working with and through MAF's Agricultural Extensionists for delivery of extension support to farmers, including a strong capacity development component.
- Working with and through IADE to deliver basic business management training to farmers, including a strong capacity development component.
- Identifying and working with private sector partners to help strengthen market linkages (in process).

### **2.4.3. Gender and social inclusion**

- Strong engagement with mandated women's organisations at the national and municipal level to ensure their voice is heard more clearly and that activities are therefore more in line with their core needs and are therefore more likely to be sustained.
- Systematically mainstreaming gender across the TOMAK team, partners, programming and MRM, increasing the likelihood that activities implemented are aligned with the core needs of women.

The emphasis on changing key behaviours through focussed SBCC is a critical element of the overall sustainability strategy that cuts across all areas of the program.

## 3. Learning and Adaptation

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### 3.1. Lessons learned

The first year of the program has witnessed considerable internal learning. The most important lessons and challenges are noted below. These learnings have been particularly valuable for providing focus to what was a relatively broad and general program design document, and have already been largely incorporated into the scope of the PGS and the current Annual Workplan.

#### 3.1.1. Food security and nutrition

- **Coordination and harmonisation of SBCC nutrition messaging is suboptimal.**

There is a wide range of players operating in the SBCC messaging space, including MoH, multilaterals, bi-lateral programs and NGOs. Although MoH's Department of Health Promotion has a clear mandate to oversight these activities, its capacity to do this is limited. TOMAK will work with and through MoH to help reinforce their important role in this area. It will also systematically review SBCC approaches and materials that are already available and being used by other actors, and work to utilise (and as necessary improve) these as far as possible, rather than duplicate prior development efforts.

- **Integration and coordination among front-line extension workers is limited.**

There is limited coordination between front-line extension workers involved in efforts to address food security and nutrition (FS&N) issues. In particular, there is no platform at suku level for bringing front-line extension workers together. TOMAK will aim to promote a more coordinated approach by jointly involving both MAF and MoH frontline extension workers in the FS&N activities it supports at community level.

- **Understanding of the basic concepts of NSA is limited, even among NGO field staff.**

TOMAK is addressing this by producing a clear and simple NSA Manual for the Timor-Leste context. Training will then be provided, on an on-going basis, for staff involved in field delivery (including government and non-government partners).

- **The use of television and social media to reach the rural community with nutrition messaging shows potential.**

The Information Consumption Survey indicated that TV and social media (particularly Facebook) are the most common and preferred media channels in target communities. TOMAK will explore the effective use of these media in disseminating key nutrition messages in its information campaigns.

- **The NSA and SBCC development space is crowded.**

The NSA and SBCC development space is crowded, with many organisations (particularly NGOs) already operating in this area, and with a wide range of approaches and activities. TOMAK has undertaken a comprehensive mapping of these programs. Where other organisations are already working on the ground in TOMAK's target areas, TOMAK will seek to partner with them rather than creating parallel programs of work. Selecting 'Lead Partners' for each municipality has been an important element of this strategy, designed to build on their past and current programs, partnerships with local NGOs and other organisations, and relationships with communities.

- **The efficacy of some NSA and SBCC activities previously supported is unclear.**

TOMAK is responding to this by establishing clear results chains and associated MRM procedures for various interventions supported through the Lead Partners, with the clear intention of shifting resources over time to those activities that are able to demonstrate best results. This internal 'learning' based on rigorous MRM will be further supported by operation of the TOMAK Learning and Development Platform (see section 3.2.2).

### 3.1.2. Market system development

- **The progressive three-step ‘funnel approach’ adopted for defining potential value chains has allowed for a thorough examination of opportunities and constraints at all levels of the market system.**

The approach has enabled more rigorous analysis, narrowing the number of potential value chains/market systems to those that meet the key selection criteria outlined in the Investment Design Document (IDD) regarding market potential, production volumes and the feasibility of the program to initiate lasting change.

- **Involving local NGOs in the market system assessment has been particularly productive.**

It has accelerated the process of identifying relevant respondents and helped interpret findings, particularly on women's access and agency. Integrating gender into the assessment with the assistance of NGOs with local expertise has helped TOMAK to understand the roles and functions of women and men in the market system and has contributed to ensuring gender-sensitive interventions designs. This approach will be repeated as additional value chains are assessed.

- **There are few significant market opportunities for local agricultural products.**

The assessments conducted to date have confirmed that there are no magic bullets. High production costs, amplified by the strength of the USD and the subsistence nature of the agriculture sector, pose significant constraints on competing with cheap imports and/or developing export markets. Domestic markets are also small in volume. It will require concerted and coordinated efforts and a long-term commitment to shift subsistence farmers into commercial farming. Going forwards, TOMAK will need to be constantly vigilant as to emerging opportunities, which are likely to be small and incremental in nature, and be prepared to adjust its portfolio (including discontinuing non-performing activities) on an ongoing basis.

- **There is emerging uncertainty around the potential market for mung beans.**

The aggregator study (just completed) confirms that market prices are lower than many farmers are prepared to accept. TOMAK will closely monitor the result of the mung bean demplots and the market response, then make a decision on whether further investment in this value chain is warranted.

- **The pool of potential private sector partners for strengthening farmer's links to market is highly constrained.**

Most of the larger (usually Dili-based) operators are already recipients of donor assistance, often through multiple channels. TOMAK will need to be mindful not to become yet another source of free funds. With these larger operators, it will collaborate wherever possible with existing development initiatives, such as the partnerships supported by MDF. At local level, there are slightly more potential partners, but they tend to be small, highly opportunist, and generally disorganised. How TOMAK can most productively engage with this group is still being considered.

- **The lack of processing facilities in Timor-Leste is a serious constraint to developing market opportunities.**

Particularly for peanut farmers, processing could open the door for markets beyond the domestic market. The USAID Avansa project is piloting a credit scheme for small-scale agribusiness operators that will be followed with interest by TOMAK. If it succeeds in fostering agri-entrepreneurs, TOMAK will consider developing a similar mechanism.

- **Lack of basic market understanding among farmers jeopardises their engagement with potential buyers.**

Farmers feel cheated by buyers and supermarkets as they see high retail prices but fail to understand the costs incurred by the buyers and others in the supply chain. The farm business management training currently under development is designed to provide farmers with a better understanding of the realities of all actors in

the market system. TOMAK will also (at least initially) be actively involved in facilitating agreements between farmers and buyers.

- **MAF's Agricultural Extensionists are motivated and want to 'make a difference', despite a serious lack of relevant technical skills, materials and operational support.**

Present in almost all suku, they offer an important resource for TOMAK to connect with farmers. TOMAK will maintain a sharp focus on working through the AEs, in the process developing their capacity to provide extension advice to farmers.

- **TOMAK needs to carefully identify 'lead' farmers for implementation of field activities.**

While many farmers are eager for new information and technology, not all are ready to engage in commercial farming. Already, after just a few months of demplot implementation, the farmers involved show marked differences in motivation and ability. TOMAK needs to focus carefully on developing a primary relationship with more advanced farmers that are 'market-ready', that others can then emulate.

- **Although farmers are keen to learn, they are not easily convinced that new practices are better than traditional practices.**

Methods adopted for introducing new practices and technologies need to be carefully designed to be as practical as possible, and to minimise the risk for farmers involved.

### 3.1.3. Gender and social inclusion

- **Fully incorporating GESI from the beginning of the Program has been highly productive.**

It has ensured that gender equality, WEE and social inclusion are systematically incorporated into the ongoing development of program approaches, activities and partnerships. The benefits of this are also helping to support development of an office culture that is supportive of gender equality. It is anticipated in turn this will influence the development of similar cultures in the municipal offices.

- **Engaging local women's and disability organisations from the outset has contributed greatly to the quality and the depth of analysis possible.**

This has been productive both in terms of engaging them in Program activities, and also widening their relationships with other agriculture and market actors including MAF, traders, INGOs and IADE.

- **Although women's organisation are keen to collaborate with agriculture, nutrition and market sectors to promote change they are already stretched.**

Women leaders are generally few in number, and are particularly stretched. The demands placed on them to talk and attend meetings to represent women across a wide variety of issues is far greater than originally anticipated. Much of the representation, advocacy and policy work is carried out by WOs without financial support. This needs to be taken into account when making additional demands on their time. A much wider and more diverse pool of women leaders and male champions is required at all levels. TOMAK will contribute to this by identifying and mentoring potential change-makers across the Program as it evolves. Targeting women with opportunities to lead and build their confidence to raise gender issues publicly will remain a priority.

- **There is little if any information flowing from MAF to WOs to promote collaboration and improve broader practice.**

Key WOs and producer groups would like to coordinate better with MAF and receive additional targeted support to promote the role of women. However, there are few clear pathways for WOs and leaders to achieve this. Little information is provided by MAF on how its budget allocations for women and youth groups are managed – even to the MAF Gender Focal Point group and SEM, which are nominally responsible for monitoring these allocations. Various other GoTL agencies appear to have far more functional multi-stakeholder steering committees for managing allocations to communities and civil society, and are achieving better gender outcomes as a result. TOMAK is addressing this by strengthening linkages between MAF and WOs, and by supporting Rede Feto to develop a strategy to engage more strategically with MAF.

- **Embedding TOMAK's gender specialists into the market development and nutrition team activities has provided opportunities to tailor the gender equality and WEE support required for each activity.**

Through this approach, the gender specialists are not seen as only policing gender, which some staff reported was their experience of gender specialists in the past. Ongoing and practical discussion within the team is essentially de-mystifying how to implement effective programming towards promoting gender-related outcomes.

### 3.1.4. Other lessons

- **The Program will need to actively manage scope-creep.**

The original design of TOMAK was deliberately broad, general and enabling. The down-side of this is the risk that technical scope expands to the point where available resources become excessively dissipated, and impact is jeopardised. The potential for scope-creep will need to be actively managed going forwards, maintaining a sharp focus on engaging only in activities that are central to the design, and likely to have the greatest impact.

- **There is a degree of tension in the design between Components 1 and 2 that will need to be carefully managed.**

The overlap between activities under Outcome 1 (improved FS&N) and Outcome 2 (economic development) is far from complete, not least due to the fact that activities under each outcome are aimed at significantly different target groups. Wherever possible, TOMAK will preferentially choose market system and value chains that have a direct relationship to Outcome 1, but this will not always be possible. For value chains that are selected on the basis of their economic merits but do not have direct nutritional benefits, TOMAK will promote the application of increased household incomes to the purchase of nutritious foods through SBCC activities.

- **Component 1 and 2 activities will not always be implemented in the same suku.**

The FS&N activities of Component 1 will be implemented in all 66 target suku. However, the economic development activities of Component 2 will need to be implemented more selectively, in line with where the best economic development opportunities lie in terms of alignment with selected market systems, land resources, current farming practices, market linkages, and desire/ capacity of communities to be involved.

- **The Municipal Administrations are likely to become increasingly important partners for TOMAK.**

While the decentralisation agenda remains a work-in-progress, it is clear that the Municipal Administrations are already exercising a far stronger coordination role across the municipal technical services (including agriculture and health) than before. TOMAK has responded to this by developing Technical Cooperation Agreements with the Municipalities<sup>22</sup>, and making sure that they are regularly consulted on program activities.

## 3.2. Processes being established to drive learning and adaptation

Given TOMAK's broad and enabling design framework, coupled with delivery through a relatively wide range of partners, robust MRM processes that are able to drive learning and adaption are a critical element of the Program's architecture. There are two key components to the overall system: (i) TOMAK's overarching MRM system; and (ii) the broader cross-program 'Learning and Development' Platform (L&DP). The Program is well-advanced in establishing this capacity, as summarised below.

### 3.2.1. TOMAK's MRM system

Core elements of TOMAK's MRM system are being systematically established, in close consultation with the M&E House. Completed and current activities include:

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<sup>22</sup> Already in place for Baucau and Bobonaro, in process for Viqueque.

- TOMAK's MRM Framework was finalised in May, following a two-day workshop facilitated by the M&E House that resulted in a refined program Theory of Change and more detailed Theories of Change for each component.
- Support is being provided on an ongoing basis to Lead Partners to ensure consistency and linkage between their activity result chains and M&E Plans, and TOMAK's overarching MRM processes.
- The baseline methodology and tools for Component 2 were developed in May. Baseline data for Component 2 intervention result chains (red onions and mungbean) was collected in May, with the baseline report for these products recently finalised.
- The baseline methodology and tools for Component 1 are currently under development, in close collaboration with Lead Partners. Preparations are underway for data collection in August/September.
- TOMAK's MRM Manual and associated monitoring tools are under development, with a workshop with the TOMAK team scheduled for August to support finalisation and rollout of tools within the team. The system has been developed recognising the important role of monitoring within the program and for the regional teams to learn and improve from practice, supporting periodic assessment of results by the MRM team to assess progress towards outcomes and impact.

### 3.2.2. Learning and Development Platform

The relationship between TOMAK and its Lead Partners is intended to be not just contractual in nature, but to function as a genuine working partnership for engaging with, and serving, local communities. TOMAK's contribution is intended to leverage the resources that Lead Partners are able to bring to the relationship, including approaches, capacity, networks with local partners, as well as supplementary funding streams. TOMAK will not only fund, but seeks to add value to the Lead Partner programs through progressive development of new and improved approaches.

The Learning and Development Platform (L&DP) is designed to provide strategic guidance across the range of NSA and SBCC activities implemented by Lead Partners, promote the transfer of lessons across the program, consolidate this into the identification of research needs, and promote the use of international best practice by all partners.

Given that the efficacy of many of the NSA and SBCC approaches being implemented through TOMAK is still being established, coupled with the geographical, technical and institutional breadth of the program, a mechanism such as the L&DP is regarded as an essential part of 'managing for success'. As such it forms an integral part of TOMAK's MRM efforts.

As a TOMAK consortium partner and a leading INGO in the fields of NSA and SBCC, Mercy Corps has been engaged by TOMAK to establish and operate the L&DP.

Key activities include organisation of regular cross-program field visits; organisation of semi-annual 'best practice' workshops; production of semi-annual 'Key Findings' Reports consolidating the lessons gained from the field-visits and workshops; and periodic production of 'think pieces' highlighting current international research trends and/or best practice related to selected aspects of NSA and SBCC. These activities are due to commence during the second half of 2017.

## 4. Program Management

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TOMAK's strong focus on working with and through the right partners, based on a solid foundation of evidence and ongoing learning, underpins its program management approach as well as technical program activities as described above. This approach has allowed TOMAK to meet its management objectives of delivering an efficient, cost effective and innovative program in 2016-17.

**Strong local program ownership backed by a small, skilled international team has increased traction for TOMAK in target municipalities.** TOMAK is designed to work with and through local networks and partners, supported by a strong local program team. In 2016-17, TOMAK mobilised its core local team of 14 Timorese technical and senior administrative staff. The local team are TOMAK's primary activity and relationship facilitators, backed by a small team of international advisers, a majority of which are fluent Tetun

speakers. As momentum gains over the next six months, national staffing will be further increased to a full complement of 19 Timorese technical and senior administrative staff. This includes additional field staff for the Baucau and Maliana offices, plus staff for a new sub-office in Viqueque.

The successful recruitment of a skilled local team has served to improve:

- TOMAK's time economy in selecting and managing relationships with its partners, contributing to TOMAK's early implementation of field activities and overall program efficiency.
- TOMAK's ability to cement functional relationships with key national and municipal Government counterparts, including securing Technical Cooperation Agreements with two of the three Municipal Administrations<sup>23</sup>.
- TOMAK's operational management capacity with local stakeholders and suppliers.

**TOMAK's Value for Money (VfM) Framework provides clear indicators and approaches** that support TOMAK's MRM System and PGS, and improve the foundation of evidence underpinning program management. This framework is based on the 4E model used by various development and governmental agencies around the world, including DFAT<sup>24</sup>. The 4E framework measures VfM at various levels – economy, efficiency, effectiveness and overall cost effectiveness – that correspond with TOMAK's Theory of Change and DFAT's Aid Quality Criteria:

- Economy is value for money in the conversion of program funds into 'inputs' such as consultant time or overheads.
- Efficiency involves the successful conversion of 'inputs' into 'outputs' e.g. partnerships with MAF to train farmers on growing more nutritious or profitable crops;
- Effectiveness: The successful conversion of 'outputs' into 'outcomes' e.g. adoption of improved cropping practices by farmers following training;
- Cost effectiveness: The successful conversion of 'outcomes' into 'impact' e.g. the effect of improved cropping practices adopted by farmers on income generation, or nutritional status.

**TOMAK's innovative approaches to acquiring and utilising information** continue to promote program efficiency and outreach. The TOMAK website went live in the first half of 2017, and provides a communication platform on all aspects of TOMAK's learnings. TOMAK's technical reports are uploaded as a public resource for partners, and TOMAK regularly updates program information via the website and social media. Utilisation of GIS for presentation of program data will be further developed throughout 2017-18. TOMAK participated in DFAT's two-day 'Australian Aid Showcase' event held in Timor Plaza; and has organised regional launch events in two of the three target municipalities.

**Ongoing learning continues to drive TOMAK program management systems.** At the end of the first year, TOMAK updated all operations, program, and risk management procedures and manuals, incorporating lessons learned over the first 12 months of operations. TOMAK's processes ensure program activities and operations are well developed, cost effective, and comply with DFAT policies. TOMAK aims to be a model program in Timor-Leste and for DFAT's wider development program.

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<sup>23</sup> The third is in process.

<sup>24</sup> <http://dfat.gov.au/aid/who-we-work-with/value-for-money-principles/pages/value-for-money-principles.aspx>

## Appendix 1: Assessment Against AQC Criteria

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### 1. RELEVANCE

TOMAK's development objectives remain highly relevant to Timor-Leste's development needs. Key nutritional indicators for Timor-Leste are extremely low, even by LDC standards, due to constrained availability and diversity of nutritious food. This is exacerbated by generally poor knowledge, attitudes and practices related to nutrition behaviours. Recent evidence indicates that some nutrition indicators may still be worsening. Between 65-75 per cent of households are considered to be subsistence or aspiring commercial in character, with households moving between the two categories as their circumstances vary.

Timor-Leste's economy is currently highly dependent on oil and gas revenues. With revenues from the energy sector projected to decline dramatically in coming years, reliance on the agricultural sector in the overall economy will inevitably increase. Development of the sector faces significant challenges, including extremely low labour and land productivity; lack of competitiveness due to the strength of the USD; poorly developed market linkages; weak private sector capacity; poor infrastructure; limited investment flows into the sector, public and private; and social transfer programs that are proving a significant disincentive to agricultural production. Out-migration of youth is a major problem in many rural areas due to lack of perceived economic opportunities. Women face deeply embedded problems regarding equality and access to opportunities for economic advancement.

TOMAK is well-aligned with DFAT's 2015 Strategic Framework, contributing to two of the Strategy's three objectives, namely: (i) **increased incomes of poor people; and (ii) enhanced food, nutrition and water security**. It incorporates approaches relating to NSA, gender and private sector development as articulated in various DFAT Guidance Notes. TOMAK is also well-aligned with GoTL policies and development priorities, particular the 2011-2030 Strategic Development Plan, which notes that a thriving agricultural sector is required to reduce poverty, provide food security and promote economic growth.

### 2. EFFECTIVENESS

In line with the IDD, the first year of TOMAK has focussed mainly on research and analysis to inform TOMAK's *Program Guiding Strategy* (PGS). Implementation of field activities commenced in Feb-March 2017, 3-4 months ahead of schedule. A solid foundation has been established for the Program to start producing results against outcomes moving forwards.

Implementation is based on a systems approach, working with and through a broad range of partners, including Government (across various Ministries and administrative levels), NGOs, CSOs and the private sector. Huge effort has been placed over the first year on laying the foundation for productive working relationships with prospective partners. This has already resulted in a wide range of working partnerships with both government and non-government agencies.

Under Component 1 (FSN)<sup>25</sup>, key nutrition gaps and range of possible supply-side NSA activities have been identified; key SBCC-related behavioural themes have been identified; a more detailed SBCC strategy is under preparation, identifying specific behaviours that will be promoted and how; Lead Partners to manage the delivery of Component 1 activities at community-level have been engaged and activity designs completed; and an NSA Operational Guide has been developed and associated Training-of-Trainers undertaken.

Under Component 2 (MSD)<sup>26</sup>, initial target value chains and market systems have been identified; GAP manuals have been developed for five crops; demplots and associated FFDs have been established for mung beans and onions (and are being planned for red rice and peanuts); a training program on farm business

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<sup>25</sup> Refer to Section 2.1 of the Main Report for more detail.

<sup>26</sup> Refer to Section 2.2 of the Main Report for more detail.

management skills has been prepared; potential private sector partners have been identified, and discussion initiated on how they might be supported to better link farmers with markets; and an agricultural entrepreneurship survey is underway to inform the SBCC strategy related to the profit-seeking behaviour of farmers.

A similarly solid foundation has been laid in relation to GESI<sup>27</sup>, encompassing analysis, relationship-building, capacity development, and partnership.

### **3. SUSTAINABILITY**

TOMAK's approach is designed to maximise the sustainability of outcomes. It emphasises working with and through local actors that have relevant mandates; building capacity; wherever possible embedding delivery in the private sector; and layering and sequencing with prior development efforts.

Component 1 (FSN) is being delivered through Lead Partners, in consortium with local NGOs. This approach is designed to build on past programs, partnerships with local organisations, and relationships with communities. Lead Partners are working with MAF and MoH staff at local level. Capacity-building is being incorporated into support arrangements wherever necessary. At community level, emphasis is placed on working with and through local leaders, formal and informal, and existing CSOs. Support is being provided to strengthen market-based supply of NSA inputs (e.g. seed, grain storage silos). Innovative approaches of partnering with private sector media channels are being investigated, encouraging them to realise the potential economic advantage of supporting nutrition-related programming.

Component 2 (MSD) is based on a market system development approach that extends across the analysis, planning and implementation of proposed interventions. This is backed by careful analysis of value chains to maximise the chance that those targeted have best potential for success. The program is working with and through MAF's AEs for delivery of extension support to farmers, including a strong capacity development component. Private sector partners are being identified to help strengthen market linkages.

In relation to GESI, TOMAK is engaging strongly with mandated women's organisations at national and municipal levels to ensure their voice is strengthened. Gender is being systematically mainstreamed across the TOMAK team, partners, programming and MRM, increasing the likelihood that activities implemented are aligned with the core needs of women.

SBCC, designed to influence key behaviours, is a critical element of the overall sustainability strategy, cutting across all areas of the Program.

### **4. INCLUSION**

Component 2 is targeted primarily to the 75% of households that are subsistence or aspiring commercial in character, and are by definition therefore less food secure, more malnourished, and relatively poor. Various measures are being implemented to ensure that these households participate and benefit to the maximum extent possible, including promoting self-formed, common-interest groups; working with suku officials and other relevant CSOs to identify group members; ensuring activity designs reflect the needs and character of the poor; ensuring activities are implemented in such a way that they are accessible to the majority of group members; promoting group leaders that are representative of the group, and investing in the development of these leaders. In relation to disability inclusion, TOMAK is reviewing and trialling improvements to current NSA practices to improve accessibility and benefits for people living with a disability. The activity also aims to harness user-led innovation in relation to NSA approaches by people living with a disability. NSA training has already been provided to 74 people with disabilities (36 women and 38 men), as well as to municipal staff from local support services. Follow-on field visits to see home gardens and horticultural practice sites involved 56 of the participants. TOMAK is partnering with the Timor-Leste Disability Association (RHTO) in this work.

### **5. GENDER EQUALITY**

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<sup>27</sup> Refer to section 5 of this Appendix, and Section 2.3 of the Main Report for more detail.

A comprehensive Gender Equality and Social Inclusion Analysis (GESIA) has been prepared, and is fully reflected in the PGS. Gender is being systematically incorporated into the design and implementation of activities as implementation proceeds.

Gender-related skills have been assessed across TOMAK staff and six partner organisations. A follow-on three-day gender training course has been run twice, involving 43 people (21 women and 22 men). Participants recorded highly satisfactory levels of improvement in gender awareness, skills and motivation post-training.

At the policy and strategic levels, there are strong emerging relationships with SEM, UNWOMEN, MAF Gender Focal Point groups (GFPs), Rede Feto (the Timor-Leste Women's Network), RHTO; as well as with other Australian programs. Implementation partners are also being systematically identified and engaged. To date eight organisations involved in promoting women's rights have been directly funded to undertake various GESI-related activities.

A particularly strong partnership has been established with Rede Feto and OHM, and an emerging relationship with SEM and the Municipal Women's Associations. In March 2017, TOMAK supported Rede Feto and SEM to undertake a Women's Empowerment, Nutrition and Market System Conference. The conference was attended by 161 people (110 women and 51 men), including 25 rural agriculture producer groups. The conference resulted in a range of recommendations, two of which have been prioritised for action by Rede Feto with further support from TOMAK over the next 6-months.

Training has been provided to MAF's GFPs from within two key directorates, after the broader GFP group within MAF identified that few directorates had set any specific gender targets in their annual plans.

Women's representation in decision-making is being promoted at policy and institutional levels. One recent example is the final consultations on MAF's Gender Equality Policy. Increased representation of women in training opportunities and within steering committees for TOMAK activities is also being promoted. Examples include the demplots established under Component 2, the MAF extension capacity assessment, and the SBCC strategy design process.

Support is being provided to OHM and the Rede Ba Rai network (Timor-Leste Land Network) to document case studies on women's attempts to negotiate land use agreements for agriculture production; and to use these to influence the quality and security of future agricultural land use agreements for women.

## **6. EFFICIENCY, ECONOMY AND COST EFFECTIVENESS**

TOMAK's Aid Quality Check efficiency targets are that activities and outputs are delivered on time and cost effectively, and predicted budgets compare well with expenditure.

In 2016-17, expenditure met 100% of the 13-month budget prediction (June 2016-June 2017) amounting to AUD4.098 million. Program activities and outputs were delivered on time or ahead of schedule, with field activities commencing 3-4 months earlier than anticipated in the IDD.

TOMAK's economy indicators under its VfM Framework include: (i) average consultant rates (total consultant fees ÷ total consultant days), with a target average not exceeding the market reference point for ARF B3 (AUD773/day); and (ii) overheads<sup>28</sup> to total spend ratio, with a target that overheads will be 13% or less of the total program spend. In 2016-17, TOMAK's average consultant rates were well under the target at AUD\$690 per day. TOMAK overheads in year one were higher than target at 15% of annual expenditure, reflecting the higher start-up operational costs which included establishing three offices, but are forecast at 10% of year two expenditure and still on track to match the target over the five-year program.

## **7. M&E**

It is too soon to assess the extent to which TOMAK is generating credible MRM information, as core elements of the system are still being established. The MRM Framework was finalised in May, following a two-day

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<sup>28</sup> Overheads consist of TOMAK operational costs (e.g. office rent, equipment, and running costs; vehicle costs; and administrative staff costs).

workshop facilitated by the M&E House, resulting in a refined ToC. Support is being provided on an ongoing basis to Lead Partners to ensure consistency between their activity result chains and M&E Plans, and TOMAK's overarching MRM processes. The baseline methodology and tools for Component 2 have been developed, and baseline data for initial intervention result chains collected and reported. The baseline methodology and tools for Component 1 are under development, in close collaboration with Lead Partners, with data collection scheduled for August/September. The Program's MRM Manual and associated monitoring tools are nearing completion, with a Team workshop scheduled for August to support finalisation and rollout of tools. Within the Team, a culture that recognises the need for internal learning and progressive refinement is already well-established. 'Lessons' and future directions are routinely discussed.

Complementing TOMAK's internal MRM processes, a 'Learning and Development Platform' is being established to provide strategic guidance across the range of NSA and SBCC activities being implemented by Lead Partners, promote the transfer of lessons, help identify research needs, and promote the use of international best practice. As a TOMAK consortium partner and a leading INGO in the fields of NSA and SBCC, Mercy Corps has been engaged to establish and operate the L&DP. Key activities, due to commence later in 2017, include organisation of regular cross-program field visits; organisation of semi-annual 'best practice' workshops; production of semi-annual 'Key Findings' reports based on the field-visits and workshops; and periodic production of 'think pieces' highlighting current international best practice.

## **8. INNOVATION AND PRIVATE SECTOR**

In line with the market systems development approach, TOMAK has engaged strongly with the private sector during the research carried out over the last year to identify initial target value chains and market systems. This has included extensive discussions with market system actors at all levels (producers, traders, processors, retailers, input suppliers etc), across a wide range of products. The program has also recently completed interviews with aggregators in the target municipalities to better understand how it can further build their capacity.

Moving forwards, TOMAK will work to strengthen linkages between farmers and markets. To this end, discussions with potential buyers have been initiated and are likely to result in initial business development partnerships during 2017. TOMAK is coordinating with MDF in this area, seeking opportunities to leverage their existing partnerships with Acelda (red rice), Kmanek (onions in Bobonaro) and NPM Industries. Other private sector partners that have been approached by TOMAK include 99<sup>th</sup> Monkey (peanuts), Olam, Leader Supermarket, TimOrganic and Timor Global. An MoU has been established with MDF, providing agreement on how the two programs will collaborate, covering the types of PS partnerships they will each support, and the sharing of information and resources.

Targeted business development support is being provided to Organizasaun Haburas Moris (OHM) a Maliana-based women's NGO that is restructuring into a foundation and a social business. Currently, OHM is an aggregator of local products (mainly red rice and peanut butter) but lacks necessary business management skills. TOMAK has matched OHM with a business support adviser. This has resulted in separation of its retail accounting and organisational accounting, and strengthening of its business model to reduce risk to the organisation and its suppliers.

## **9. CLIMATE CHANGE**

While not directly tagged as a climate change initiative, TOMAK is endeavouring to ensure that the activities it supports make rural communities more resilient to climate change impacts. In Timor-Leste, these impacts are resulting in a climate that is drier (on average 19% reduction in rainfall over the past 50 years) and hotter (increase in max temps of 1.8 degrees over the same period); with an associated increased incidence of crop failure, sometimes severe. Under Component 2 (FSN), TOMAK is promoting improved production practices for maize and legumes using conservation agriculture (CA) approaches, which emphasise minimum or zero tillage, maximum retention of organic matter, inter-cropping, and direct seeding using improved varieties. CA practices have been extensively trialled in Timor-Leste in recent years with proven yield advantages of better than 50% in many locations. Establishment of home gardens is also being promoted, increasing the intensive production of vegetables year-round using only waste grey water. Promotion of improved storage systems for grain and seed, and improved techniques of food preservation and processing at household level, also go some way towards mitigating the impacts of climate change.

During the last 50 years there has been an average decrease in rainfall of 19%, an increase in maximum temperature of 1.8°C and an increase in minimum temperature of 0.5°C. The reduced rainfall is likely the greatest challenge, however increased temperature may impact fertilisation of flowers and speed plant development potentially leading to reduced yields for crops in good soil.

## Appendix 2: Activity Implementation Summary

MONITORING & RESULTS MEASUREMENT						
Ref	Date	Description	Status	Participants		
				Male	Female	Total
1	1/3/2017	MRM Concept Note developed outlining general principles and approach to MRM prepared for DFAT and the MRG comment; also shared with M&E House.	Completed			
2	1/3/2017	2-day workshop with M&E House to review ToC, resulting in the development of more detailed component-specific Theories of Change to underpin the development of the MRM Framework and Plan	Completed	6	8	14
3	1/3/2017	Recruitment of casual enumerator pool completed	Completed			
4	1/3/2017	Baseline methodology and tools for Component 2 drafted, tools tested and data collection completed	Completed			
5	1/5/2017	MRM Framework and Plan finalised, incorporating TOMAK team, M&E House and MRG feedback	Completed			
6	1/6/2017	Baseline for Component 2 (red onions and mung bean) reported	Completed	80	79	159
7	1/6/2017	Baseline methodology and tools for Component 1 (draft) completed. Feedback incorporated from Mercy Corps, CRS and World Vision TL. Pending feedback from Gender and SI Adviser. Tools loaded online for deployment. Enumerators selected and contracted, training for enumerators designed. Coordination of data collection commenced with partners and Regional offices, collection scheduled in August.	Ongoing			
8	1/6/2017	Coordination and feedback of partner MRM results chains and plans to align with TOMAK ToC	Ongoing			
9	1/6/2017	MRM Manual and tools (in development)	Ongoing			
10	1/8/2017	Workshop on MRM Manual conducted for TOMAK Team: 11 August to finalise manual for rollout	Planned			

GOVERNANCE			
Ref	Date	Description	Status
1	26-30 Sept 2016	First Monitoring Review Group Mission	Completed
2	27-31 March 2017	Second Monitoring Review Group Mission	Completed
3	19/6/2017	Technical Cooperation Agreement signed with Bobonaro Municipality	Completed
4	18/7/2017	Technical Cooperation Agreement signed with Baucau Municipality	Completed

OTHER: KEY MANAGEMENT & COMMS EVENTS			
Ref	Date	Description	Status
1	1/6/2016	Core team members mobilised to TL	Completed
2	15/8/2017	National TOMAK Office setup and Inception Plan completed	Completed
3	20/9/2016	TOMAK Operations Manual completed	Completed
4	8/2/2017	Program Guiding Strategy endorsed by DFAT	Completed
5	17/2/2017	1st Semi-Annual Progress Report (June-Dec 2016) endorsed by DFAT	Completed
6	21/2/2017	TOMAK Inception Phase technical analyses and reports endorsed by DFAT	Completed
7	8-9 March 2017	Participation in DFAT 'Australian Aid Showcase' at Timor Plaza	Completed
8	9/4/2017	Communications Specialist mobilised (funded from the existing contractual budget allocation), following recommendation from the MRG.	Completed
9	19/6/2017	Official opening of Maliana Office, officiated by Municipal Administrator	Completed
10	23/6/2017	2017-18 Annual Workplan endorsed by DFAT	Completed
11	18/7/2017	Official opening of Baucau Office, officiated by Municipal Administrator	Completed
12	June 2017	Recruitment of replacement International SBCC/ NSA Specialist, following resignation of Berissa Abdellah. Expected appointment by end August.	Ongoing
13	28/8/2017	National NSA Specialist mobilised.	Completed

## Appendix 3: Updated Risk Management Plan

### ASSESSMENT KEY:

Probability (P) – 5: almost certain; 4: likely, 3: possible, 2: unlikely, 1: rare

Impact (I) – 5: severe, 4: major, 3: moderate, 2: minor, 1: negligible

Risk Rating (R) – overall residual risk **after mitigation measures have been applied**: High, Medium, Low

Blue font – original score; red font – revision July 2017.

Risks marked with an asterisk are new risks that have been added during implementation.

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
*Broad scope of the TOMAK design (in terms of both technical focus and geographic coverage) relative to resourcing.	Development effort is dissipated and impact diminished.	Actively manage scope creep and proactively communicate scope to stakeholders. Seek partnering opportunities with other donors and programs wherever possible. Progressively identify activities within the design that are peripheral to the core outcomes, and seek to reduce focus on these.	Project Director, TL, core TA Team, DFAT	3	3	Med
*Continued lack of engagement by MoH	Component 1 SBCC activities are jeopardised	Continue to work with DFAT to establish a Technical Cooperation Agreement with MoH. Continue to establish informal working relationships with relevant divisions of MoH at national level. Work through Municipal Authorities to establish working relationships with Municipal Health Services.	DFAT, TL	3	3	Med
Changed political environment following parliamentary and presidential elections in July 2017.	Possibility of changed senior personnel in key Ministries (especially MAF and MoH) results in loss of continuity and support.	Finalise key operating MoUs as early as possible. Socialise the program at national level and in target municipalities as early as possible. Develop Municipal Liaison Committees (MLCs) and strong working relationships as early as possible.	DFAT Post, TL	3	2	Low
Introduction of an additional large project in a development-fatigued context. Lengthy Inception Phase focussed on research, with the perception of 'reinventing the wheel'.	Negative impact on ability to form relationships and get buy-in. Poor public perception - seen as an inactive project during the research phase i.e. 'all talk no action'. Difficult to establish momentum.	Active early involvement of and consultation with government and delivery partners to support initial research activities. Compress Inception Phase activities from 12 months to 6-9 months. Develop suite of initial field activities in latter stage of Inception Phase. Active and visible coordination to avoid duplication of previous work. Actively disseminate findings throughout the Inception Phase to broad range of stakeholders at municipal and national levels.	TL, DFAT Post	4 3	4 3	High Med

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
Implementation of multiple development activities in the same geographic areas leads to duplication, undermines Municipal government's emerging coordination role, and contributes to aid dependency.	Wasted development resources and effort. Excessive time-demands on target communities for consultation/ planning. Confusion at Municipal and community levels as to who is doing what.	Full engagement with Municipal and community leaders during planning & implementation. Integration with Municipal planning processes as far as possible. Establishment of strong comms/ coordination with other donors, projects and programs. Careful mapping of activities to avoid overlap/undue focus on individual communities. Utilise 'Lead Partner' approach in each Municipality to improve coordination of activities. Build on prior efforts, and fill gaps. Be cognisant that there is a real cost (in terms of time) for communities to engage.	TL, core TA team esp Regional Managers, TOMAK MLCs	3	3	Med
Reliance on partnership with other projects and programs (especially MDF) for critical aspects of delivery.	Project is under-resourced to deliver in the event that productive partnerships fail to develop as designed.	Move early to establish formal MoU's with key partner projects, especially MDF. Establish and maintain regular dialogue at an operational level. Undertake joint assessments, planning of interventions and monitoring. If necessary engage DFAT to help cement/drive collaboration. Develop alternative delivery mechanisms/ channels as a last resort.	Program Director, TL, DFAT Post	3	3	Med
Heavy reliance on local partners (government, NGO, private sector (PS) and CBO) for delivery of field activities, combined with possible limited availability/ capacity of suitable partners.	Ability to work with and impact on target communities is constrained.	Rigorous ongoing mapping of possible delivery partners at different levels. Utilise 'Lead Partner' approach in each Municipality to improve outreach and coordination. Establish a 'partnership framework' that supports communication and understanding of opportunities and processes. Operationalise a dedicated Learning and Development Platform (L&DP) to share lessons learned from partner implementation to further improve delivery across target municipalities. Develop 'ownership' and interest of delivery partners by involving them at all stages (eg planning), not just for delivery. Establish clear partnership agreements. Be prepared to provide capacity development support for potential partners. Provide contracted advisory support to assist with delivery, and mentor emerging partnerships.	TL, Lead NGOs, core TA team	4 3	3 3	High Med
Deconcentration agenda remains a 'work in progress', with highly constrained capacity and unclear planning/ financing mechanisms at Municipal level.	Municipal Governments sub-optimally involved in project implementation processes. Funding for technical service delivery in municipalities declines. Longer-term institutionalisation of TOMAK approaches diminished.	Endeavour to forge strong working relationships with Municipal Administrations regardless of capacity. Support (but don't rely on) their planning/ monitoring systems as far as possible. Work to build ownership at Municipal level. Involve govt agents in delivery to max extent possible (e.g. through MAF and MoH field staff). Identify and work with 'champions' at municipal (and community) levels. Identify and support capacity building opportunities.	TL, core TA team esp Regional Managers, TL	3	2	Low
TOMAK seen by PS as a government project and necessary embedding of market system activities in the PS remains weak.	Reduced or weak PS interest and engagement. Development of market systems weakened.	Comprehensive mapping of the PS in each region. Include PS reps on the MLCs. Involve PS during VC assessments. Active engagement of PS in both Component 1 & 2 activities. Engage IADE to strengthen linkages and support to the PS. Promote successes to the PS.	TL, core TA team esp VC Spec, MLCs	3	2	Low
Limited market opportunities for ag products, and restricted depth	Development of target market systems and economic benefits	Careful advance analysis and selection of target VCs that are 'development ready', with well-defined markets and agribusiness partnering opportunities. Rigorous mapping of possible PS	TL, VC Spec	3	4	High

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
of the PS, constrains market system/economic development opportunities.	at household level is constrained.	development partners at all levels. Tight targeting of key VC development constraints and opportunities for assistance. Strong coordinated collaboration with 'sister' PS development efforts such as MDF, AVANSA and ILO BOSS/IADE. Adoption of realistic development timeframes (5+5 yrs). Take decisive action to exit from market system activities that are not working.		4	4	High
Government and communities are reluctant to become involved without direct financial inducements.	Weak linkage with target communities, with results compromised. Opportunity to institutionalise approaches through government systems diminished.	Integrate as far as possible with Municipal and community planning processes. Locate TOMAK regional offices close to Municipal govt. Develop working relationships that promote local ownership. Clear definition of project vs. Municipal roles and responsibilities. Develop clear early communication with community leaders and communities to manage expectations and discuss community roles/responsibilities. Demonstrate and communicate benefits for communities. Create opportunities for Municipal govt and communities to take credit for success. Identify and support capacity development opportunities. Clear adherence to per diem policies.	TL, core TA team esp Regional Managers	3	3	Med
Insufficient rural households (and particularly youth) see their future in commercial agriculture; farmers reluctant to move from subsistence farming techniques as a key risk aversion strategy, and/or for other reasons are reluctant to engage with TOMAK.	Production/ economic impacts at household level are constrained.	Select communities within target livelihood zones with best development potential. Carry out required analysis to understand the incentive structures that drive rural households. Work to develop economically viable and sustainable market systems, and strategies for improving household nutrition, as a basis for improving rural livelihoods. Work with the market system to improve services for farmers and develop market opportunities. Actively sell the vision of what TOMAK is trying to achieve. Seek out opportunities to engage with youth. Promote success stories. Be mindful of the prevalence of traditional obligations and plan around these. Be mindful of the perverse impact of social protection payments with some parts of the community, and plan around these. Use SBCC as a tool to change attitudes and behaviours.	TL, VC Spec	2 3	3 3	Low Med
Social jealousy fuelled by inherent community-level inequity, injustices, prejudices and power relationships undermines project activities at community level.	Disharmony in target communities. Inability to reach agreement on development plans. Community/household conflict over resource use and access to opportunities. Roll-out of activities at community level jeopardised.	Rigorous advance socio-cultural analysis to understand potential conflict issues. Avoid communities where risk is assessed to be too high. Careful design of activities to address possible social/ cultural issues. Solid pre-engagement with target communities to develop understanding of project vs community roles, responsibilities and contributions, and to develop capacity for conflict resolution. Full engagement throughout with Municipal Leaders, Xefe de Suku, Xefe de Aldeia, and govt extension staff Community-level monitoring as implementation unfolds. Early intervention to address emerging issues as necessary.	TL, VC Spec, Nutrition Spec	3	3	Med
Market system development activities negatively impact on household nutrition through transfer of productive resources to non-food production activities.	Food security and nutritional status of some households may suffer.	All other factors being equal, select market systems that will result in positive nutritional impacts. Where non-food market systems are selected, carefully monitor nutrition-related impacts. Support SBCC to compensate for potential negative impacts by stimulating demand for and purchase of nutritious food.	TL, Nutrition Spec, VC Spec	3	2	Low

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
Insufficient importance given to gender issues by GoTL, PS and target communities.	Desired outcomes in relation to WEE, women's involvement in decision-making, and improved time availability are compromised.	Work with Rede Feto, MAF, KONSANNTIL, MoH, the PS and communities to demonstrate the benefits of gender equality and WEE, including household benefits. Develop and present business cases of women's inclusion to partners. Systematically monitor and expose key decision-makers to good practice.	TL, core TA team esp Gender Spec	3	3	Med
Development activities (especially market system development activities) negatively impact on women's workloads.	Increasing workloads reduces time available for women to undertake caring responsibilities and could impact on family nutrition outcomes.	Do sufficient analysis to understand women's economic and household activities, and existing workloads, before implementation of activities. Conduct research to inform market system selection and careful design of interventions to reduce negative impact on women's workloads, such as introduction of labour saving devices; development of appropriate market linkages (e.g. farm gate sales). Closely monitor workload impacts during implementation.	TL, core TA team esp VC and Gender Spec	2	3	Low
Women's participation and empowerment resulting from TOMAK activities negatively affects household relations due to power/agency shifts between men and women.	Increase in conflict between men and women at community/household levels. Reduction of women's participation in TOMAK activities. Reduction in ability of TOMAK to strengthen WEE.	Adopt a 'Do No Harm' approach. Undertake thorough research before implementing activities to understand household gender relations, including women's access and decision-making authority (agency) and be mindful of traditional household power dynamics. Promote economic benefits for households as a result of women's participation. Plan for slow change, and the need for longer-term interventions promoting gender equality and WEE. Rigorous ongoing monitoring of women's participation during implementation.	TL, Gender Spec	3	3	Med
Cultural obligations disproportionately affect the amount of time communities have to become involved with TOMAK activities and redirects income to support cultural activities.	Reduced availability of and engagement with communities. Community linkages to markets negatively affected due to lack of market focus. Reduced benefits for households from improved income. Farmers not motivated to move to commercial farming.	Develop strong relationships built on regular, open communication with Xefe de Suku, Xefe de Aldeias and communities to understand cultural traditions and incorporate these into planning. Promote responsible management of household finances. Develop basic business management skills. Promote profit-seeking behaviour through BCC. Promote successes.	TL, core TA team	3	3	Med
Climate change adversely impacts current agricultural practices, affecting food security and household incomes.	Declining food production and increased food insecurity. Increased malnutrition. Restricted options for diversification. Increased tendency towards risk-averse approaches.	Careful analysis and selection of market system development opportunities taking into account possible climate change impacts. Focus in areas with better agricultural potential. Coordination with the Australian Centre for International Agricultural Research (ACIAR), FAO and other organisations to ensure results from climate change adaptation R&D are incorporated into activity designs.	TL, VC Spec, Regional Managers	3	3	Med
Market system development activities lead to negative	Resource degradation. Long-term environmental and	Consider environmental impacts for all significant production-related activities. Undertake more rigorous Environmental Impact Assessment for activities assessed to be moderate or	TL, VC Spec	2	2	Low

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
environmental impacts	financial sustainability diminished.	higher risk. Reject activities with significant residual risk. Actively monitor environmental outcomes.				
Location of the TOMAK NPO within MAF creates a perception/expectation the program will be working primarily through MAF, rather than with a much broader range of partners.	Ability to establish relationships with non-MAF partners hindered. Pressure from MAF for program resources. Delivery model involving PS and NGOs as well as Govt compromised.	Compose MLCs so that TOMAK's broader focus is clear. Actively sell the multi-partner benefits of the program to MAF. Establish clear independent mechanisms for identifying and approving activities. Hold meetings off-site where appropriate. Use DFAT to reinforce the independence of TOMAK if necessary.	TL, DFAT, core TA team	3 3	4 3	High Med
TOMAK is regarded as a continuation of Seeds of Life, rather than a significantly different and broader program. Accentuated by continued close association with MAF.	Difficult to gain traction on broader VC development activities of Outcome 2, and especially on nutrition enhancement activities of Outcome 1.	Compose MLCs so that TOMAK's broader focus is very clear. Aim for early and pro-active engagement to socialise the scope of TOMAK ( <i>especially</i> with MAF and MoH, at all levels from Minister down). Hold key meetings with non-MAF stakeholders on neutral territory.	DFAT Post, TL, core TA team	3	2	Low
Geographical separation of project operating units (i.e. split between national and regional levels) leads to isolation and a 'siloed' approach.	'Team' approach compromised. Limited transfer of lessons and experiences between municipalities. Fragmentation of approach. Staff isolation and discontent.	Clear delegation of responsibilities between national and regional offices. Clear workplans established. Development of a culture of open communication, backed with a practical, clear Comms Strategy and strong leadership. Well-resourced comms infrastructure, especially at regional level (use of email/dropbox, WhatsApp/etc). Regular Team meetings involving all staff in Dili. Regular visits by Dili staff to the field and <i>vice versa</i> . Mentoring relationships well-defined and developed (e.g. int'l LTA to national LTA, national LTA to regional managers, regional managers to project officers). Structured orientation events. Structured staff training events.	TL, core TA team, Project Manager	2 3	2 3	Low Med
Turnover of project staff, especially national staff.	Failure to develop a stable and cohesive 'team'. Disrupted implementation. Suboptimal performance.	Rigorous selection of candidates. Strong leadership. Create a team culture that recognises and rewards effort and internal learning. Create a nurturing and supportive working environment. Provide professional dev support. Adoption of a zero tolerance policy to harassment and bullying. Ensure remuneration/ conditions are competitive.	TL, Project Manager	2	2	Low
Adam Smith International (ASI) and Mercy Corps fail to develop an effective, collaborative working relationship.	The potential value-add from having Mercy Corps involved as an experienced locally-based partner is not fully realised.	Development of a comprehensive operational MoU that clearly sets out relative roles and responsibilities (already established). Full involvement of the Mercy Corps Country Director in high-level Management meetings and planning/review processes. Contracting of the 2 NSA/SBCC LTA positions through Mercy Corps. Ongoing leadership role of MC through the management of the L&DP. Routine informal comms between the TL and Mercy Corps Country Director.	Project Director, Mercy Corps Country Director, TL	2	3	Low
Misuse of project assets/funds.	Integrity of management arrangements and processes is compromised. Confidence	Implementation of iron-clad administrative and audit systems. Comprehensive training for all staff on policies and procedures. Adoption of a zero tolerance policy to fraud and corruption.	Project Director, Project Manager, Ops & Finance	1	3	Low

Risk	Impact	Mitigation	Responsibility	Score		
				P	I	R
	between implementing partners undermined. Reputations compromised. Contract penalties. Possible cancellation of project.		Mngr, TL			

## Appendix 4: PAF Reporting

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This Appendix will include a table reporting results against agreed PAF indicators, once the PAF for Timor-Leste has been finalised by M&E House and DFAT.

Discussion on which indicators would be relevant to TOMAK is ongoing.

## Appendix 5: Program Expenditure Report

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	Q1		Q2	Q3	Q4	
	Jun-16	Jul-Sept 16	Oct - Dec 16	Jan - Mar 17	Apr - Jun 17	TOTAL
LTA Costs (ARF)	59,698.10	192,219.79	209,105.89	214,583.24	249,901.98	<b>925,509.00</b>
STA Costs (ARF)		-	-	4,676.00	35,404.00	<b>40,080.00</b>
LT Personnel Costs		45,094.34	82,957.51	86,305.36	105,277.61	<b>319,634.82</b>
ST Personnel Costs		-	-	-	-	-
Adviser Support Costs	2,137.42	93,794.94	75,240.36	51,836.62	117,852.62	<b>340,861.96</b>
Operational Costs	17,443.14	170,413.38	57,980.80	88,657.49	180,629.35	<b>515,124.16</b>
Program costs		121,797.67	322,825.02	158,310.01	750,418.28	<b>1,353,350.98</b>
<b>TOTAL</b>	<b>79,278.66</b>	<b>623,320.12</b>	<b>748,109.58</b>	<b>604,368.72</b>	<b>1,439,483.84</b>	<b>3,494,560.92</b>



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