



**Australian Government**  
**Aid Program**



**YEP**  
**YOUTH EMPLOYMENT PROMOTION PROGRAMME**

**PROGRESS REPORT**  
**October 2009 - March 2010**

## ABBREVIATIONS AND ACRONYMS

CCITL	Chamber of Commerce and Industry of Timor-Leste
CDE	“Centro de Desenvolvimento Empresarial” (Business Development Centre)
CEOP	Employment and Career Guidance Centre
DNAFOP	National Directorate of Vocational Training (SEFOPE)
DNE	National Directorate of Employment (SEFOPE)
EVTF	Employment and Vocational Training Fund
FEFOP	Fundo de Emprego e Formação Profissional (EVTF)
GEMS	Gender Mainstreaming Strategy
GYBI	Generate Your Business Idea training programme
IADE	Institute for Business Support
ILO	International Labour Organization
INAP	National Institute of Public Administration
IYB	Improve Your Business training programme
INDMO	National Labour Force Development Institute
KAB	Know About Business training programme
LED	Local Economic Development
LMI	Labour Market Information
MFIs	Micro-Finance Institutions
MOU	Memorandum of Understanding
MTE	Mid-Term Evaluation
NSD	National Statistics Directorate, under the Ministry of Finance
OJT	On-the-Job Training
PAE	Self-Employment Promotion programmes supported by FEFOP
SC	Strategic Component
SEFOPE	Secretariat of State for Vocational Training and Employment
SEPI	Secretariat of State for the Promotion of Equality
SIMU	SEFOPE Computerised Labour Market Information System
SPWG	Solar Power Working Group
STEC	Short Term Employment Creation Department of SEFOPE
SYB	Start Your Business training programme
TOT	Training of Trainers
TP	Training Provider
TVET	Technical Vocational Education and Training
VT	Vocational Training

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## 1. INTRODUCTION

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The Youth Employment Promotion Programme (YEP) has an overall budget of US\$ 18,023,735 with US\$10,000,000 being funded by the Secretary of State for Vocational Training and Employment (To be part of the Youth Employment Fund), and US\$8,023,735, inclusive of budget for Component 5, funded by the Commonwealth of Australia, represented by the Australian Agency for International Development (AusAID).

The YEP was designed to assist the Secretary of State for Vocational Training and Employment (SEFOPE) in the preparation and implementation of tools and programmes in the areas of training, entrepreneurship development and labour intensive-works to facilitate the productive access of young women and men to the labour market.

To address the obstacles experienced by youth in accessing and benefiting from labour market-driven training and employment opportunities, the YEP Programme will carry out activities towards four specific objectives: (i) A set of strategies for Youth Employment, developed and adopted by the Timor-Leste Government; (ii) Employment and suitable training opportunities for young women and men provided by established Employment Centres and Youth Career Centres (CEOPs), in collaboration with partner organisations; (iii) A *safety net* created for most deprived rural poor through the organisation of Labour-Intensive Public Works in critical periods and geographical areas; (iv) A competency-based education and training system, providing Timorese youth with relevant skills in accordance with the labour market requirements, established and operational.

The Programme targets all the thirteen Districts of Timor-Leste assisting an estimated number of 68,000 beneficiaries during the four years of implementation.

This Progress Report covers the period of October 2009 - March 2010, and provides information on the activities of the Programme as well as the challenges and ways forward.

Another Programme Steering Committee Meeting was organised on 15 December 2009. It reiterated its support to the YEP strategies and activities. The Minutes of the Meeting are included in this report as annex I.

## 2. ACTIVITY REPORT

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### *2.1. Progress Summary*

The independent Mid-Term Evaluation (MTE), conducted during this reporting period, described YEP as a well designed Programme, very much aligned with the National Priorities of the Government of Timor-Leste. While confirming the good progress achieved by the four Strategic Components of the Programme, the MTE report highlighted the innovative integrated approach introduced by the Programme that allowed all the national staff to be recruited directly by SEFOPE under regular government conditions. More than just innovative, the approach was considered to be clearly successful, enabling the international advisers to work fully embedded within the organizational framework of SEFOPE, facilitating the continuous exchange of experiences, and enhancing sustainability through the gradual transfer of the recruited and trained national staff to the payroll of the Government.

The main MTE recommendations focused on the need to:

- Increase the resources available to the National Labour Force Development Institute (INDMO), to the Vocational Training, and to the Employment and Vocational Training Fund (FEFOP);
- Develop group counselling approaches to be implemented by the CEOPs;
- Continue budget allocations for labour intensive works in rural areas, as well as for literacy and numeracy, HIV/AIDS awareness and family planning;
- Further support enhancements to the Labour Market Information System of SEFOPE; and
- Further support to Gender equality promotion.

Nevertheless, the period under review was marked by other worth noting developments. Lined up with the above-mentioned Programme integrated approach and the associated potential for enhanced sustainability through gradual absorption of staff by the National Counterpart, 14 Vocational Trainers, previously supported through contractual arrangements between YEP and SEFOPE, were transferred to the full responsibility of the Government in January 2010. Other 56 remaining staffs, still being supported through Service Agreements signed between YEP and SEFOPE are all expected to be transferred to the Government payroll by the end of 2011. Aside the financial effort required by the approach, it is an undeniable fact that the new staff selected and recruited to ensure the implementation of the programmes initiated by SEFOPE with the YEP assistance represent a fundamental pillar of the institutional building process inherent to the objectives of the Programme.

Another clear highlight of the period was the formal confirmation of the cooperation between SEFOPE and the Ministry of Education (MoE) on areas related with Career Guidance and Counselling, Entrepreneurship Training, and Professional Development for Vocational Teachers. The MOU signed by both institutions on 17<sup>th</sup> March 2010 provides ground for the development of group counselling by the CEOPs staff in the Secondary Technical Schools, for the implementation of the “Know About Business” (KAB) programmes also in the Secondary Technical Schools, and for the building of important synergies and harmonization between MoE, INDMO and SEFOPE in the design and implementation of Teachers and Trainers development plans.

AYAD placements represented yet an additional important development for SEFOPE and the YEP Programme during the period. During 2009, SEFOPE submitted three proposals for

Australian Youth Ambassadors for Development (AYAD) placements with the District Employment and Career Guidance Centres (CEOPs) in Maliana, Baucau and Oecusse. All three proposals were successful with the placements in Maliana and Baucau commencing in October 2009 and the Oecusse placement to commence in April 2010.

The two AYADs in Maliana and Baucau have focused on providing general support to the CEOPs in developing their service ethic to clients, implementing the career guidance methodology and improving data management and administrative practices. They are also supporting CEOP staff to strengthen links and partnerships with local employers, vocational training providers and technical secondary schools. The third AYAD will start work in Oecusse early May 2010.

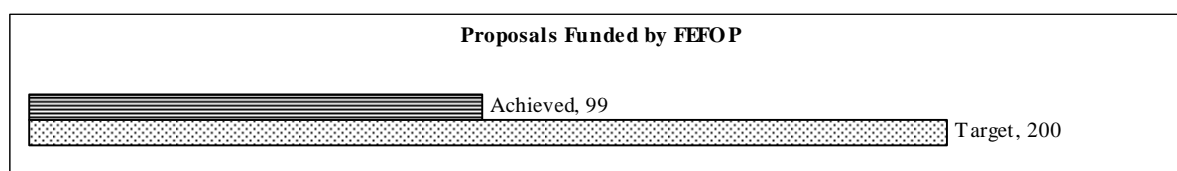
The remaining of this report provides a detailed description of the works undertaken and planned within each strategic component of the YEP. The main achievements of each strategic component are presented below.

### **Strategic Component One – Policies and Strategies for Youth Employment:**

The YEP Programme provided continuous support to the employers associations to facilitate the establishment of the future Chamber of Commerce and Industry of Timor-Leste (CCITL) designed to represent the interest of all the employers integrated in one single organization. A National Congress is planned to take place on 15-16 April to officialise the establishment of the Association.

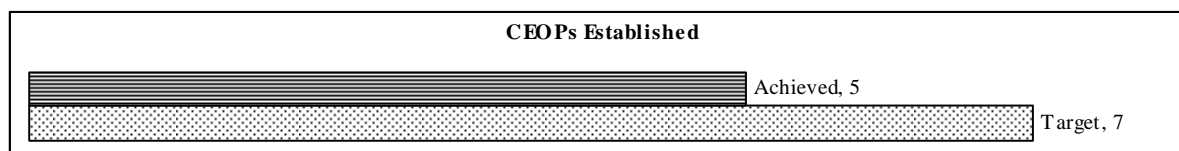
The Monitoring and Evaluation (M&E) system developed by SEFOPE and the YEP Programme reached a phase of systematic implementation by the National Directorate of Vocational Training (DNAFOP), National Directorate of Employment (DNE), and the YEP. The main instrument of the system is the M&E Framework that sets output indicators and targets, including gender specific ones. The system collects data from different sources, including from CEOPs, SEFOPE Labour Market Information, and implementing partners, in order to allow information cross checking.

Additional 37 FEFOP proposals were approved for implementation. In cumulative terms, and considering the 26 Training Providers Capacity Building proposals (FEFOP module 5) funded by SEFOPE, a total of 99 proposals, originating from the 13 districts of Timor-Leste, were already approved by the FEFOP Central Technical Evaluation Panel and the Administration Board.



## Strategic Component Two - Employment and Training Opportunities for Young Women and Men:

The construction of the new Employment and Career Guidance Centre (CEOP) of Ermera was already completed, and safety bars, office equipment and water supply were procured and installed during the present period. The selection and recruitment of staff is ongoing. After Baucau, Bobonaro, Dili, and Oecusse, the CEOP of Ermera is the 5<sup>th</sup> Centre to become operational with the support of the YEP Programme.

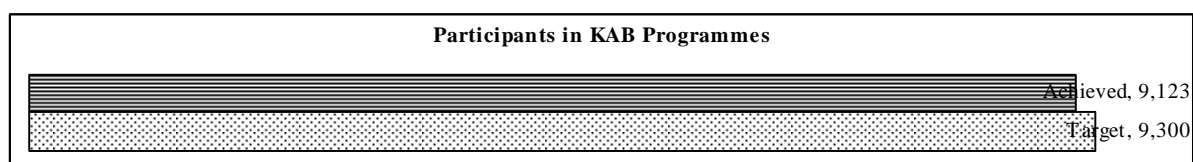


SEFOPE and the YEP Programme promoted the organization of the first post-independence Timor-Leste Labour Force Survey (LFS), which will provide reliable and accurate data on employment, unemployment and underemployment. The LFS is a joint initiative of the SEFOPE (LMI Department) and the National Statistics Directorate (NSD) under the Ministry of Finance, with the support of the YEP Programme, and the LMI Project, funded by the Irish Aid. Additional contribution was granted by the ILO, which made available two specialists from the ILO Statistical Department (Geneva) to provide initial technical assistance for the preparations of the survey.

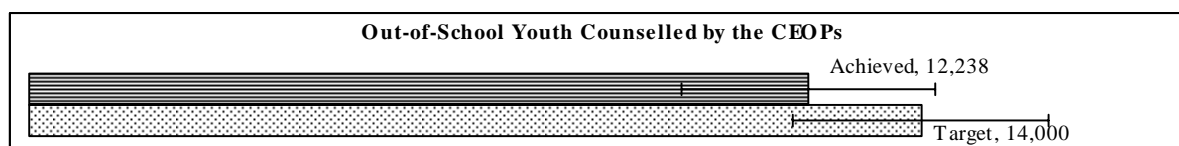
Until the end of March 2010, around 50% of the households targeted (4,650 households) were interviewed. Besides the household questionnaires, the sample comprised already more than 8,400 individuals from the districts of Aileu, Ainaro, Baucau, Covalima, Dili, Lautem, Manufahi, Oecusse and Viqueque, aged 10-64 years that were interviewed on the issues included in the respective individual questionnaire. Interviews will continue in the above and remaining districts (Bobonaro, Ermera, Liquiça and Manatuto). The revised implementation workplan of the LFS foresees the conclusion of the fieldwork in June, manual editing, coding and data entry in August and September, and data analysis and report writing in October. The publication of the final report is expected to take place in December of the current year.

The first phase of the Career Guidance Training was completed during the period. It involved the preparation of a specific Career Guidance Tool Kit, and the organization of a series of workshops, on-the-job training and follow-up sessions conducted at the district levels. A full review of the Training is planned to take place in June 2010 to ground the development of the follow-up phase. Staff from the CEOPs, as well as from the different departments of the SEFOPE National Directorates of Vocational Training and Employment, will participate in the review. The preliminary recommendations from the MTE for the second phase of the Training suggest the need to focus on: (i) Individual case management approach in the counselling of clients; (ii) Stronger links between the proposals promoted by the FEFOP and the counselling process; (iii) Group counselling approach for schools counselling; and (iv) Further improvement of the dissemination of information on the CEOPs services through better display of media tools inside the CEOPs and during the counselling process with clients.

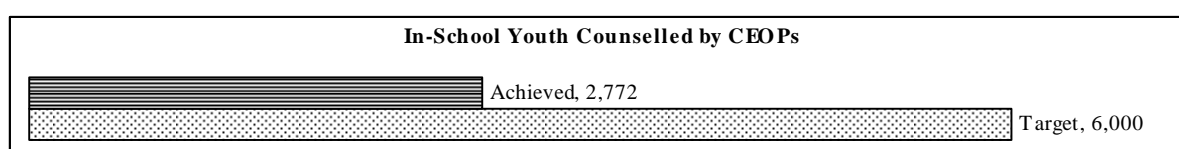
The Know About Business (KAB) programme is already being implemented simultaneously in the classes of the first, second and third years of the Secondary Technical Schools of the Ministry of Education (14 Schools), and in the Agricultural High Schools of the Ministry of Agriculture and Fisheries (3 Schools). During the present reporting period, 4,732 students (2,060 girls – 43.5%) participated in the KAB classes throughout the country. Cumulatively, since the beginning of the YEP, a total of 9,123 students (3,789 girls – 41.5%) attended the different modules of the KAB programme.



The CEOPs registered 2,142 new job and training seekers (44.0% women and 83.3% youth) that received career guidance assistance. Since the beginning of the YEP Programme, a total of 12,238 job and training seekers (50.7% women and 74.5% youth) were registered and counselled by the CEOPs.



Looking exclusively to the students of the Secondary Technical Schools and participants in Vocational Training Courses, 732 students/trainees (47.9% women) were provided with Career Guidance services during the period. In cumulative terms, 2,772 young students and trainees were assisted through the CEOPs.



Another 433 (46.9% women and 89.4% youth) unemployed registered by the CEOPs participated in vocational training courses during the period. All in all, and since the beginning of the YEP Programme, a total of 1,275 clients (45.3% women and 92% youth) were referred and participated in employment oriented vocational training courses.

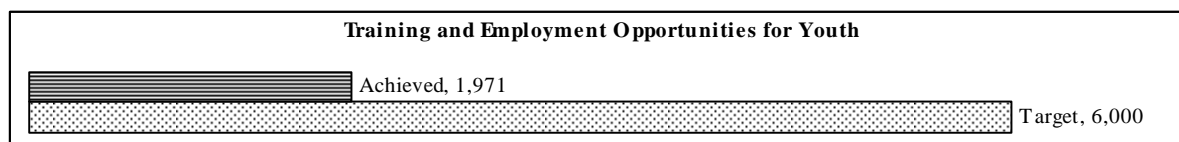
In addition, a total of 198 new potential entrepreneurs (65.6% women and 36.3% youth), previously registered and counselled by the CEOPs, participated in business training courses. Since the beginning of the YEP Programme, a total of 336 clients of the CEOPs (55.0% women and 62.53% youth) attended Business Training courses.

Another 88 job seekers (46.5% youth and 46.6% women) were placed in wage-employment with the help of the mediation services of the CEOPs during the period. In cumulative terms, and since the beginning of the YEP Programme, a total of 284 job seekers (53.2% youth and 32.4% women) found a job with the assistance of the CEOPs.



The present reporting period was also marked by the launching of the Self-Employment Promotion (PAE) programmes supported through the FEFOP. The PAE is to assist groups in the community through access to capital, business training and skills training, promoting the establishment of links between the clients of Micro-Finance Institutions and relevant training courses, in order to: (i) Facilitate business start-up; (ii) Increase the business competitiveness; and (iii) Create basic conditions for business consolidation and development.

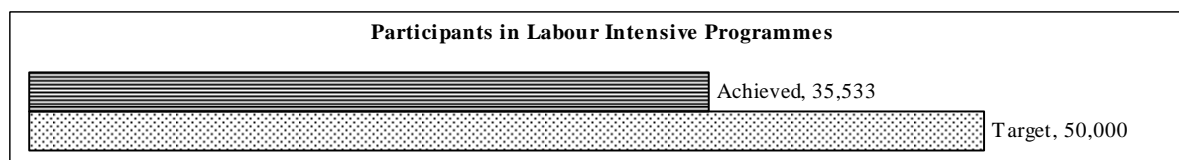
A total of 76 clients of MFIs (100% women and 22.4% youth), registered in the CEOPs, were provided with access to micro-credits and initiated their income generating activities.



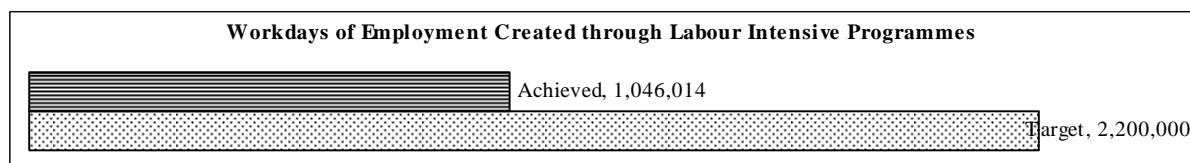
### Strategic Component Three - Labour-Intensive Public Works:

The districts covered during the reporting period included activities in eight districts; Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Manufahi and Viqueque.

1,687 new beneficiaries (26.1% women and 66.6% youth) participated in the labour intensive programmes. In cumulative terms, the labour intensive works provided temporary jobs to 35,533 workers in rural areas.

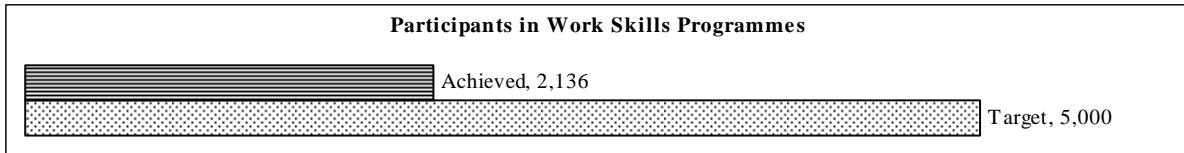


The labour-intensive projects implemented during the reporting period created 96,980 workdays of employment, 26.1% undertaken by women. Since the beginning of the YEP Programme, a total of 1,046,014 workdays of employment were generated. Of these workdays, 25.2% were performed by women.



Another cycle of literacy and numeracy programmes was launched during the period in the districts of Aileu, Baucau, Dili, Lautem, Liquiça, Manatuto, and Oecusse. Details on the selected participants will be available in May 2010.

In cumulative terms, a total of 2,136 people (60.8% women and 60.6% youth) participated already in the courses.



An HIV/Aids and Family Planning (Birth Spacing) awareness campaign was also launched in February for communities involved in labour-intensive work activities, starting with four locations in two districts, with some 200 participants attending the training events. The feedback from participants was good and for most this was the first time they received information on the topic. Following evaluation of the pilot phase, the awareness campaign will be rolled out to cover more communities involved in labour-intensive projects.

#### **Strategic Component Four - Competency-based education and training system:**

The last six months have been an extremely busy time for both INDMO and the National Directorate of Vocational Training (DNAFOP) culminating in *The Presentation of Timor-Leste's market orientated vocational training system* held on Friday 19 March. This major event showcased the partnership between government, employers, workers and vocational training providers in building a good quality, relevant training system for Timor-Leste. It marks a milestone for SEFOPE, INDMO and the YEP Programme.

The Presentation of the Training System focused on the building blocks of the new, reformed system: the Vocational Training Policy, the Quality Standards for the Registration and Accreditation of Vocational Training Providers, the Timor-Leste National Qualifications Framework and the National Labour Force Development Institute (INDMO) Executive Commission and four industry-based Sub-Commissions.

Three significant achievements under this component of the last six months are the approval and establishment of three additional Sub-Commissions bringing the total to four; presentation of the Administration and Finance Sector Analysis Report; and the development and implementation of the standards for the registration and accreditation of vocational training providers.

Each achievement demonstrates progress in fundamental functions of INDMO. Firstly, the Sub-Commissions represent the formal and structured avenue of industry participation in the national vocational training system. Employers are active participants in this early stage of system building and have the potential to significantly direct its course, thus rendering the national system a market-orientated one. Secondly, the Administration and Finance Sector Analysis shows the critical importance of stakeholder consultations to underpin planning in vocational training. Administration and Finance competencies are cross-cutting in every sector. Every type of business, project, government office, NGO, multinational, diplomatic mission needs people with skills and knowledge in administration, finance, human resource management, IT and so on. The report clearly documents the sector and makes recommendations for action. And thirdly, the standards for registration and accreditation of vocational training providers ensure that training providers must demonstrate good quality management processes and education and training services.

Quality standards for the registration and accreditation of vocational training providers: The new registration and accreditation standards are part of the changes to the vocational training system in Timor-Leste to guarantee high quality training. DNAFOP has responsibility for the registration process and INDMO for accreditation. The two standards are the same for both registration and accreditation however when applying for accreditation with INDMO to deliver a national qualification the provider must meet additional conditions to show they can deliver the qualification. The first selected training providers started the process in March this year.

National Qualifications Framework: At the Presentation of the Vocational Training System, the Minister for Education presented the progress towards the Timor-Leste National Qualifications Framework (NQF). The NQF is under the responsibility of his ministry but will be jointly implemented by INDMO and the National Commission for Academic Assessment and Accreditation (NCAAA). The Decree Law for the NQF will be drafted in the coming months. INDMO has completed the Guidelines for Registering Vocational Qualifications on the NQF and the procedure for validation and packaging of competency standards. It has also commenced packaging the tourism and hospitality competency standards into vocational level qualifications ready for registration on the NQF.

Partnerships: INDMO and DNAFOP directly supported project activities and participated in Steering Committee meetings for three AusAID-funded vocational training projects. In February 2010, the Solar Power Training Project conducted the first block of training for ten trainers from five training institutions and presented the first draft of training materials to the working group. The Timor-Leste Basic Skills Training Project selected scholarship recipients from districts identified by DNAFOP to attend the 2010 Certificate in General Construction.

## ***2.2. Detailed Activity Report per Result Area***

The detailed YEP activities during the reporting period are described below as per expected Outputs under each Programme Specific Objective. The revised Programme Work Plan is presented in the Annex III to this report.

**Specific Objective 1: A set of policies for Youth Employment consistent with the National Employment Strategy, developed and adopted by the Timor-Leste Government.**

The bulk of the activities and outputs planned for the Strategic Component (SC) 1 of the YEP Programme were already accomplished as presented in previous reports. Major milestones were:

- The development of a National Youth Employment Action Plan (NYEAP) to respond to the specific challenges faced by young women and men, and providing guidelines for interventions in 4 crucial areas: (i) Employment Generation; (ii) Employability; (iii) Entrepreneurship; and (iv) Equal Opportunities. The NYEAP was presented to all stakeholders on 31 July 2009, and was officially approved and adopted by the Government on 18 September 2009. Putting the youth of Timor-Leste at the centre of the agenda of the Government and its partners, the NYEAP represents a fundamental step towards sustainable economic growth and poverty reduction, guiding and inspiring the implementation of the YEP Programme and the services and interventions of the SEFOPE.
- The preparation of a SEFOPE Gender Mainstreaming Strategy (GEMS) (Annex II) with the inputs from all the SEFOPE National Directorates and Gender Cabinet, and incorporating the following main sections: (i) Development of a SEFOPE gender capacity building plan, including training, gender analysis, gender mainstreaming, gender budgeting, and gender audits; (ii) Implementation of an annual gender training programme to newly recruited and existing staff; and (iii) Preparation of action plans for the different directorates and departments, by the respective gender focal points.
- The establishment of the FEFOP (Employment and Vocational Training Fund), including the approval of specific legislation by the National Parliament and the set up of the respective management structure and implementation guidelines. The FEFOP is to promote and fund the following wide range of programmes: (i) Vocational Training (To improve the chances of its beneficiaries to engage in gainful employment); (ii) Working Experience (To allow training providers to include work experience activities as part of the vocational training course); (iii) Internships (to support unemployed, out-of-school youth who have completed secondary school to gain up to 3 months practical experience in the workplace); (iv) On-the-Job Training (To support graduates of vocational training and business management training courses to increase their skills, knowledge and experience through supervised work in an enterprise or small business); (v) Training Providers Capacity Building (To assist training providers implementing labour-market

relevant courses, in the development of their capacity to match the criteria for the registration with the National Directorate of Vocational Training (DNAFOP), and to enable them to meet the requirements of the INDMO (National Labour Force Development Institute) in terms of certification of training assessors and training places); (vi) Business Management Training (To support beneficiaries interested in starting a small business or improving an existing business); and (vii) Self-Employment (To provide selected unemployed people with a combination of market driven training interventions and access to micro-credit).

- The creation of the National Labour Force Development Institute (INDMO) supported by the Decree Law 8/2008, and the subsequent development and approval of the Internal Regulations defining the structures, services and activities of the institution.
- The development, in partnership with the SEFOPE National Directorate of Vocational Training (DNAFOP), of a National Vocational Training Policy that was approved by the Council of Ministers at their meeting on 29 July 2009. The Policy focuses on the quality and relevance of vocational training and highlights the goal of a 'market-oriented, efficient and accountable' vocational training system prepared to create a competent workforce to meet national development priorities. The Policy promotes competency based training and ensures that all certification whether a national qualification or institutional certificate will describe the competencies achieved as a result of the training. Learners must demonstrate to the standards established by INDMO and be assessed by a suitably qualified trainers. Trainer qualifications will be determined by INDMO and form part of the quality standards for the registration of vocational training providers. Finally, the National Vocational Training Policy recognises the role of government, the private sector and the individual in funding vocational training with government having a principal role to play.

Other continuing activities also planned and implemented under the SC1 are presented below.

### ***Output 1.1.: A National Youth Employment Action Plan adopted and issued by SEFOPE***

#### **Activity 1.1.1 – Develop linkage support programmes with Employer Associations**

The involvement of employers in the process of promotion of youth employment is a crucial factor to ground the implementation of the NYEAP. The INDMO, the FEFOP and the CEOPs are important bridges used by the YEP to encourage the establishment of solid links between the SEFOPE interventions and services with the employers and their associations.

The Employers Forum has given strong support in establishing the INDMO Sub-Commissions for the sectors of Tourism and Hospitality, Administration, Finance and IT; Construction; and Education, Training and Assessment. On average, each Sub-Commission has six representatives (out of 10) from industry and one of the six (6) is a representative of the Employers Forum. The Sub-Commissions structure consolidates the clear and vitally important role of employer organisations in identifying and providing advice on the skill development needs of their respective sectors.

The Employers Organizations are also fundamental partners of the SEFOPE and the YEP Programme in the context of the selection of proposals to be funded by the FEFOP, and in the relationship with the services provided by the CEOPs, particularly the Job and Training Mediation, and the implementation of On-the-Job training, Work Experience, and Internships programmes.

In addition, and throughout the period, the Programme provided continuous support to the employers associations to facilitate the establishment of the future Chamber of Commerce and Industry of Timor-Leste (CCITL) designed to represent the interest of all the employers integrated in one single organization. The YEP Programme has been providing technical support for the definition of the structure of the CCITL and to the development of the internal statutes. A National Congress is planned to take place on 15-16 April to officialise the establishment of the Association.

#### Activity 1.1.2 – Develop Monitoring Mechanisms for the Activities Promoted by the FEFOP and in line with the Framework defined by the NYEAP

SEFOPE and the YEP Programme developed a comprehensive Monitoring and Evaluation (M&E) system that collects information from different sources in order to allow systematic assessment and information cross checking. An initial baseline was prepared and a M&E Framework was designed in partnership with DNAFOP (National Directorate of Vocational Training) and DNE (National Directorate of Employment). The M&E Framework (Annex IV) sets output indicators and targets, including gender and youth specific ones. A continuous M&E Plan is implemented by the YEP Programme, DNAFOP and DNE involving regular joint missions to the different districts.

The M&E function is supported by the SIMU (Labour Market Information System) of the SEFOPE and, at the same time, also contributes for the update of the System.

The CEOPs, coordinated and supervised by the SEFOPE, play an important role in the continuous monitoring of the Programme field activities. Specific forms were developed to allow the CEOPs to monitor the different programmes promoted and funded through the FEFOP, and all the data collected is included in monthly reports prepared by the CEOPs of Baucau, Bobonaro, Dili and Oecusse and submitted to the Head of the Department of Employment and Career Guidance at the central level. The joint monitoring missions implemented by the YEP and SEFOPE managerial staff (Directors and Heads of Departments) promotes the strengthening and consolidation of the national monitoring capacity.

Each proposal submitted to the FEFOP is assessed before eventual approval and monitored during the implementation. The monitoring/follow-up function conducted by SEFOPE analyses results against the initial objectives of the proposals approved. Each proposal is monitored a minimum of three times. This number of monitoring missions is increased in case of detection of any deviation.

***Output 1.2.: “Fundo de Emprego e Formação Profissional-FEFOP” (Employment and Vocational Training Fund) established and fully operational within SEFOPE***

**Activity 1.2.1 – Review FEFOP Guidelines**

A series of technical meetings were organised with DNAFOP and DNE Directors and staff to start the review of the current guidelines of the FEFOP vis-à-vis the experience of the initial period of implementation. The objective is to revise the guidelines of the 7 different types of ongoing programmes (1-Vocational Training; 2-Work Experience; 3-Internships; 4-On-the-Job Training; 5-Training Providers Capacity Building; 6-Business Training; 7-Self-Employment Promotion) promoted by the Fund, in order to reflect the product of 12 months of feedback from the technical and field staff involved in the delivery of the activities. On the table is also the discussion for the introduction of a new programme to broaden the FEFOP scope for employment/self-employment creation. The revised guidelines will also respond to the call for simplification recommended by the YEP External Mid-Term Evaluation. The new draft is expected to be finalised in May 2010.

***Output 1.3.: Legal framework for the creation of a Labour Force Development Institute developed and adopted by SEFOPE***

**Activity 1.3.1 – Develop administrative instructions for the implementation of the INDMO**

The INDMO Internal Regulations that were approved at the 24 August 2009 meeting of the Executive Commission have now been approved by Ministerial Diploma 1/2010 and published in the Jornal da República.

INDMO has identified the sections and procedures to be included in the Standard Operating Procedures (SOP) Manual. As previously reported, INDMO will follow standard Government of Timor-Leste processes in administration, finance and human resources. However, procedures that are particular to the operations of the INDMO will form part of the SOP Manual.

**Specific Objective 2: Young men and women are linked to appropriate employment and accredited training programmes by the District Employment and Career Guidance Centres.**

***Output 2.1.: Youth Career Services established within the SEFOPE District Employment Centres.***

**Activity 2.1.1 – Support SEFOPE to establish seven Employment Centres with integrated Youth Career Services**

Employment and Career Guidance Centres (CEOPs) are already operational in Dili, Baucau, Bobonaro, and Oecusse.

As reported in the previous period, the SEFOPE plan for the gradual expansion of the coverage of the Employment and Career Guidance Services is moving ahead: (i) In the district of Ermera, the construction of the 5<sup>th</sup> CEOP of the SEFOPE network was already finalised, office equipment was procured, and the recruitment of staff is ongoing; (ii) In the district of Manufahi, the construction of the new (6<sup>th</sup>) CEOP is close to completion; (iii) In the district of Covalima, land to the future (7<sup>th</sup>) CEOP was identified by SEFOPE and the bidding process for the building is currently being conducted; and (iv) Initial contacts were developed with the Lautem District Administration also for the identification of an appropriate plot for the future CEOP (8<sup>th</sup>) in this eastern district.

**Activity 2.1.2 – Assist SEFOPE to consolidate a Labour Market Information System (SIMU): Organization of a Timor-Leste Labour Force Survey**

The Timor-Leste Labour Force Survey 2009-2010 is a joint initiative of the SEFOPE (LMI Department) and the National Statistics Directorate (NSD) under the Ministry of Finance, with the support of the YEP Programme, and the LMI Project, funded by the Irish Aid. Additional contribution was granted by the ILO, which made available two specialists from the ILO Statistical Department (Geneva) to provide initial technical assistance for the preparations of the survey.

Several meetings to discuss the contents of the survey questionnaire were held with the members of the Labour Force Survey Working Group (LFS-WG), representing a partnership between the LMI Department the National Statistics Directorate.

An initial list of topics for inclusion in the Labour Force Survey was drafted based on the input received during the discussions held with the various stakeholders. This initial list was presented to the LFS-WG for discussion and amended on the basis of the comments received. A draft questionnaire was prepared based on the agreed list of topics. Two successive versions of the draft questionnaire were prepared and presented to the LFS-WG for discussion. The final version included a household questionnaire and an individual questionnaire that were translated into Tetum and reviewed to ensure its accuracy. A pilot survey was also conducted to test the questionnaire in order to identify potential problems related to formulation of questions/response options, missing response categories, and



problems with the translation of terms. The pilot survey was also used to test the coding of information on industry and occupation and the data entry system.

A 12-month data collection period was proposed for the LFS. To ensure a consistently high quality of the data collected, it was also suggested and agreed that the fieldwork would be carried out by two dedicated teams consisting each of 1 supervisor, 3 interviewers and 1 driver, hired on a full-time basis for the duration of the data collection period (i.e. 12 months).

Training of NSD field supervisors and interviewers on the application of the questionnaires was organized prior the start of the field data collection. Until the end of March 2010, around 50% of the households targeted (4,650 households) were interviewed. Besides the household questionnaires, the sample comprised already more than 8,400 individuals from the districts of Aileu, Ainaro, Baucau, Covalima, Dili, Lautem, Manufahi, Oecusse and Viqueque, aged 10-64 years that were interviewed on the issues included in the respective individual questionnaire. Interviews will continue in the above and remaining districts (Bobonaro, Ermera, Liquiça and Manatuto).

The revised implementation workplan of the LFS foresees the conclusion of the fieldwork in June, manual editing, coding and data entry in August and September, and data analysis and report writing in October. The publication of the final report is expected to take place in December of the current year.

#### Activity 2.1.3 – Develop and support implementation of SEFOPE Gender Mainstreaming strategy in career counselling

As previously reported all materials and training activities for the career counselling component, as described under the output 2.3 below, were developed and conducted with gender considerations thoroughly embedded in the programme. By the end of March 2010, women represent 50.7% of the total of job seekers assisted by the Career Counselling services of the CEOPs, reflecting the positive impact of the training.

The draft of the SEFOPE Gender Mainstreaming Strategy (GEMS), including the respective action plan, was shared with the Secretariat of State for Promotion of Equality (SEPI) for final comments and harmonization with the SEPI Strategic Plan. Inputs to the SEPI Strategic Plan were also provided by the YEP in order to promote consistent planning and implementation by SEFOPE and SEPI.

#### Activity 2.1.4 a) – Implement SEFOPE core staff capacity building on employment and training policies and programmes: *Training on Labour Market Information Systems and Analysis*

The YEP Programme facilitated the participation of the SEFOPE Principal Adviser in the course “Labour Market Information Systems and Analysis” organised by the ILO Turin Training Centre in the period from 15 to 26 March 2010. A two days study tour to Lyon, France was also part of the programme.

The ultimate objective of the course was to strengthen and improve the quality and impact of employment, labour market and training policies through the use of more and better employment statistics and analysis. More specifically, the course aimed to increase the capacity of the participants (senior policy and planning officials involved in the planning/design of national employment and related policies and plans, technical staff of statistical agencies and vocational training institutions, and worker and employer organizations) to collect and analyse labour market data and to pave the way for strengthened labour market information and analysis systems.

The programme focused on the nature and scope of Labour Market Information Analysis and on its multiple uses, covering fundamental topics like the concepts of labour statistics with specific reference to developing countries labour markets, building up national capacity for labour market information and analysis systems, including principles and methods of labour market analysis, and gender in employment statistics.

The course was considered to be an important contribution to a better understanding on the labour statistic concepts pertinent to the context of Timor-Leste, and the complementary roles and needs of social partners and various government institutions in funding, collecting, analyzing and disseminating labour market information. In addition, the course provided room for the development of network relations between SEFOPE and the players of other international institutions that are a key part of the today's global world.

Activity 2.1.4 b) – Implement SEFOPE core staff capacity building on employment and training policies and programmes: *Learning Programme on Migration Management*

In order to support the efforts of SEFOPE to promote overseas employment for young Timorese, the YEP Programme facilitated the participation of the Coordinator of the Overseas Employment Office of SEFOPE in a Study Tour to the Philippines as part of the Learning Programme on Migration Management. The overall purpose of the programme was to strengthen the capacity of government officials from selected sending countries (Sri Lanka, Nepal, Bangladesh, Pakistan and Afghanistan, and Timor-Leste) in the Employment Permit System (EPS) through learning from the Philippine experience on migration management. The programme covered all parts of the migration process, from pre-departure preparation and training to return and reintegration.

The programme allowed the SEFOPE Overseas Employment Coordinator to gain a clearer vision and ideas to better manage migration, including planning, and developing and organizing pre-departure training in a more efficient and effective manner for the protection of migrant workers abroad. The training also promoted the discussion of practical ideas to provide social protection to workers and to develop return and reintegration programmes to facilitate the return of migrant workers to Timor-Leste.

***Output 2.2.: Information about training and employment opportunities disseminated to unemployed and underemployed youth through the Employment and Career Guidance Centres.***

Activity 2.2.1 – Develop a Communication Strategy for the Employment and Career Guidance Centres

As mentioned in previous progress reports, the SEFOPE Media Office developed a media strategy for the Employment and Career Guidance Centres and for Self-Employment Promotion Department. These documents represent the guidelines for the preparation of all media activities of the two above-mentioned departments.

Activity 2.2.2 – Develop a Media public awareness campaign promoting youth employment and entrepreneurship

A set of posters and brochures were designed and printed to promote the services of the CEOPs. These posters and brochures (Annex V) are being placed in strategic locations like universities, secondary schools, vocational training centres, business development centres, local government offices, public and religious locations, etc.

The present media tools are part of the SEFOPE plan to increase the public knowledge about the services of the CEOPs and, as a consequence, give a boost to the number of youth assisted and referred by the Centres.

Activity 2.2.3 – Disseminate Information on available training and employment opportunities

As previously presented, the dissemination of labour market information is a central part of the services provided by the CEOPs, and the ongoing Career Guidance training for the CEOPs staff was designed to improve the performance of the Centres in this specific area. The Labour Market Information provides fundamental inputs to the Counsellors of the CEOPs and, in return, the results of the Career Guidance function provide feedback for the continuous update of the Labour Market data.

Currently, the CEOPs are already providing an array of services that involve, besides the above mentioned Career Guidance, the identification of training and self-employment opportunities and potential implementing partners at the local level, monitoring the implementation of the training and employment proposals funded by the FEFOP, and canvassing of job vacancies.

The interaction with the local actors is crucial to allow the CEOPs to collect the data and develop the vision on the local labour market that then is used for the provision of updated information to the clients of the services. This labour market information is being provided during the registration and counselling of job and training seekers and through Information Signboards installed in the outside of the CEOPs that display all the job vacancies and training opportunities identified by the CEOPs. Since the beginning of the YEP Programme, more than 12,200 people used the career guidance services of the CEOPs.

#### Activity 2.2.4 – Create a youth-friendly platform for young women and men to access vacancies

The CEOPs represent the best platform to assist youth accessing job and training opportunities and this justifies the commitment of SEFOPE to expand and strengthen the CEOPs network.

As reported under the activity 2.1.1 above, the new CEOP or Ermera will start its activities soon, and SEFOPE and the YEP Programme are joining efforts to build, during the current year of 2010, three new CEOPs in the districts of Covalima, Manufahi and Lautem, which will increase significantly the network and the possibility to outreach a larger number of young women and men throughout Timor-Leste.

At the same time, SEFOPE and the YEP Programme will continue upgrading the level of preparedness of the CEOPs staff to provide more and better labour market services.

The ongoing career guidance training is a central part of this process, aiming at providing the CEOPs staff with the required competencies to identify training and employment opportunities and provide effective career counselling and job and training mediation services.

#### ***Output 2.3.: Career Guidance and Counselling programme developed and implemented in secondary technical schools and accredited vocational education and training centres.***

#### Activity 2.3.1 – Develop a Youth Career Counselling Kit for staff of the CEOPs and create a national capacity on Career Guidance and Counselling

The first phase (March 2009 – March 2010) of implementation of the Career Guidance Training involved the preparation of a specific Career Guidance Tool Kit, and the organization of a series of workshops, on-the-job training and follow-up sessions conducted at the district levels. The Career Guidance Tool Kit was finalized incorporating the inputs from the training and the day-to-day work during the last 12 months of gradual introduction of the methodologies in the services of the CEOPs.

A full review of the first phase of the Career Guidance Training completed during the present period is planned to take place in June 2010. It will ground the development of the second phase of training. Staff from the CEOPs, as well as from the different departments of the SEFOPE National Directorates of Vocational Training and Employment, will participate in the review. The preliminary recommendations for the second phase of the Training suggest the need to focus on:

- Individual case management approach in the counselling of clients;
- Stronger links between the proposals promoted by the FEFOP and the counselling process;
- Group counselling approach for schools counselling;
- Further improvement of the dissemination of information on the CEOPs services through better display of media tools inside the CEOPs and during the counselling process with clients;

***Output 2.4.: Secondary Technical Education students have access to enhanced entrepreneurship and business creation education.***

Activity 2.4.1 – Improve the capacity of SEFOPE, Ministry of Education, and Ministry of Agriculture and Fisheries for the implementation of a gender-responsive entrepreneurship education: Monitor ongoing entrepreneurship programmes (KAB) in Secondary Technical Schools

Since its inception the YEP is promoting the use of the ILO business awareness programme “Know About Business” (KAB) package in the Secondary Technical Schools and some training institutions.

The programme aims at stimulating youth, students of technical schools, to think about entrepreneurship, and consider it as a potential future for their professional career. Contributing to create an enterprise culture among young people in Timor-Leste, the KAB programme facilitates school-to-work transition building bridges leading to subsequent “Generate Your Business Idea” and “Start Your Business” programmes and representing consequently a powerful link between formal education, training and the labour market.

In previous periods, and in order to allow the introduction of the programme, Training of Teachers was organised, involving the participation of teachers of the Ministry of Education, Ministry of Agriculture and Fisheries, and Ministry of Economy and Development. Training materials in Tetun, Portuguese and English were also adapted and developed including a Trainer Handbook and 8 manuals for the students addressing different specific areas of entrepreneurship: (i) What is Enterprise?; (ii) Why Entrepreneurship?; (iii) Who are entrepreneurs?; (iv) How do I become an entrepreneur?; (v) How do I find a good business idea?; (vi) How do I organise an enterprise?; (vii) How do I operate an enterprise?; and (viii) What are the next steps to become an entrepreneur?

In the current 2009-2010 school year, the KAB is already being implemented simultaneously in the classes of the first, second and third years of the Secondary Technical Schools of the Ministry of Education (14 Schools), and in the Agricultural High Schools of the Ministry of Agriculture and Fisheries (3 Schools). During the present reporting period, 4,732 students (2,060 girls – 43.5%) were participating in the KAB classes throughout the country.

Cumulatively, since the beginning of the YEP, a total of 9,123 students (3,789 girls – 41.5%) attended the different modules of the KAB programme.

The SEFOPE and Ministry of Education partnership in the area of entrepreneurship education and the implementation of the KAB programmes was also officially confirmed through the signature of a Memorandum of Understanding between the two institutions.

Activity 2.4.2 – Implement programme of professional development of KAB-Know About Business teachers

As mentioned in the activity 2.4.1 above, the team of Timorese key facilitators (3 facilitators from the Ministry of Education and 1 from SEFOPE) established by the YEP Programme is now responsible for the professional development of the KAB teachers. The Programme will

continue monitoring the implementation in order to identify eventual needs for Refresher Courses.

#### Activity 2.4.3 – Review and reproduce entrepreneurship and enterprise start-up training programmes

Upon request of the Ministry of Education, all KAB training materials were translated into Portuguese. The KAB Portuguese version, validated by the ILO Office in Lisbon, will complement the Tetum version currently in use in the secondary technical schools.

#### Activity 2.4.4 – Develop the capacity of training providers to deliver business start-up training programmes.

Two Timorese trainers completed already the whole Start and Improve Your Business (SIYB) Master Trainer programme and received ILO international certification as SIYB Master Trainers.

SIYB Master Trainers are internationally certified by the ILO. The Training of Master Trainers is a multistage process that involves: (i) selection of the candidates presenting highest potential out of the group of active SIYB trainers; (ii) training of Master Trainers; and (iii) competencies assessment and final certification.

The availability of Timorese Master Trainers (experienced trainers able to train new trainers and control the quality of the training of entrepreneurs) is an essential factor to contribute to the gradual strengthening of the national capacity to market and deliver the Start and Improve Your Business (SIYB) training programmes to out-of-school youth as well as to allow their sustainability.

***Output 2.5.: Unemployed/underemployed out-of-school youth have increased access to livelihood and skills development opportunities with accredited training organizations and through FEFOP funded activities.***

#### Activity 2.5.1 – Improve Job Mediation and Placement Services of the District Employment and Career Guidance Centres

The Career Guidance Training conducted during the last 12 months of the YEP Programme, as described in the activity 2.3.1 above, produced already an obvious positive impact in the organization of the CEOPs and in the attitude of the staff. The Counsellors of the CEOPs learned and understood their role and were equipped with the basic instruments to allow them to perform adequately. Currently, the career guidance and counselling function of the CEOPs includes the following basic categories of services: (i) Career information and Career Counselling – provides information on occupations; employment opportunities; educational programs, institutions, and opportunities; career services; and job opportunities; (ii) Career education – provides career planning and decision-making; labour market information and other information related to careers and work skills; (iii) Employment counselling – provides help with setting career goals, defining the characteristics of the career or job he/she is

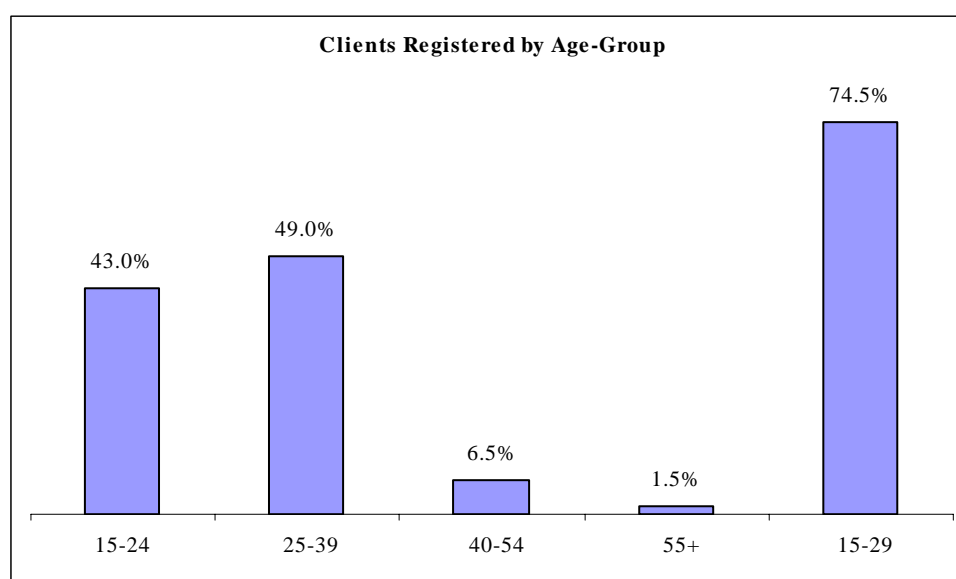
looking for, assess suitability for it, and identify skills gaps that can be addressed by personal development efforts; and (iv) Job placement – provides actual job search services intended to connect jobseekers and job providers.

#### 2.5.1 a) Unemployed Job and Training Seekers Registered and Assisted by the Employment and Career Guidance Centres

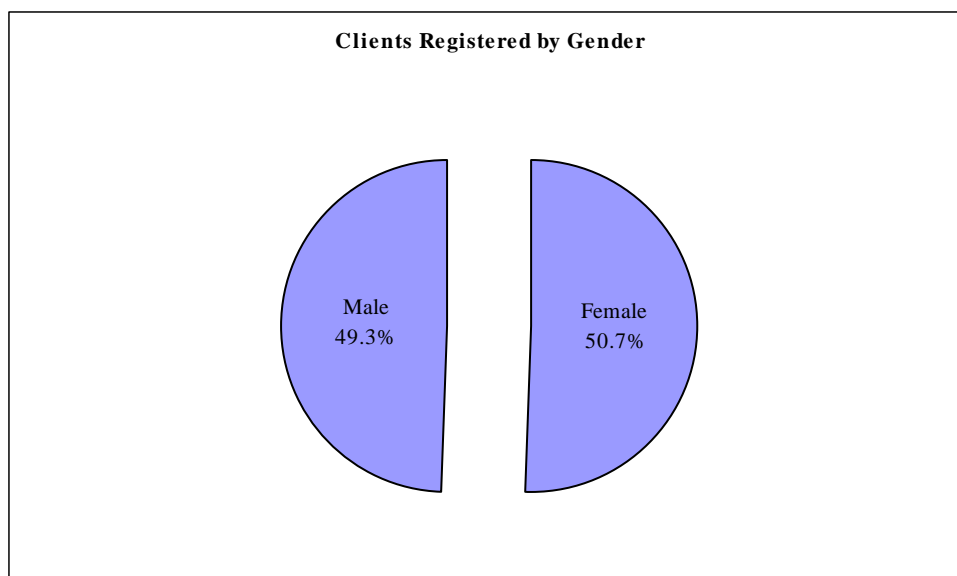
During the present reporting period, 2,142 new job and training seekers used the services of the CEOPs. Out of them, 44.0% were women and 83.3% were youth.

In cumulative terms since the beginning of the YEP Programme, a total of 12,238 job and training seekers (50.7% women) were registered and counselled by the CEOPs of the Secretariat of State for Vocational Training and Employment (SEFOPE).

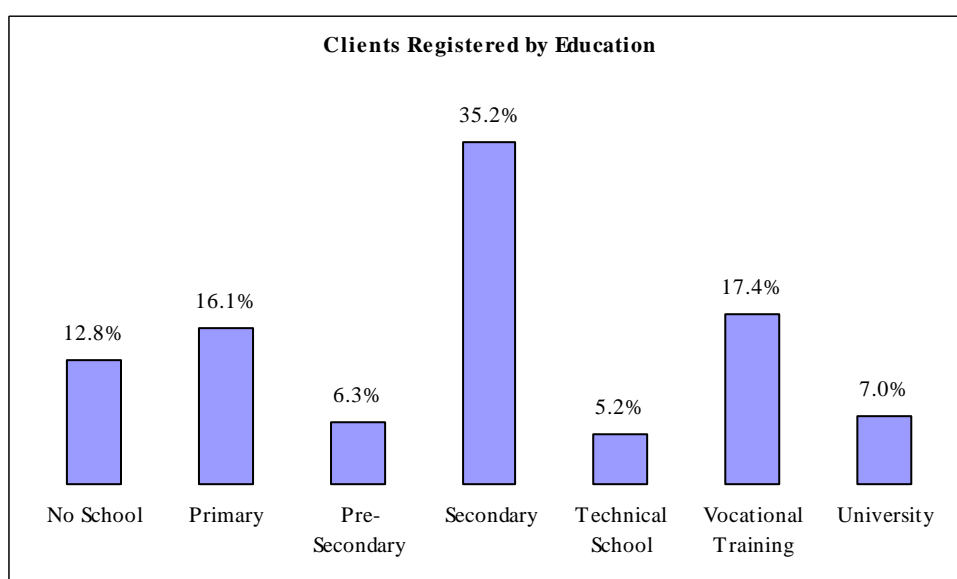
The vast majority of the job and training seekers registered and assisted are in the 15-29 youth age-group. Youth represent 74.5% of the total corresponding to 9,121 young women and men. Ninety two percent (92%) of the job and training seekers clients of the CEOPs services have less than 40 years of age.



Women represent 50.7% of the total of registered clients, corresponding to 6,201 women that accessed the Employment and Career Guidance Centres seeking training and/or employment opportunities.



Job seekers with secondary education represent the largest group of the unemployed currently registered in the CEOPs, corresponding to 35.2% of the total. Close to 13% (12.8%) of the clients never attended school, and another 16.1% just completed primary education.

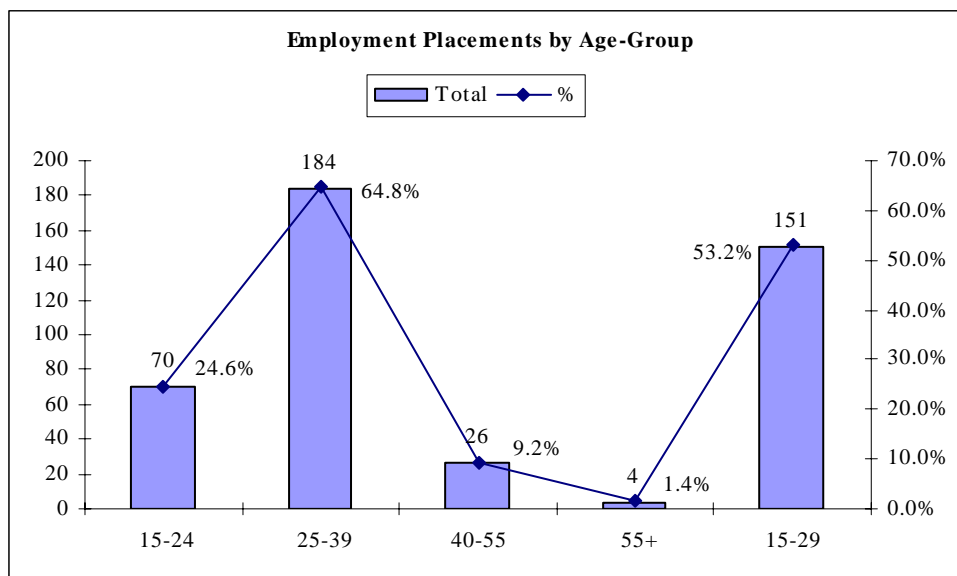


### 2.5.1 b) Employment Mediation by the Employment and Career Guidance Centres

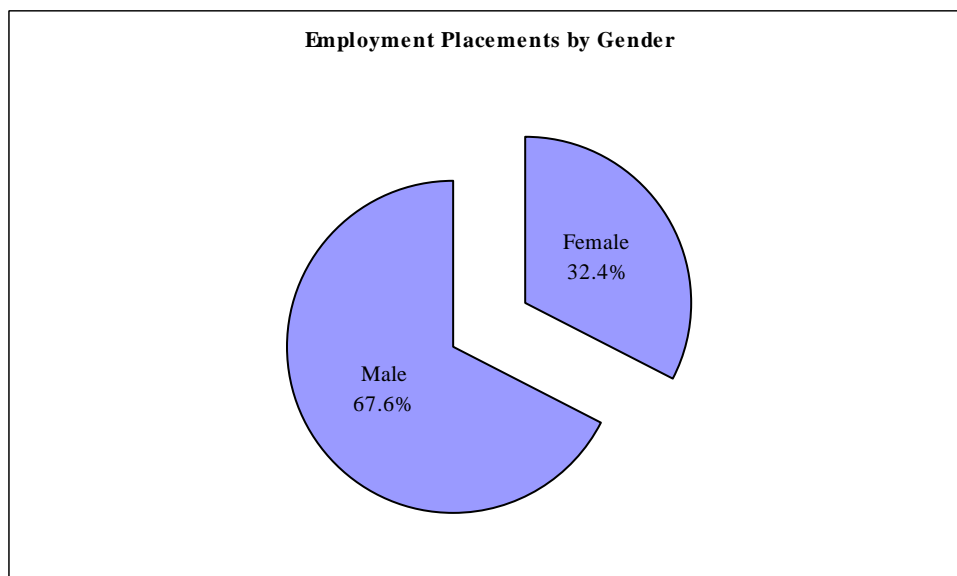
During the period under review, 88 job seekers (46.5% youth and 46.6% women) were placed in wage-employment with the help of the mediation services of the Employment and Career Guidance Centres (CEOPs). In cumulative terms, and since the beginning of the YEP Programme, a total of 284 job seekers (53.2% youth and 32.4% women) found a job with the assistance of the CEOPs.

In terms of age-groups, Youth (15-29) fulfilled 53.2% of the job opportunities identified and mediated by the Employment and Career Guidance Centres, corresponding to 151 young women and men.

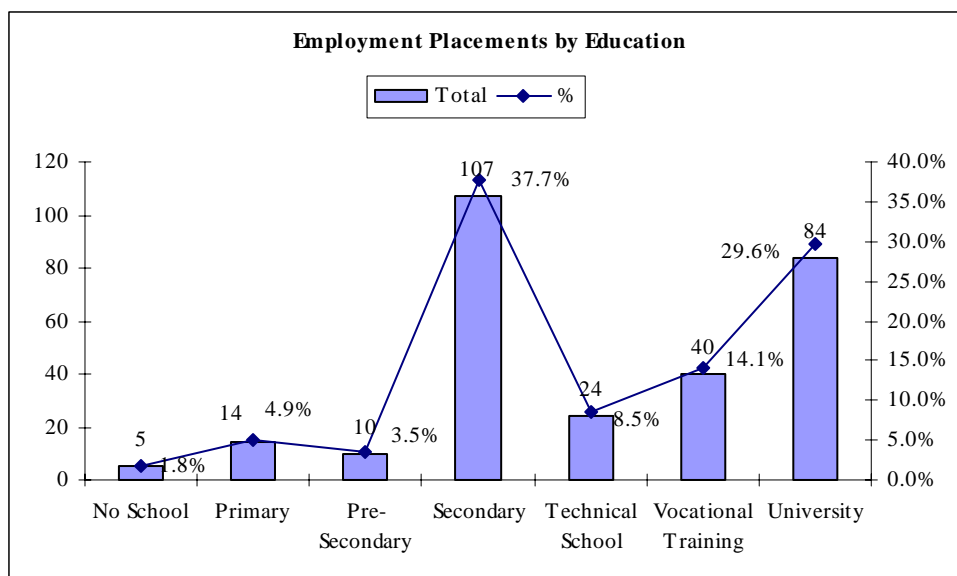




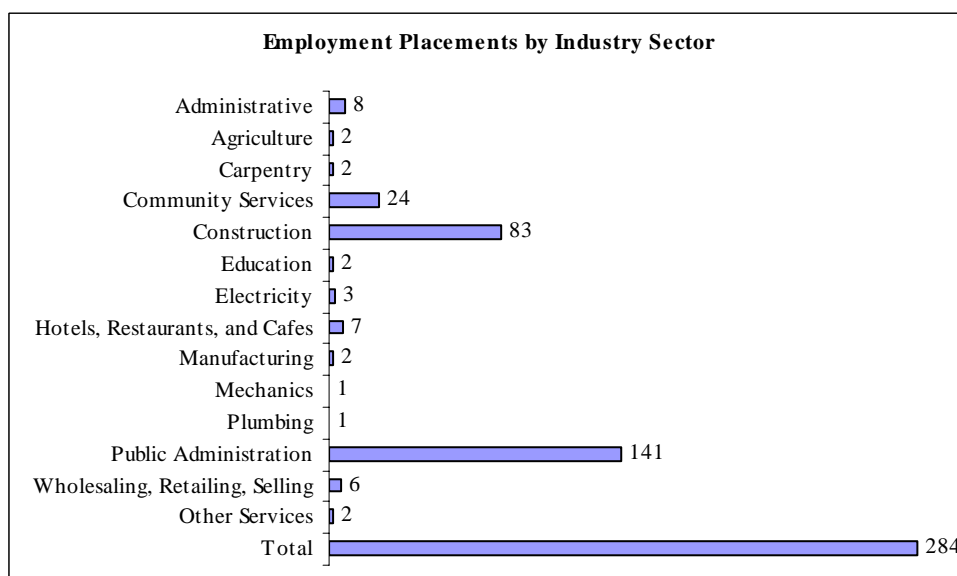
Overall, the percentage of women placed by the Employment and Career Guidance Centres (CEOPs) continues increasing. It was 23% in March 2009, 26% in September 2009, and 32.4% at the end of March 2010. It corresponds to 92 women that found employment with the assistance of the services offered by the CEOPs.



Regarding the level of education of the job seekers employed, the highest number of job placements is reported for registered unemployed with Secondary Education (37.7% corresponding to 107 people), followed by those that attended University (29.6%- 84 people). Altogether, the placement of job seekers with Secondary Education and University represent 64% of the total, suggesting a clear market preference for educated workforce.



Without surprise, the institutions of the State Administration represent the largest employer responsible for 141 (49.6%) of the placements, with the Construction sector being the second best with 83 (29.2%) placements.



Activity 2.5.2 a) – Identify and support, through the FEFOP, training and employment/self-employment promotion activities for out-of-school youth: *Proposals approved by the FEFOP*

During the present reporting period, another 37 FEFOP proposals were approved for implementation.

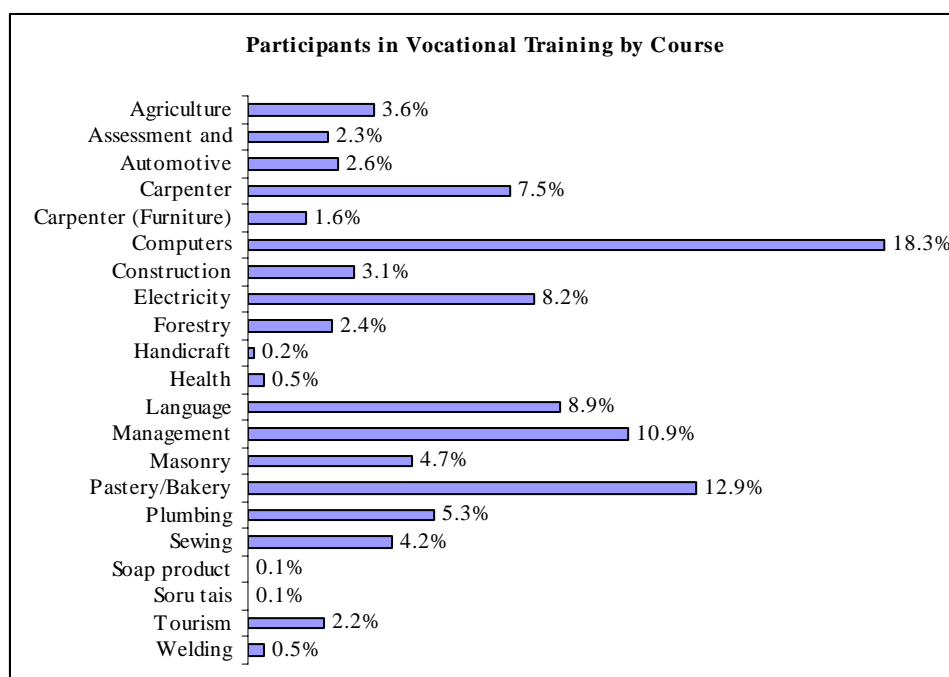
In cumulative terms, and considering the 26 Training Providers Capacity Building proposals (FEFOP module 5) funded by SEFOPE, a total of 99 proposals, originating from the 13 districts of Timor-Leste, were already approved by the FEFOP Central Technical Evaluation Panel and the Administration Board. Details are provided in the table below:

Programme	Total Proposals Approved	Opportunities Created	Districts
Vocational Training	18	358	Aileu, Ainaro, Baucau, Bobonaro, Dili, Ermera, Lautem, Liquiça, Oecusse, and Viqueque.
Work Experience	13	542	Baucau, Covalima, Dili, Lautem, and Manatuto.
Internships	18	47	Baucau, Bobonaro, Dili, Manatuto.
On Job Training	7	47	Dili
Training Providers Capacity Building	27	-	Aileu, Ainaro, Baucau, Bobonaro, Covalima, Dili, Ermera, Lautem, Liquiça, Manatuto, Manufahi, Oecusse, and Viqueque.
Business Training	9	1075	Aileu, Ainaro, Baucau, Bobonaro, Dili, Ermera, Lautem, and Viqueque.
Self-Employment Promotion	7	1400	Aileu, Ainaro, Baucau, Bobonaro, Ermera, Lautem, and Viqueque.
Totals	99	3,469	

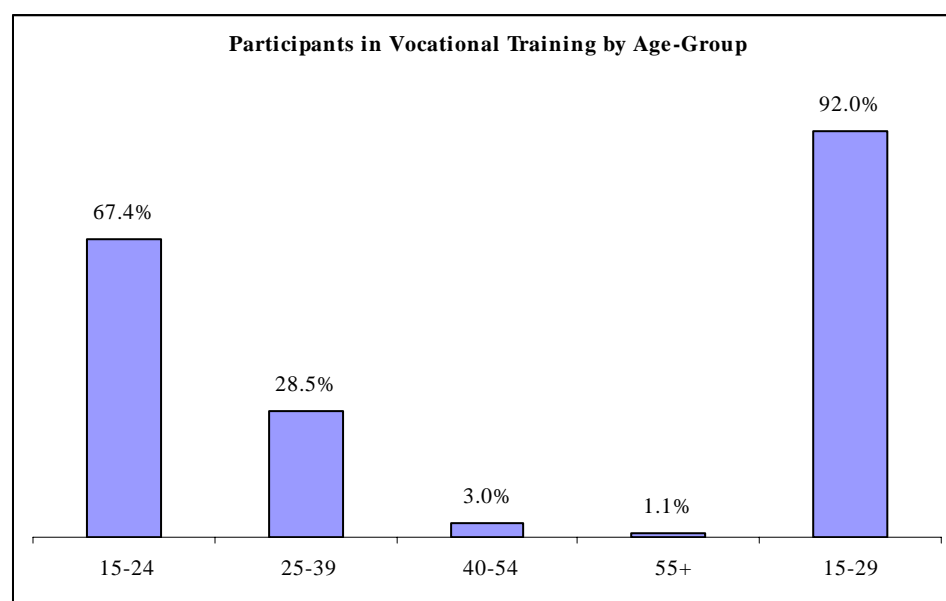
Activity 2.5.2 b) – Identify and support, through the FEFOP training and employment/self-employment promotion activities for out-of-school youth: *Participants in Vocational Training*

Another 433 (46.9% women and 89.4% youth) unemployed registered by the CEOPs participated in vocational training courses during the period, organised by the National Directorate of Vocational Training (DNAFOP) and with the support of the FEFOP and/or SEFOPE local implementing partners.

All in all, and since the beginning of the YEP Programme, a total of 1,275 clients (45.3% women and 92% youth) registered and counselled by the services of the CEOPs were referred and participated in employment oriented vocational training courses. Details on the courses organised are provided in the chart below.



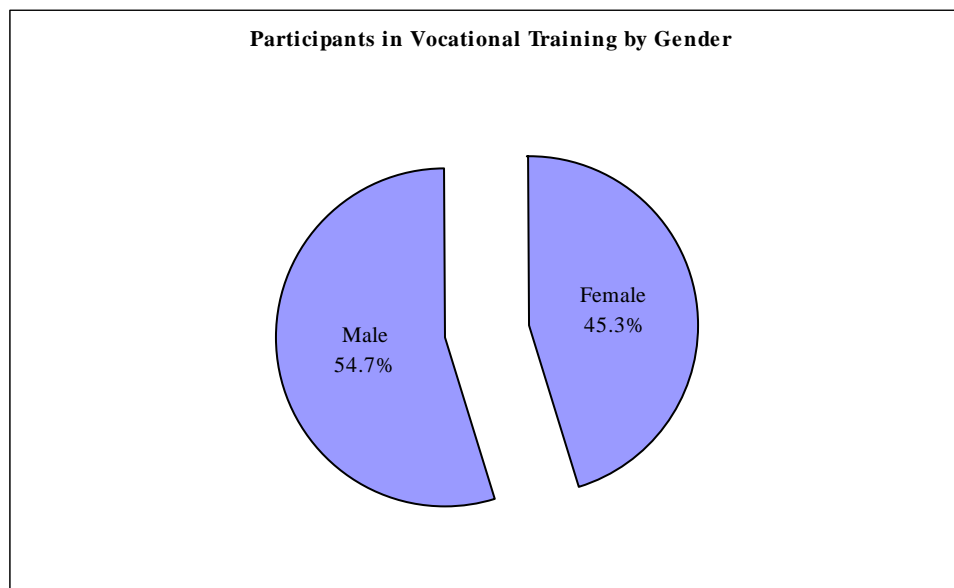
The large majority (92.0%) of the participants in the vocational training courses are youth within the 15-29 age-cohort, and 67.4% of the 1,275 participants are less than 24 years of age. Just 4.1% of the trainees are older than 39 years of age.



As previously discussed, in an economy and labour market fiercely marked by their small dimension, the concept of establishing a “demand-driven” vocational training is extremely difficult to execute. Even more complex is to implement labour market oriented training that may, at the same time, promote equal opportunities for women and men.

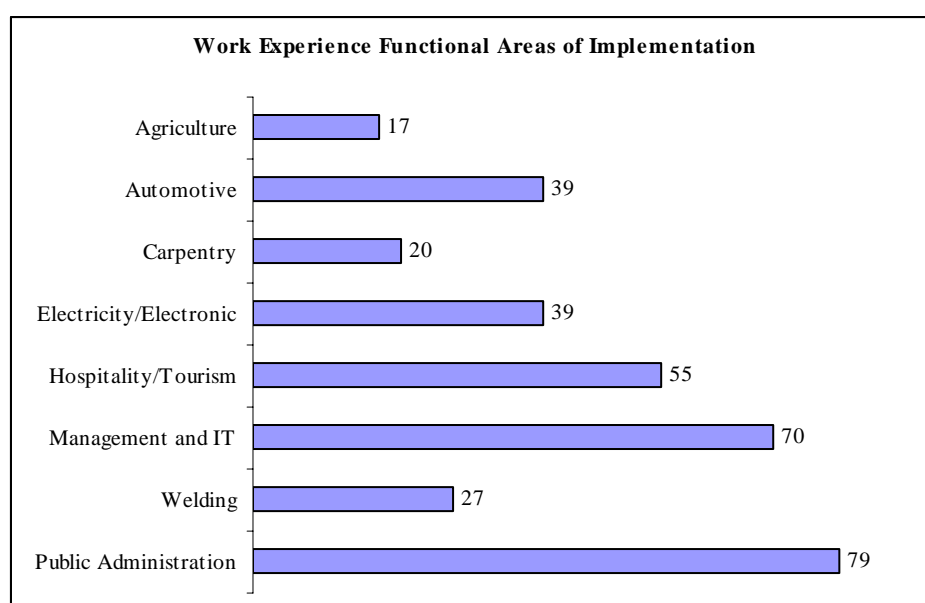
Within this scenario, the results of the YEP Programme of the SEFOPE in terms of access of women to the courses promoted by the DNAFOP have to be considered particularly successful, based on an effort to diversify programmes and expand the coverage of the network of training providers. In cumulative terms, and since the beginning of the YEP

Programme, women represent 45.3% (44.4% in September 2009) of the total participants in the skills training courses organised by the SEFOPE and its partners.

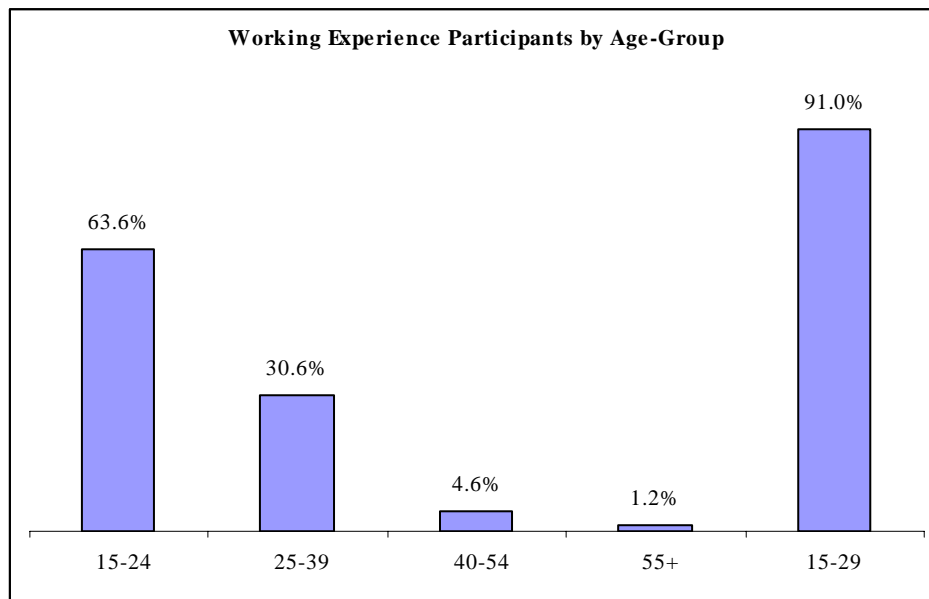


Activity 2.5.2 c) – Identify and support, through the FEFOP training and employment/self-employment promotion activities for out-of-school youth: *Participants in Work Experience*

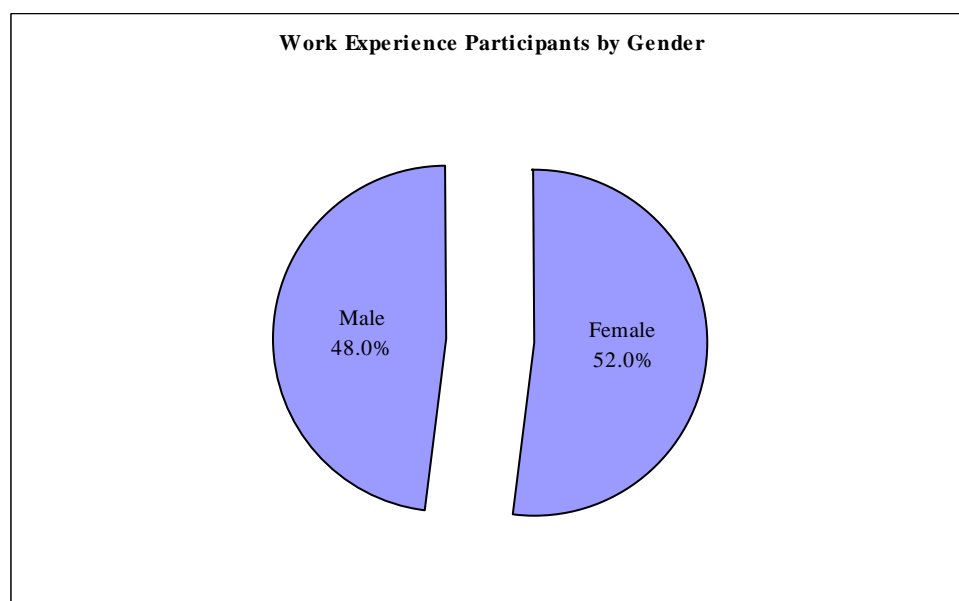
As described in previous reports, DNAFOP and the YEP Programme developed a Work Experience Kit to promote linkages between training providers and enterprises and facilitate the school-to-work transition of the trainees. During the present period, 68 clients (30.8% women and 79.4% youth) of the CEOPs were enrolled in the programmes. In cumulative terms, a total of 346 registered unemployed placed by the services of the CEOPs in skills training courses participated already in Work Experience programmes. Details on the functional areas of implementation are provided in the chart below.



The Work Experience component was specifically created to assist young women and men to enter with the success into the labour market and, consequently, youth represent the vast majority of the participants corresponding to 91.0% of the total.



Women adhered enthusiastically to the Work Experience programmes implemented by the SEFOPE until now. Overall, women represent 52.0% of the participants.



Activity 2.5.2 d) – Identify and support, through the FEFOP training and employment/self-employment promotion activities for out-of-school youth: *Participants in On-the-Job Training*

The first package of On-the-Job training programmes was launched in the previous period with the organization of the first package of On-the-Job Training (OJT) programmes for 16 participants. During the present 6-months under review, another 25 job and training seekers registered in the CEOPs participated in the OJT programmes.

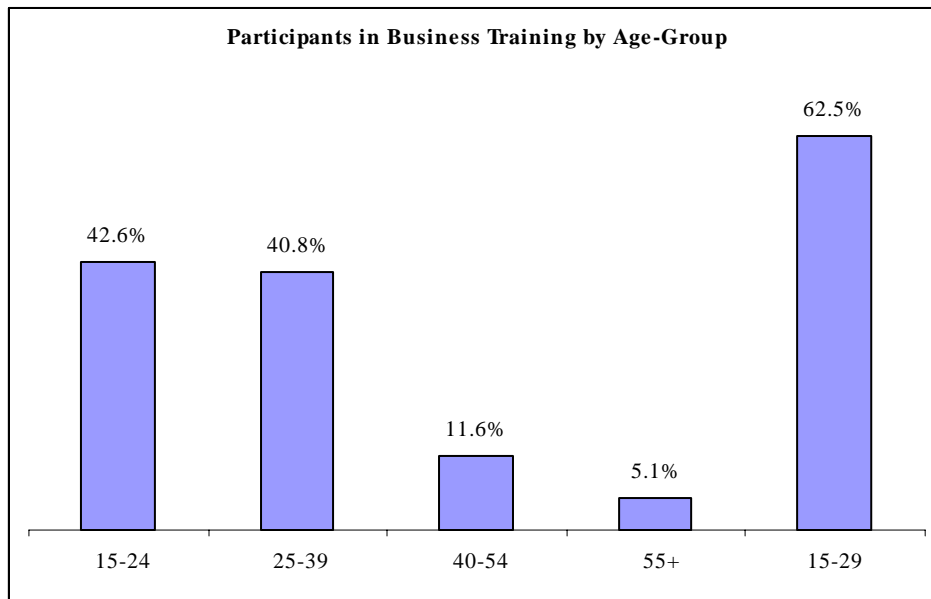
The OJT represents another important instrument of the DNAFOP to improve youth employability. It implies the identification of suitable enterprises with appropriate facilities, human resources and market share to present an effective capacity to contribute for skills upgrading and to offer concrete opportunities for eventual wage employment placement.

Out of the total of 41 participants, women represented only 4.8% and youth 75.6%. The low percentage of women is justifiable by the functional areas of the enterprises involved in the programmes: Automotive, carpentry, electricity, plumbing and masonry are areas of absolute male domination, and only tourism and hospitality provided room for women. SEFOPE and the YEP Programme will continue developing contacts to diversify the type of participating enterprises and to improve the participation of women in the programmes.

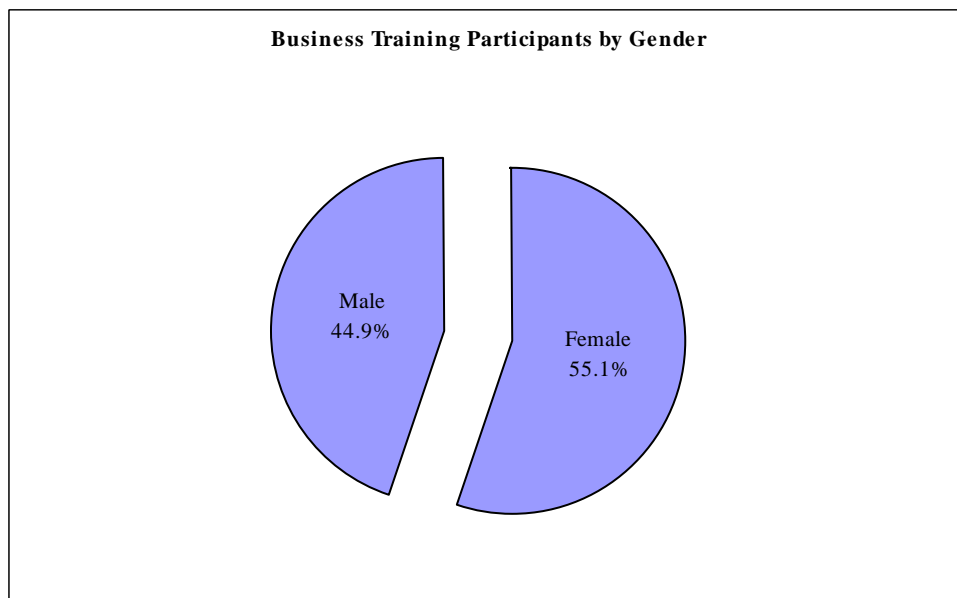
Activity 2.5.2 e) – Identify and support, through the FEFOP training and employment/self-employment promotion activities for out-of-school youth: *Participants in Business Training*

Business Training programmes continued being implemented in partnership with the CDEs (Business Development Centres) of the Ministry of Economy and Development, and supported through the FEFOP. During the period, a total of 198 new potential entrepreneurs (65.6% women and 36.3% youth), clients previously registered and counselled by the CEOPs, participated in the “Generate Your Business Idea”, “Business Game”, and “Start Your Business” training courses. Since the beginning of the YEP Programme, a total of 336 clients (55.0% women and 62.53% youth) assisted by the Career Guidance services of the CEOPs attended Business Training courses.

In terms of age, 62.5% of the participants in the Business Training courses are young women and men within the 15-29 age-group, and 42.6% of them are less than 25 years old.



Women represent 55.1% of the participants, demonstrating the importance of the Business Training courses for the creation of a gender-balanced labour market. Further increase of the women participation is expectable stimulated by the subsequent improved access to credit.



Activity 2.5.2 f) – Identify and support, through the FEFOP training and employment/self-employment promotion activities for out-of-school youth: *Self-Employment Promotion programmes*

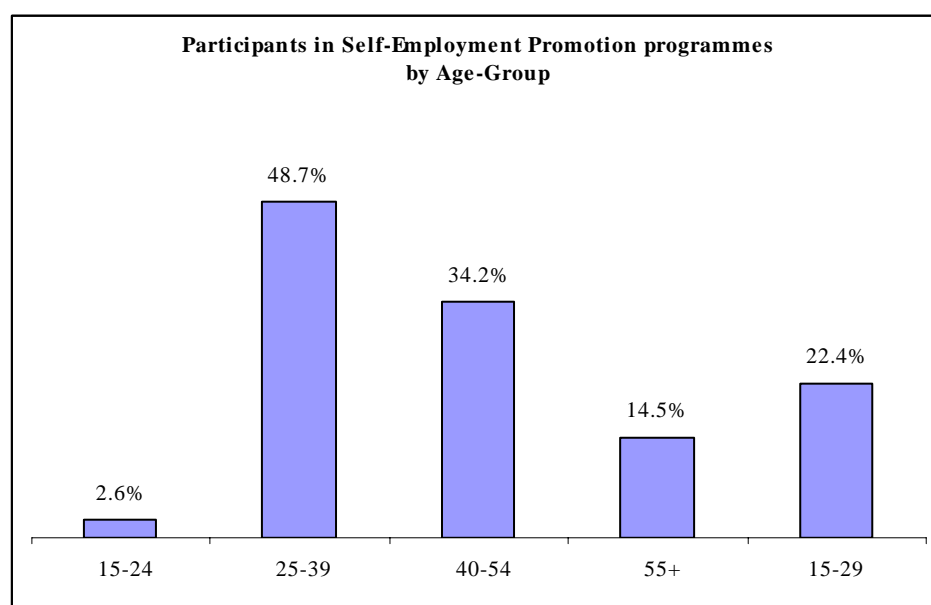
The present reporting period was also marked by the effective launching of the Self-Employment Promotion (PAE) programmes supported through the FEFOP. The PAE is to assist unemployed groups in the community through access to capital, business training and skills training. Within the overall coordination of the CEOPs, the programmes promote the



establishment of links between MFIs clients and relevant training courses, in order to: (i) Facilitate business start-up; (ii) Increase the business competitiveness; and (iii) Create basic conditions for business consolidation and development.

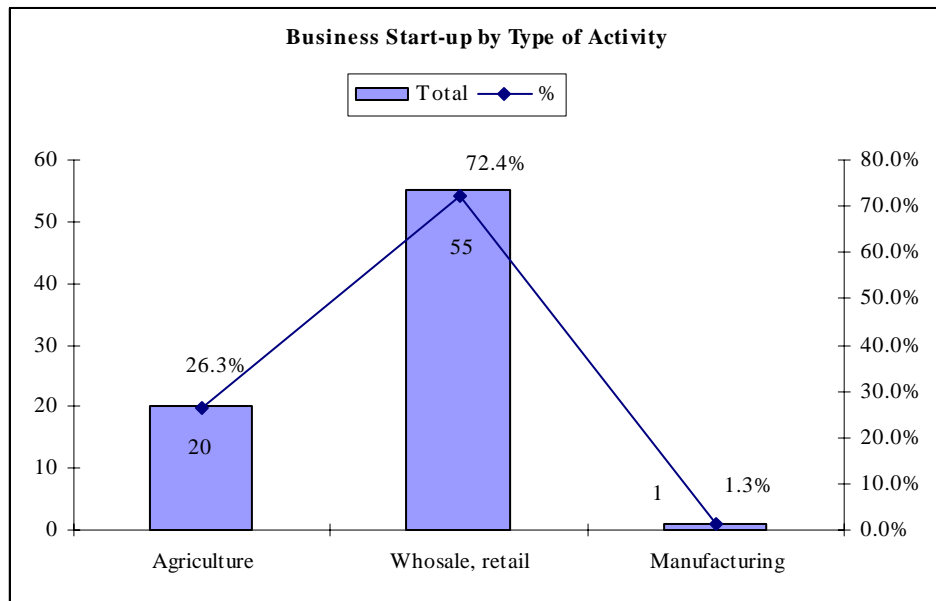
A total of 76 clients of MFIs (100% women and 22.4% youth), registered in the CEOPs, were provided with access to micro-credits and initiated their income generating activities.

In terms of age, and in comparison with the participants in other programmes, the MFIs clients are clearly older, reflecting the difficulties of youth to access to micro-finance schemes. The 15-29 age-group represents only 22.4% of the beneficiaries, while the 25-39 cohort is the largest group corresponding to 48.7% of the total.



As mentioned above, until the end of March 2010 all the beneficiaries of the PAE were women. They are considered by the Micro-Finance Institutions as a more reliable target group than men, and are more ready to start an economic activity with a very small loan in opposition to men that aim higher standards.

Nearly all business initiatives were concentrated in the Wholesaling, Retailing, Selling (commerce) with 72.4% (55 businesses), and Agriculture with 26.3% (20 businesses). One (1) business was created in the area of manufacturing.



### **Specific Objective 3: Creation of Short-Term Employment opportunities, through Labour Intensive Public Works**

*Output 3.1.: SEFOPE capacity is developed to execute labour intensive public works in partnership with other relevant institutions.*

#### Activity 3.1.1 – Establish within SEFOPE an effective logistic and administrative structure to support implementation

An effective structure (Department of Short Term Employment Creation – STEC) within SEFOPE is in place to manage labour-intensive works. The work is being consolidated and efficiency improved where necessary. The STEC and District Technical Teams continue to work closely with the Local Authorities and Public Works Regional Engineers and District Supervisors of the Ministry of Infrastructure. This has facilitated identification of priority works on the road network and coordination with other ongoing or planned activities.

The activities conducted during the reporting period covered eight districts; Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Manufahi and Viqueque.

#### Activity 3.1.2 – Set up within SEFOPE, a technical team able to develop district action plans, mobilize communities and organize and supervise public works.

Based on the approved structure for implementation of the YEP Programme, all posts have been filled. However, the central team has in the reporting period been strengthened with two staff to support administration and monitoring of activities. The STEC has during the reporting period like previously reported seen some staff turnover both at the central levels and within the District Technical Teams with staff leaving for various reasons and new staff being recruited to fill the vacancies. This is normal, however, it does put an extra strain on implementation as new recruitment processes have to be carried out and as new staff has to be inducted and trained in the various activities.

The STEC central team is managing most of the logistics and financial administration and is progressively taking on more responsibilities. The field team of local engineers, supervisors and support staff are planning, managing and reporting on works with input from the YEP Programme. Similarly, they are progressively taking on more responsibilities for this work, and in terms of routine maintenance activities fully capable of managing the works.

#### Activity 3.1.3 – Establish Coordination Mechanism with the Ministry of Infrastructure and other

In the second half of 2009, the YEP continued to participate in National Priority Working Group 2 on Rural Development, which brings together the Ministry of Economy and Development, the Secretariat of State for Vocational Training and Employment, and the

Ministry of Infrastructures. In 2010, YEP is represented in the National Priorities Working Group 1, which focuses on roads, water and sanitation.

The Priorities set by the Government to be monitored by these Working Groups include creating jobs and income-earning opportunities particularly for young people, implementing public works programmes that can create significant short term employment and which deliver infrastructure services essential for growth and development, and development of a vibrant private sector for long term sustainable job creation.

SEFOPE and YEP have actively participated in the Timor-Leste Working Group for rural roads policies, standards and procedures, and made a comprehensive presentation, sharing experiences and materials developed through the YEP component 3.

One very important policy decision by SEFOPE was to increase the daily wage rate for unskilled workers from \$2 per day to \$3 per day, starting from January 2010. This is in line with what is paid by the Ministry of Infrastructure and others and a move towards harmonizing government policy for this type of work. It is positive in the sense that income at the individual levels now will be significantly higher and can make a better impact at household level. Workers are also more motivated, which can have an impact on quality and productivity levels. However, it also means that the total allocation of government budget for labour wages will reach less beneficiaries.

#### Activity 3.1.4 – Develop and disseminate guidelines for Labour-Intensive Public Works (LIPW) programmes, which mainstreams youth and gender concerns

A guideline for routine maintenance has been developed and is in use, which includes technical aspects of routine road maintenance as well as procedures for contracting out such work to community based contractors.

Tools for improved gender monitoring have been developed and tested. Based on regular monitoring of gender related issues it will be possible to better determine the nature of the obstacles facing women with regards to participation in the programme and to take active measures to remove such obstacles. (see further section 3.3.1 below)

Procedures, technical manuals and best practices for the Labour-based approach developed so far by STEC are shared with partners and are feeding into policy and strategy discussions.

#### Activity 3.1.5 – Train SEFOPE staff on administration of labour intensive public works

SEFOPE through its set up under STEC is now in a position to administer labour-intensive public works in terms of project identification, project management and payment of workers, however still with some support from the ILO, in particular on preparation of detailed work plans and on procurement of materials and services.

All staff receives continuous on the job training, and new staff are properly inducted to their work tasks. Where possible, the new staff participates in formal training, such as the newly

recruited engineers who are participating the comprehensive training for private contractors in labour-based techniques and contracts management.

The STEC administration staff continues to work closely with YEP administration on procurement issues, however, STEC procurement and administration staff is progressively taking more responsibilities in all procurement activities and logistics.

SEFOPE is fully responsible for carrying out the payment of labour wages and have through the YEP programme established effective and transparent procedures for this. Each payment is carried out by staff from SEFOPE, SEFOPE Finance and STEC. Payments are normally effected within two weeks of closing of the musterroll.

Regular meetings are held with all STEC staff to share experiences and to ensure that all issues and procedures are fully understood and applied, including recruitment and registration workers.

***Output 3.2.: Road Rehabilitation and Maintenance Works projects completed in all districts of Timor-Leste.***

**Activity 3.2.1 – Identify, in consultation with local authorities, labour-intensive works in all 13 districts**

In order to facilitate the requirements for the implementation of the works in terms of administration, logistics and supervision, SEFOPE is advocating the organization of activities using a rotating district cluster approach.

The first cluster completed in the first half of 2008 included the districts of Ainaro, Bobonaro, Covalima, Dili, Ermera and Manufahi, where a total of 110 community projects were identified and implemented.

The second cluster, completed in the second half of 2008 included Aileu, Baucau, Dili, Lautem, Liquica, Manatuto, Oecusse and Viqueque corresponding to 115 projects identified in consultation with local authorities and relevant ministries in all these districts.

The third cluster, completed in the first half of 2009 included a total of 44 contracts, which were issued for Aileu, Baucau, Dili, Lautem, Liquiça, Manatuto, Oecusse and Viqueque.

The fourth cluster, completed in the second half 2009 included a total of 62 contracts which were issued for Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Manufahi and Ermera.



**Side drain excavation and levelling in Covalima, Sub district, Maucatar, Suco: Ogues & Matae**

The planning and implementation of the fifth cluster is currently in progress. In all some 40 maintenance contracts are planned for, Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Manufahi and Ermera.

In addition to the planned works, SEFOPE was in late February requested by the Council of Ministries to implement emergence employment activities in two Districts, Covalima and Bobonaro. The Timorese Police had reported civil unrest in pockets of these two districts, with in particular youth groups being violent to outsiders passing by. SEFOPE responded within two days by sending a team to make an assessment of the situation and preparing proposals for implementation of road maintenance activities. Within a week, SEFOPE had

mobilised resources and started implementation of an additional 5 new projects in the concerned communities which will provide employment and income opportunities for some 300 beneficiaries over 2 to 3 months, and which hopefully will contribute to curbing the violent outbursts in these communities.

For this reporting period, covering clusters four and five, meetings and consultations were held with the local authorities in all the concerned districts to reiterate the objectives of the programme, to identify and prioritize activities and to identify the local maintenance contractor. It was in particular stressed that the Programme targets women and youth, in particular those out of school. The Maintenance supervisors prepared the physical assessment of the work and prepared contracts for each sub activity in the districts.

In terms of challenges, 2009/2010 has been an unusually wet rainy season and this has caused some landslides and other damages to the roads in Timor-Leste. Problem spots have been repaired and contracts amended to address the situation, and all roads recently rehabilitated are as a matter of policy being put under maintenance.

Another challenge is the government funding contribution to component 3 of YEP. In 2009, the funding was \$200,000 for labour wages and was exhausted before the end of the year. In 2010, the funding level is similar or 180,000 allocated to routine maintenance activities. The 2010 funding became available in late February.

#### Activity 3.2.2 – Harmonise defined district action plans with the priorities of the Ministry of Infrastructure and Ministry of Agriculture

Activities carried out during the reporting period have been developed in consultation with the local authorities as well as Ministry of Infrastructure and where relevant with Ministry of Agriculture. There is a continuous dialogue as new projects are identified and developed. Routine and periodic maintenance for the reporting period were undertaken in eight districts.

#### Activity 3.2.3 – Organise and supervise the implementation of field activities

Work is being organized with the support of the District Technical Teams of SEFOPE who assist in recruitment and logistics. In terms of routine road maintenance the work is outsourced. The Maintenance Supervisor is responsible for making the assessment and developing the work plan for the contractors. The contractors are trained on the job and supervised by the Maintenance Supervisors.



***Output 3.3.: Short-term employment opportunities created in all districts of Timor-Leste, through labour intensive public works.***

**Activity 3.3.1 - Define and implement specific youth orientated methodologies for the selection of workers, and with local authorities, implement a community approach to identify workers**

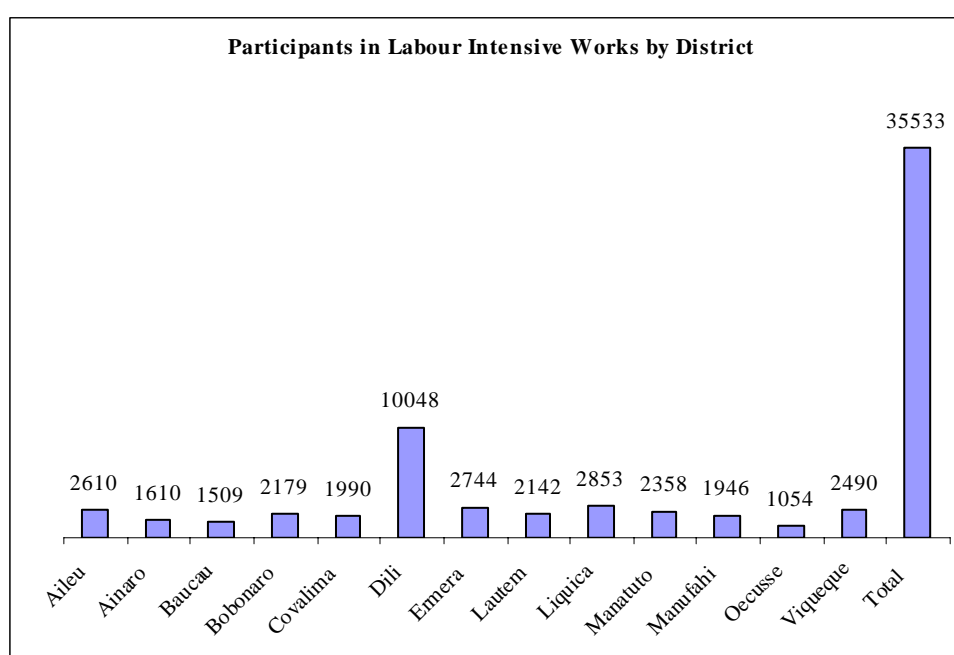
Meetings are continuously organized with local authorities to inform and discuss the criteria defined by SEFOPE and YEP Programme for the selection of beneficiaries, particularly the target participation of youth (at least 50%) and women (at least 40%). In these meetings SEFOPE qualifies that for the target of youth, this is in particular for those out of school and that it would be important not to interfere with school activities. Community leaders have been actively involved in the selection, working in partnership with the District Technical Teams of the SEFOPE.

The contracts used for maintenance works include clauses related to enrolment of youth and women, which the contractor must adhere to.

All field activities (labour-intensive works) maintain a muster roll where daily attendance is recorded, which represents the basis for the administrative process associated with the payment to the workforce, as well as for monitoring of the different groups enrolled.

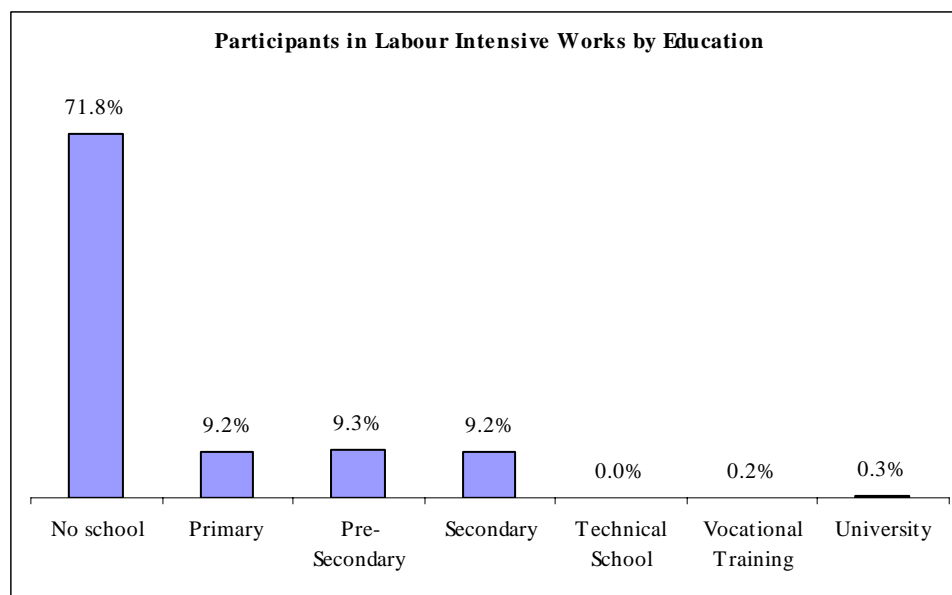
During the period, 1,687 new beneficiaries (441 (26.1%) women and 1,125 (66.6%) youth) participated in the labour intensive programmes that created 96,980 workerdays of employment. In cumulative terms, the labour intensive works created already 1,046,014 workerdays of employment and provided temporary jobs to 35,533 people in rural areas.

The chart below provides details on the distribution of the beneficiaries by district since the beginning of the YEP Programme.





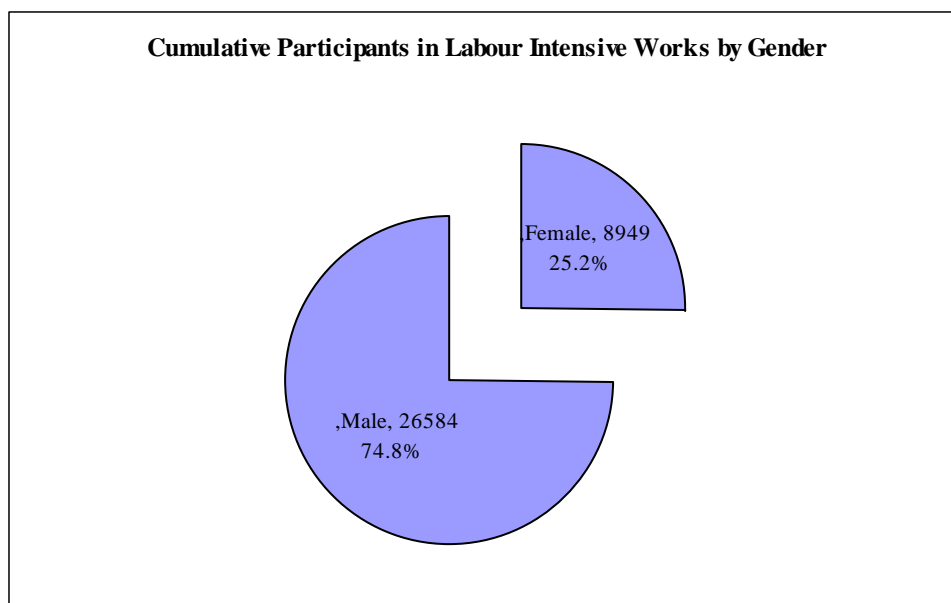
As previously highlighted, labour intensive works are designed to provide the most vulnerable groups of the population with concrete opportunities for employment and income generation, and the analysis of the level of education of the participants in the programmes organised by the STEC Department clearly reflects this reality. The vast majority (71.8%) of the workers never attended school, and another 9.2% just completed primary education. Workers with pre-secondary and secondary education present a share of 9.3% and 9.2% respectively. The participation of workers with Skills Training, Technical Secondary Education and University is marginal.



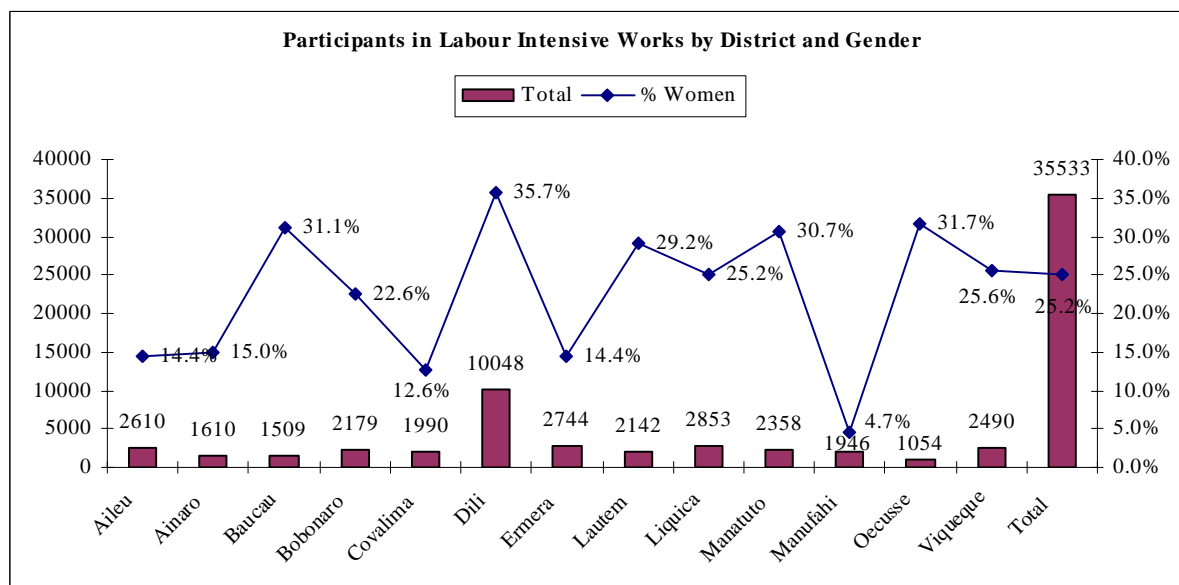
### Activity 3.3.2 – Monitor participation of women in the Labour Intensive Public Works

The operations and procedures by the STEC Department are continuously being improved. It should be noted that though policies and objectives are thoroughly discussed before recruitment and during implementation, however in many cases communities and community leaders may have a different view on what is fair in terms of distribution of employment opportunities, e.g. strong views on rotation of workers and that opportunities should be provided beyond the stipulated youth bracket.

The women participation during the period registered a slight improvement from the previous 25.1% to 26.1% (441 women out of the total 1,687 beneficiaries). However, due to the relatively small total number of beneficiaries during the reporting period, the increase of the cumulative percentage of women since the beginning of the Programme was marginal (increase from the previous 25.1% to 25.2%).



The chart below shows women participation in the labour intensive works by district. A number of districts are clearly above average including Dili with 35.7%, Oecusse with 31.7%, Baucau with 31.1%, and Manatuto with 30.7%. Oppositely, Ainaro with 15.0%, Aileu and Ermera with 14.4%, Covalima with 12.6% and especially Manufahi with 4.7% are below average and represent the worst case scenarios.



A desk review of women participation in previous and ongoing programmes has been completed. This review is attached in full in Annex VI to this report. The review identifies a number of constraints to women's participation such as

- lack of time to make use of new opportunities;
- responsibilities for taking care of the household and children
- cultural barriers: employment in construction work,
- lack of clean water and toilet facilities on work sites

The analysis also clearly indicates that achievement of women participation vary from one district to another, with urban areas generally doing better.

In terms of access to information, 99% of women who did not participate did receive information about works opportunities. However, they also reported the need for more information, as most of them, 68% reported that they had not worked in this type of work before.

Women in the survey perceived themselves as the main person providing for the family. Decision to work is made by them and for some jointly with their husbands. Women who participated in the works programme were generally more economic active than those not participating in the programme. Their economic activities included working in the agricultural field and running small businesses. A significant 38% of women not at work reported “just stayed at home.”

Women’s decision to work according to the survey is influenced by the economic needs **and** the possibility whether they could balance earning opportunities with domestic responsibilities. Women sought permission from their husband whether or not to participate in the programme. For the participating one, 48% made their own decision while 42% consulted their husbands. A review of the survey data in its totality shows women’s decision to work or the “permission” of their husband hinges upon the fact whether the family can afford women’s temporary absence from the home and that it was possible to arrange for someone else to take care of women’s domestic responsibilities.

82% of participating women pointed out that family and child care responsibilities are the critical factor that deter or inhibit women’s participation in the works programme. In addition, 15% cited a need for flexible hour as a necessary condition for them to work outside the home, and in terms of working conditions, women participating in the programme cited having access to clean water and toilet facilities as the main concerns at the work site.

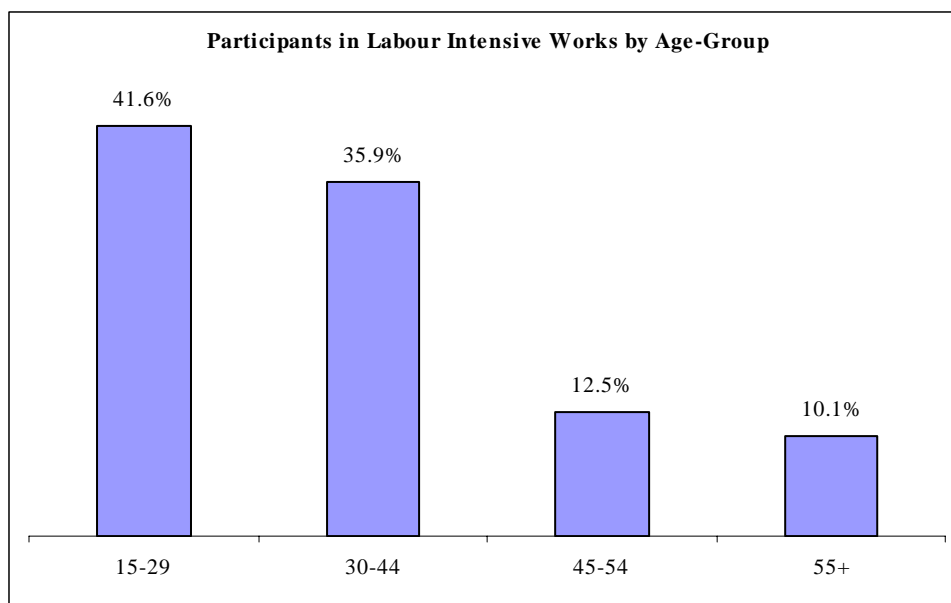
Many of these issues were confirmed in the recently conducted field survey covering 183 participants, both men and women.

As a response to this issue, all field staff has undergone more training on gender aspects and women’s participation in the works. The programme has carried out awareness and information campaigns in seven districts attended by 686 people, including dissemination of leaflets and brochures in communities with ongoing road works. In addition, the programme is now introducing drinking water on the rehabilitation sites and looking into the feasibility of child care arrangements for women who want to work but unable to do so because of this responsibility.

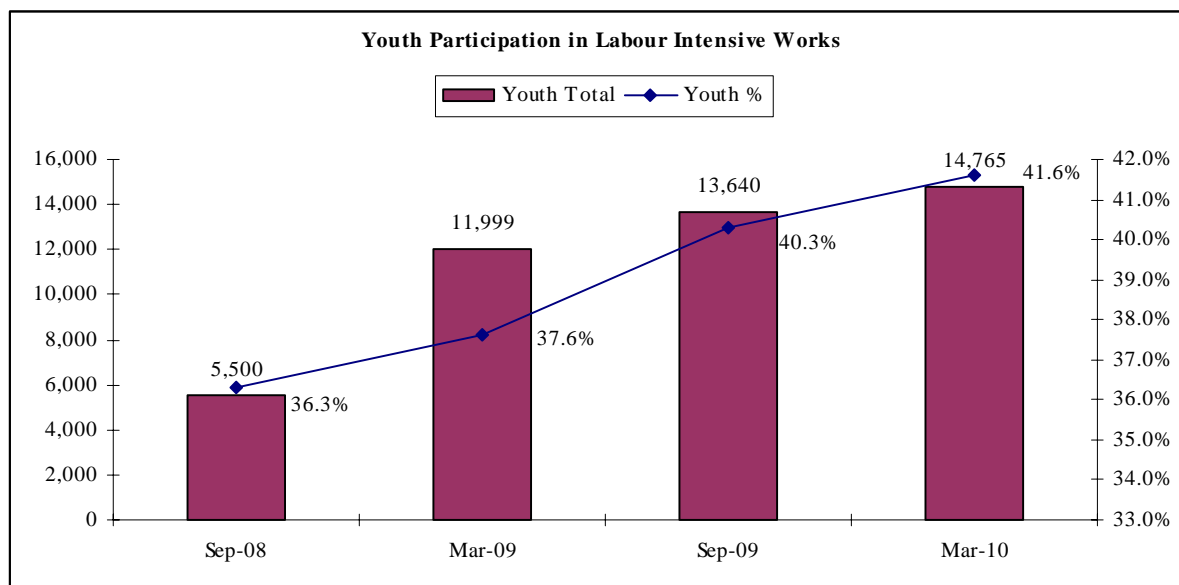
### Activity 3.3.3 – Monitor participation of youth in the Labour Intensive Public Works

During the present reporting period youth was once again strongly represented at the level of 66.7% (1,125 young women and men out of the total of 1,687 participants).

In cumulative terms, out the total of 35,533 rural poor people that benefited from the short-term earning opportunities, 41.6% are youth within the 15-29 age-bracket, corresponding to 14,765 young women and men.



Despite the fact that the overall percentage of youth enrolled in the labour intensive programmes is still below the YEP target of 50%, it shows a clear positive pattern during the implementation of the YEP: 36.3% (5,500 participants) in September 2008, 37.6% (11,999 participants) in March 2009, 40.3% (13,640 participants) in September 2009, and 41.6% (14,765 participants) in March 2010.



In addition, it is also important to note that basically the rest of the beneficiaries are made up of the next age-bracket i.e. just outside of what has been defined as youth (35.9% of the workers are in the 30-44 age-bracket).

***Output 3.4.: Work skills programme implemented for men and women engaged in labour intensive public works programme.***

Activity 3.4.1 – Develop work skills programme and relevant materials

The Work Skills programme was designed to respond to the need of improving the employability of the more than 71% of the participants in the labour intensive works that are illiterate.

As previously reported, Literacy and Numeracy training and HIV Awareness modules were developed and published in partnership with the National Directorate of Non-Formal Education of the Ministry of Education, the National Directorate of Employment of the SEFOPE, and the UNICEF.

Training materials were developed in Tetum, consisting of the YEP Literacy and Numeracy Book 1 & 2, entitled “Hakat Ba Oin” and “Iha Dalan”. Prepared training materials were printed and distributed to implementing partners. A total of 7,000 manuals were produced.

Activity 3.4.2 – Identify potential partners to deliver work skills programme

As also described in previous reports, the Department of Short-Term Employment Creation (STEC) made extensive contacts with local NGOs that expressed interest in participating in the implementation of the Work Skills programmes.

Those contacts resulted in the selection of twelve (12) organizations with potential to conduct Literacy and Numeracy training, and HIV Awareness. Training of Trainers was conducted for Literacy and Numeracy Trainers, as well as for HIV Awareness Facilitators. A total of 73 Facilitators (23 females) and 8 Coordinators (2 females) received specific training for the implementation and supervision of the programmes.

Activity 3.4.3 – Select workers who will participate in work skills programmes

In order to qualify for participation in the literacy and numeracy programmes organised by the STEC Department, candidates have to meet the following basic criteria:

- Participate in the labour intensive programmes;
- To be illiterate;
- To express willingness to participate on a volunteer basis;

Within this overall criteria, the youth and women participation is particularly encouraged by the STEC Department and the YEP Programme.

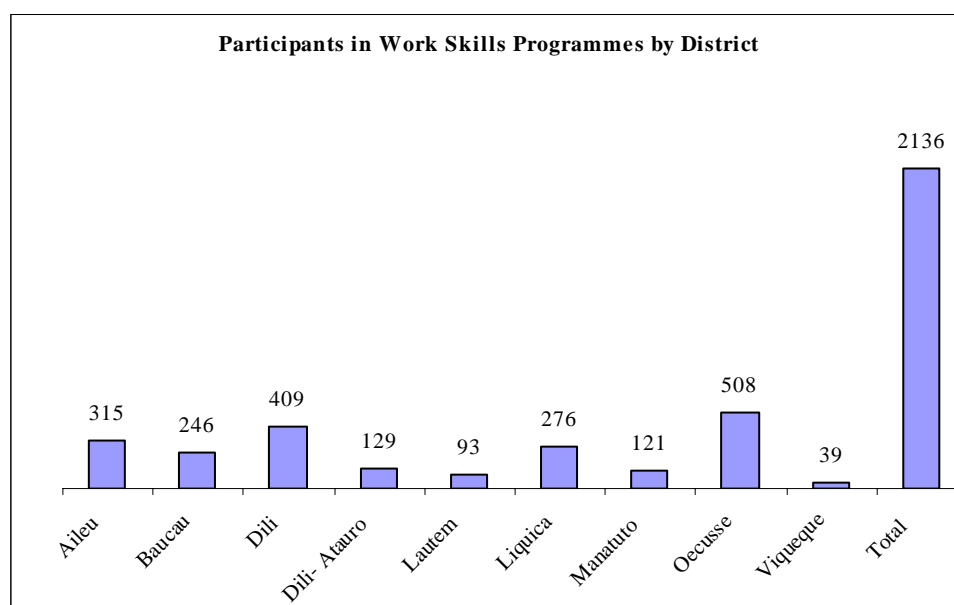
Activity 3.4.4 – Implement and monitor work skills programme

Another cycle of literacy and numeracy programmes was planned and launched during the period in the districts of Aileu, Baucau, Dili, Lautem, Liquiça, Manatuto, and Oecusse. The table below provides details on the number of classes and participants targeted.

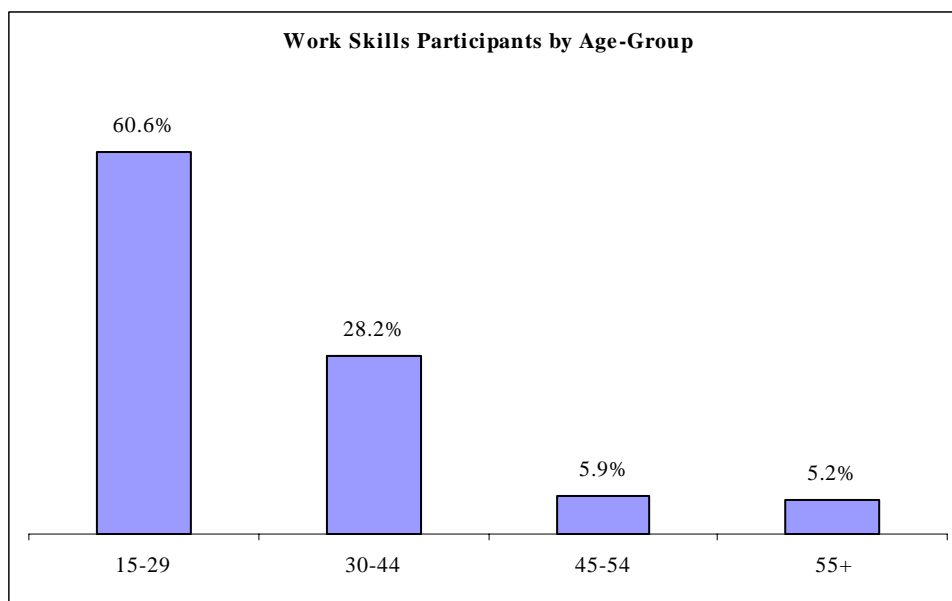
District	No. of Classes	No. of Participants
Aileu	13	250
Baucau	13	251
Dili	10	189
Lautem	4	72
Liquiça	9	141
Manatuto	13	225
Oecusse	22	444
Total	84	1,572

The new programmes were launched in Oecusse on 15 March, and are planned to start by the end of April in all the other districts listed above. Details on the selected participants will be available in May 2010.

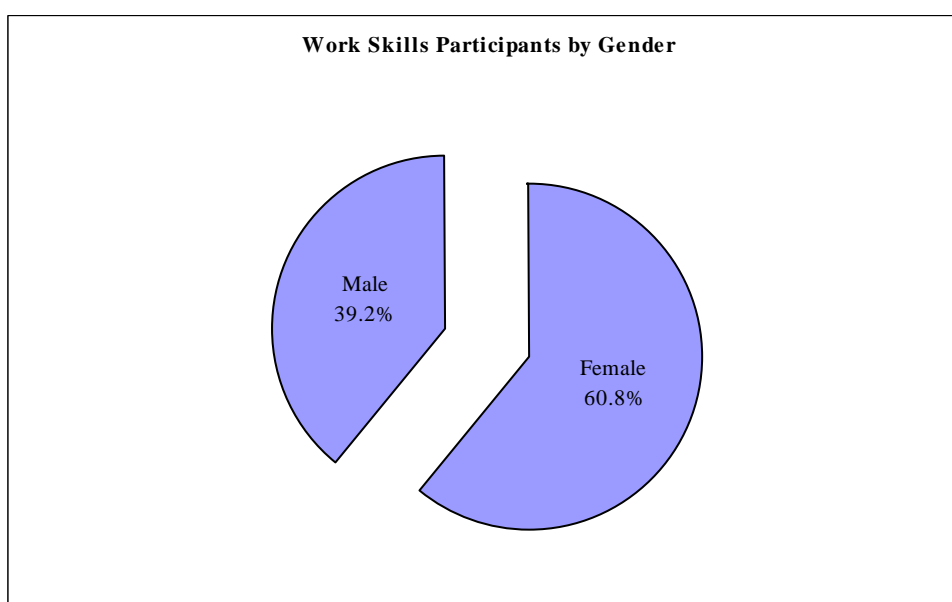
In cumulative terms, a total of 2,136 women and men already participated in the courses. The chart below provides details regarding the breakdown by district.



More than 60% of the participants in the work skills programmes are within the 15-29 age-bracket, reflecting the success of the efforts of the STEC Department and the YEP Programme to stimulate the participation of the youth in programmes that are central to improve their employability and preparedness to face the labour market and life challenges.



Due to the lack of opportunities, women tend to be less educated than men and the Work Skills programmes are particularly appropriate to assist them to be more competitive in the labour market, improve their ability to manage and support their households, and increase their self-esteem.



An HIV/Aids and Family Planning (Birth Spacing) awareness campaign was also launched in February for communities involved in labour-intensive work activities, starting with four

locations in two districts, with some 200 participants attending the training events. The feedback from participants was good and for most this was the first time they received information on the topic. Following evaluation of the pilot phase, the awareness campaign will be rolled out to cover more communities involved in labour-intensive projects.





**Specific Objective 4: A competency-based education and training system, providing Timorese youth with relevant skills in accordance with the labour market requirements, established and operational.**

***Output 4.1.: National Labour Force Development Institute (INDMO) established and fully operational.***

INDMO has had a successful six month period. It has enjoyed stability with both national and international staff and has made significant progress in the three key functions of INDMO. It has been particularly busy for both INDMO and DNAFOP culminating in a major event on Friday 19 March 2010 with over 300 people attending. The event showcased the partnership between government, employers, workers and vocational training providers in building a good quality, relevant training system for Timor-Leste. *The Presentation of Timor-Leste market orientated vocational training system* marked a key milestone for SEFOPE, INDMO and the YEP Programme.

The Presentation focused on the building blocks of the system: the Vocational Training Policy, the Quality Standards for the Registration and Accreditation of Vocational Training Providers, the Timor-Leste National Qualifications Framework and the National Labour Force Development Institute (INDMO).

There were several highlights. The statements of commitment from the INDMO Executive Commission and four industry-based Sub-Commissions were a clear public demonstration of the commitment of all stakeholders to building a new, good quality training system for Timor-Leste. Industry in particular is critical to the success of the training system and they were well represented at the Presentation. An employers' representative is on the five-member Executive Commission and employers make up 60% of the Sub-Commissions.

The Minister for Education presented the progress towards the Timor-Leste National Qualifications Framework and spoke about the positive and constructive relationship between the Ministry and SEFOPE. The NQF is under the responsibility of the Ministry of Education but will be jointly implemented by INDMO and the National Commission for Academic Assessment and Accreditation (NCAAA). The Decree Law for the Timor-Leste NQF will be drafted in the coming months. The Minister and the Secretary of State also signed an MOU on areas of cooperation relating to entrepreneurship training, career guidance counselling and professional development for vocational teachers.

Also part of the Presentation was a display by selected training providers of course information and local produce from their training centre. Trainees also supported the event in several roles including ushers and at reception.

#### Activity 4.1.1 – Develop INDMO Strategic Plan 2010-2010

In response to the Government of Timor-Leste overall 10 year strategic planning process, INDMO conducted an internal workshop and with Secretariat staff and completed the first draft of its Strategic Plan 2010-2020 (Annex VII). This Plan will be presented to the Executive Commission and other stakeholders over the coming months.

#### Activity 4.1.2 – Provide professional development opportunities for INDMO staff

INDMO Staff Development Plan was finalised in October 2009 (Annex VIII). The Plan focuses on formal training plans particularly in relation to English language training and IT skills and ongoing mentoring by international advisers. Implementation of the training plan commenced in November with English language training for the Director of INDMO. This has continued in 2010 with English language training for five of the six Secretariat staff. Also, the three (3) program officers and the finance officer are currently planning for a 10 day IT training program in Indonesia as recommended in the Staff Development Plan.

The President of the Executive Commission and the Director of the Secretariat participated in a two week training program (September-October 2009) at the ILO International Training Centre of Turin on Promoting Effective Skills Development Policies and Systems. The program aimed to identify critical points and possible actions in order to improve skills development in countries; revise approaches and experiences being applied in different countries around the world; and to strengthen participants' capacities to formulate comprehensive skills development policies.

This training program was directly relevant to the stage of development of the training system in Timor-Leste as shown by the follow-up activities nominated by the participants. That is to develop an implementation plan for the National Vocational Training Policy; further develop the Timor-Leste skills strategy; strengthen linkages with industry and to fully utilise a unified labour market information data base in planning for the training system.

#### Activity 4.1.3 – Develop INDMO information brochures

For the Presentation of the training system on 19 March, INDMO prepared a folder of information on the vocational training system. The contents included a list of Members of the Executive Commission and the Sub-Commissions; the Vocational Training Policy; INDMO General Information; Registration and Accreditation Standards; the National Qualifications Framework and brochures on the Employment and Career Guidance Centres, Gender Unit, FEFOPE, DNAFOP and the National Directorate of Labour Inspectorate. The information folders contain individual briefs that can be regularly amended to provide up to date information for all stakeholders as it progresses and meets new milestones.

The INDMO Secretariat also continues to respond to many requests for information and advice on the vocational training sector. In particular there have been ongoing discussions with the Ministry of Education (Higher Education, Polytechnics and Professional development for teachers), Asian Development Bank (project with the National Institute for Public Administration), Ministry of Finance (new department for autonomous institutions), Civil Service Commission (qualifications for civil servants in leadership, administration and finance), UNDP (capacity building project for national staff), Charles Darwin University, Victoria University, and numerous individuals.

#### Activity 4.1.4 – Support regular meeting of the Executive Commission

The Executive Commission continues to meet regularly and held meetings in December, February and March. The primary focus of these meetings has been the approval of members

for the three new Sub-Commissions and preparation for the Presentation of the Vocational Training System on 19 March.

The Executive Commission members have approved the regional study tour for early August 2010 to Indonesia and the Philippines. Preparations for the tour are underway. The purpose of the study tour is to build networks with regional partners in vocational training and to benchmark Timor-Leste competency standards and quality assurance system to international standards. The Executive Commission needed to approve the replacement of two members who left their positions and therefore can no longer represent their sector. The new members are Raimundo Jose Neto as Vice-President, representing the Ministry of Education and Carla Alexandra da Costa representing vocational training providers.

***Output 4.2.: Industry Competency Standards for vocational training defined and approved by Executive Commission in accordance with international standards for vocational training.***

At its meeting on 15 December 2009, the Executive Commission approved an additional three Sub-Commissions bringing the total to four. The appointment of the members of the Sub-Commissions followed individual stakeholder meetings, an advertisement in the local newspapers and an information workshop. The new Sub-Commissions are Administration, Financial Services and IT; Construction; and Education, Training and Assessment. The Tourism and Hospitality Sub-Commission continued to meet.

A significant step for the work of the Sub-Commissions is the preparation of the *Guidelines for the approval of competency-based qualifications* (Annex IX) and the *Approval process for the registration of competency-based qualifications* (Annex X). The Approval process is ready for presentation to the Executive Commission for approval at its next meeting.

**Activity 4.2.1 – Establish and convene meetings of the Tourism and Hospitality Sub-Commission**

The Tourism and Hospitality Sub-Commission continued to meet and discuss the competency standards for the sector. The Sub-Commission still needs to prepare the Submission to the EC for approval of national qualifications that will then be registered on the NQF. The Tourism and Hospitality sector is the first one to prepare qualifications and it has been a learning process for all concerned. While the validation of the competency standards is complete the process of packaging the units into qualifications is taking longer than first expected. There are four draft qualifications being prepared covering levels one and two on the NQF.

Additional work was required following recognition of the need to include language proficiency (Tetun/Portuguese), numeracy, work experience, and English/Portuguese language competencies in the qualifications. These competency standards have not been completed. They will be generic standards that will be used in numerous qualifications across most industry sectors.

**Activity 4.2.2 – Establish and convene meetings of the Construction Sub-Commission**

As stated above, INDMO established the Construction Sub-Commission in December 2009, however the Solar Power Working Group (SPWG) (which comes under the Construction SC)

commenced earlier in August. The Construction Sub-Commission has met twice and is continuing an induction program.

The SPWG with support from the AusAID funded Timor-Leste Solar Power Project team continued to work with DNAFOP and INDMO on the training program for vocational training providers. The two week training program was held in February at SENAI with five training providers participating (Tibar, SENAI, FUFTILO, Hera (UNTL Engineering) and Clarat Training Centre). The second block of the program will be held in May. Both INDMO and DNAFOP are members of the Steering Committee of this project.

Staff from INDMO and DNAFOP participated in the first graduation ceremony of the Certificate in General Construction supported by the Timor-Leste Basic Skills Training Project (AusAID and South Australian Government). Work is expected to intensify with this project in the next period as work commences on validation of the competency standards in construction. INDMO and DNAFOP are also members of the Steering Committee for this project.

#### Activity 4.2.3 – Establish and convene meetings of the Administration, Financial Services and ICT Sub-Commission

In preparation for the Administration, Financial Services and ICT Sub-Commission, INDMO conducted an analysis of the sector. It is the first completed sector analysis and is proving an invaluable tool. The Sector Analysis involved identifying the key stakeholders, defining the scope of the sector, conducting an assessment of training and making recommendations. The INDMO team presented the findings to industry stakeholders (11 November) and training providers (13 November) and completed the final Administration and Finance Sector Analysis Report late November (Annex XI).

This Report is a key document for INDMO and provides a framework for the Sub-Commission to evaluate the skills and knowledge required in the jobs in their sector. It provides guidance for the next phase. At the core of the work is to develop the competency standards for the identified jobs; packaging the standards into qualifications; register training providers to deliver the qualifications; develop good quality teaching and learning resource materials and support training providers to implement courses. This sector is a priority for INDMO. The skills and identified jobs cross all industry sectors in Timor-Leste and underpin good business and governance at every level. It urgently requires adequate funding to move forward.

#### Activity 4.2.4 – Establish and convene meetings of the Education, Training and Assessment Sub-Commission

In addition to establishing this Sub-Commission in December, INDMO held a second consultation (9 December) on the skills and knowledge required for vocational teachers and trainers. The results of both these consultations will form the basis of the competency standards for the qualification for trainers. INDMO has received many enquires for the qualifications in this sector and in particular the teaching and assessment qualification that will be the requirement for vocational trainers. INDMO is also working with the Ministry of Education on possible qualifications for existing teachers under the Ministry of Education.

***Output 4.3: Vocational training providers and enterprises accredited by INDMO to deliver and assess training for approved competencies.***

The new SEFOPE and INDMO registration and accreditation standards are part of the changes to the vocational training system in Timor-Leste to guarantee high quality vocational training. There are two steps in the process. The first is for the registration of Vocational Training Providers with SEFOPE. The second is for the accreditation by INDMO of registered providers that are able to deliver national qualifications. There are two (2) standards for registration and accreditation. Each standard has a number of elements. The standards are the same for both registration and accreditation however when applying for accreditation with INDMO to deliver a national qualification the provider must meet additional conditions to show they can deliver the qualification.

All Vocational Training Providers are expected to register with SEFOPE using the new registration procedures. The new registration procedures will be phased in over time so that providers will not be disadvantaged if they have not yet had the opportunity to register using the new procedures. SEFOPE will invite Providers to participate in the new registration procedures during 2010 and 2011.

**4.3.1 – Establish the standards that training providers must meet in order to be certified.**

Standard One covers the way a provider manages its operations. Standard two covers the delivery of high quality education and training. Full information on the standards, the elements and the criteria is available in the attached document: Standards for the registration and accreditation of vocational training providers (Annex XII).

<b>Standard</b>	<b>Elements</b>
<b>One:</b> The provider has management systems and processes that support the delivery of high quality education and training	1.1 Legal structure 1.2 Purpose goals and objectives 1.3 Internal governance 1.4 Financial resources and financial management 1.5 Provision of information
<b>Two:</b> The provider delivers high quality education and training	2.1 Course development 2.2 Recruitment, selection and development of staff 2.3 Teaching and learning resources 2.4 Training delivery 2.5 Assessment 2.6 Learner reports

**4.3.2 – Support training providers to meet the standards with certified trainers and assessors**

From November 2009 to February 2010 DNAFOP and INDMO worked on developing the quality standards for registration and accreditation of vocational training providers and finally agreed on the standards listed above. In March 2010 DNAFOP invited five training providers

that represented a cross section of all existing providers to participate in a workshop (11-12 March 2010) on the standards. The workshop was designed to enable DNAFOP officers to use the new registration processes and clarify areas of uncertainty. The selected vocational training providers used the workshop to complete the application form for registration using the new system and processes. Following the workshop, DNAFOP staff made sight visits to the centres. Two training providers have now met all the requirements of the new processes for registration with DNAFOP. Formal documentation is underway to complete the process. In addition to the Standards for the Registration and Accreditation of Vocational Training Providers prepared under the activity 4.3.1 above, INDMO has completed the “Registration and Accreditation Application Form” (Annex XIII), the “Evidence Guide for Training Providers” (Annex XIV) and the “Reviewers Checklist” (Annex XV). Following final amendments, these primary documents will form the Manual for Registration and Accreditation of Vocational Training Providers.

DNAFOP continues to support professional development for vocational trainers and recognises this as a critical long term issue for the training system. The AusAID funded Hospitality Training Programme implemented by the International College of Advanced Education (ICAE) and PDLToll provides the opportunity for DNAFOP to support training of future trainers. The programme will train 10 young people in commercial cookery to Certificate III level. The trainees have all been nominated by Timor-Leste training providers delivering courses in food production. At the completion of the two year training programme, the trainees will become trainers in cookery at vocational training centre. DNAFOP completed the selection process in March 2010 and the programme will commence in May. The ten successful applicants, all women, are from seven training providers. Three providers (3 trainees) are based in Dili, one in Manatuto (2 trainees), one in Suai (1 trainee), and two in Baucau (4 trainees).

#### ***Output 4.4: Vocational and technical competencies certified***

##### 4.4.1 – Design a certification system

As reported in Progress Report #3 September 2009, the Timor-Leste National Qualifications Framework (NQF) has been developed and approved by the Minister for Education (Annex XVI). At the Presentation of the Vocational Training System on 19 March 2010 the Minister for Education outlined the vision for the new post secondary school qualifications that cover from foundation level to PhD.

##### 4.4.2 – Implement the certification system

Full implementation of the NQF is dependent on legislation. INDMO is currently having discussions with the Ministry of Education to move forward on this. In the meantime, INDMO is preparing qualifications in the vocational band of the framework for immediate implementation once the law is approved.

### **3. CHALLENGES & WAY FORWARD**

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The immediate way forward of the YEP Programme will be essentially guided by the strategic vision of SEFOPE towards a greater focus on the development of the Timor-Leste Market Oriented Vocational Training System and, naturally, influenced by the response to the recommendations of the Mid-Term Evaluation (MTE) conducted during the present period. The main specific challenges under each of the four (4) Strategic Components of the YEP Programme, anticipated for the coming period, are presented below.

#### ***3.1.Challenges under the Strategic Component 1***

Gender will continue being the focus of the Strategic Component 1 of the YEP Programme. Many of the different programmes and services provided by SEFOPE until now, as presented in this report, show already obvious good results in terms of equality between women and men in the access to those initiatives. However, along side with these cases of successful universal inclusion, such as the access to Career Guidance and training programmes in general, there are still fierce asymmetries, like the women participation in the labour intensive works, which require additional and urgent attention.

In order to promote and emphasize specific gender equality measures that will need to be taken at the individual programme and services level, the YEP Programme will intensify efforts to assist SEFOPE in making operational the internal network of Gender Focal Points, including the Gender Cabinet and embracing all SEFOPE directorates, namely, National Directorate of Vocational Training, National Directorate of Employment, Labour Inspection, Labour Relations, and Administration and Finance. Gender Focal Points will also be appointed for INDMO and in the Labour Disputes Mediation and Conciliation Board.

The SEFOPE Gender Focal Points Network (GEN) will work under the overall responsibility of the SEFOPE Cabinet, and in close articulation and coordination with the Secretariat of State for Equality Promotion (SEPI). The goal of the GEN will be to promote the implementation of the SEFOPE Gender Mainstreaming Strategy and conduct a systematic gender monitoring and evaluation of the programmes. Ultimately, it is expected that the GEN will contribute to reduce the gap between women and men in the access to the training, employment, and income generation initiatives promoted and supported by the SEFOPE.

The other focus of attention of the SC 1 of the YEP Programme will be completing the revision of the FEFOP Operational Guidelines in order to reflect the lessons learned from the last 12 months of implementation, and to address the recommendation of the MTE in its call for simplification. The work will imply the full revision of the 7 modules currently being implemented, and the creation of an additional module 8 to strengthen the FEFOP employment creation potential. The new module 8 will be under the full responsibility of the Self Employment Department and the CEOPs of the SEFOPE. It will seek to promote self-employment among youth, assisting young women and men willing to start their own business through a set of targeted training support, including technical and business management training, as well as a start-up kit. All the components will be packed under one single contract to be sign between the implementing partner and SEFOPE, facilitating enormously the administrative procedures and adding transparency to the process.

### ***3.2.Challenges under the Strategic Component 2***

The new CEOP in the district of Ermera will start operation with a totally new team of staff which recruitment is currently being finalised. New staff will require Career Guidance Training and On-the-Job Training organised by the CEOP of Dili. On the other hand, the new CEOP will represent an important instrument to turn into reality the SEFOPE plans to increase the coverage of its labour market services.

As described elsewhere in this report, the MOU recently signed between SEFOPE and the Ministry of Education opened the possibility for the CEOPs staff to visit the Technical Secondary Schools. The CEOPs in all the districts will initiate “Group Counselling” Sessions targeting the students of the third (last) year of the Schools. Students will be provided with information on the services provided by the CEOPs, particularly the opportunities created with the support of the FEFOP in the areas of vocational training, on-the-job training, work experience, internships and self-employment.

Further development of the computerised Labour Market Information system of SEFOPE (SIMU) will continue representing a challenge and an inestimable opportunity to allow and support quality Career Counselling services grounded on concrete and updated information on the local labour market dynamics. Today, nearly everything gravitates around information in general, and the world of work is fundamentally regulated by labour market information. In that sense, the SEFOPE Labour Market Information (LMI) Department represents the centre of all the FEFOP programmes, with the potential to contribute decisively for the improvement of their outreach and impact. It allows SEFOPE to take informed decisions on the new directions for the Timor-Leste Vocational Training System, on the measures to stimulate closer articulation with employers, to improve job mediation, to promote self-employment and livelihoods, and to establish Career Guidance services.

During the coming period, the LMI Department, with the assistance of the YEP, will complete a major development of the current SIMU. The new “SIMU Web system” will replace the present Microsoft Office Access application by a Microsoft SQL database, which is considered the best option vis-à-vis the business requirements. It will be a web oriented application in which all the users from all the CEOPs in the different districts will operate the same database installed at the CEOP of Dili using the internet environment. The use of the one unique database will make possible the monitoring of the activities on daily basis from the all the CEOPs, the easy and fast consolidation of the labour market information collected from the different districts, and the access of each CEOPs to the complete list of job vacancies and training opportunities at the national level.

The implementation of the Timor-Leste Labour Force Survey will also continue during the coming period. Data collection fieldwork will be completed by mid-June and the manual editing, coding and data entry will be finalised until the end of September. Data analysis and reporting writing is planned for the month of October. The survey is based on a sample of 4,650 households that will produce a final sample of around 15,000 people older than 10 years of age.



### ***3.3.Challenges under the Strategic Component 3***

Government budget constraints and women participation are the prevailing challenges of the strategic component 3 of the YEP. The STEC (Short-Term Employment Creation) Department of SEFOPE reached an impressive capacity to plan and implement labour intensive works that is being fiercely refrained by the continuing budgetary limitations of SEFOPE. As of end of March 2010, SEFOPE contributed with a total of US\$ 2,549,000 for the strategic component 3 of the YEP. It represents about half of the initially planned. On the other hand, it also shows the continued and unquestionable commitment of SEFOPE to the Programme. Until the end of the reporting period, the labour intensive works enrolled 35,533 people and created 1,046,014 workerdays of employment, showing that the Programme, despite the constraints, is still well on track regarding the initial targets of 50,000 beneficiaries and 2.2 million workerdays. Nevertheless, it is also a fact that the present capacity established within STEC could easily produce doubled results if resources were available.

During the coming period, SEFOPE and YEP will continue pursuing improved women participation in the labour intensive programmes. Activities with regards to gender awareness will continue being reinforced. The two (1 female) Gender Officers previously recruited will intensify their monitoring activities in order to continue identifying obstacles for women participation, increase the awareness of the local authorities, and provide appropriate information on the programme sites.

The study “Women-On-The-Road” (Activity 3.3.2 and Annex VI) completed during the present period, allowed the identification of a number of constraints compromising the participation of women. The YEP Programme initiated an immediate response organizing additional training for staff, and organizing large awareness and information campaigns in the districts that will continue in the future. The provision of drinking water on the work sites is being introduced and the feasibility for child care arrangements for women who want to work but are unable to do so because of this responsibility will be further assessed and explored. It is expected that the combination of all these efforts will have a gradual positive effect in the medium term.

### ***3.4.Challenges under the Strategic Component 4***

Main challenges facing the vocational training system are adequate funding to develop qualifications and support training providers to deliver courses, and supporting the existing and future Sub-Commissions to fulfil their functions.

It is a sign of INDMO success that its main challenge is meeting the demands of stakeholders. Many employers, training providers and government ministries now understand the relationship between the skills and knowledge required for a particular job and nationally accredited qualifications. They want to deliver accredited training courses. They want trainees to be assessed against industry approved competency standards and they are seeking recognition in the form of qualifications for their trainees. They are asking INDMO to develop qualifications for their sector.

It is a significant challenge to source funding to develop competency standards; package the standards into qualifications; develop good quality resources and support training providers

and trainers to implement courses. In short, adequate funding must be made available (to the YEP Programme, other relevant projects or independent institutions) in order to implement the reforms in the vocational training system.

INDMO now has four Sub-Commissions with a further two planned for 2010 (Agriculture and Mechanical engineering) and others being requested (Health and Community Services, Oil and Gas, Maritime and Public Administration). INDMO must support the Sub-Commissions to develop their capacity to fulfil their function as an advisory body to Government and conduct research into the skill needs of their sectors.

### ***3.5. Key Programme Management Activities***

The Impact Assessment of the SEFOPE Training and Employment Programmes started already being planned and implemented and will be completed during the coming period. The Assessments target the programmes being implemented by the Directorates of Vocational Training and Employment of the SEFOPE, aiming at: (i) Assessing the effectiveness of selected programmes in assisting their participants; (ii) Identifying further inputs that may be required to improve implementation; (iii) Providing information on the business creation by the participants in the self-employment promotion programmes as well as on the quality of the business training component in terms of methodology, training materials and duration; (iv) Testing appropriate tracer study instruments to monitor and evaluate programmes; and (v) Developing the capacity of the SEFOPE teams to lead the different steps of the impact assessments, from the conceptualization phase until the preparation and presentation of the findings.

#### **4. FINANCIAL STATUS**

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As of 31 March 2010, a total of US\$ 3,084,099.71 has been spent, reflecting all recorded expenditures.

## **ANNEXES**

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*Annex I – National Steering Committee Meeting Report (December 2009)*

*Annex II – SEFOPE Gender Mainstreaming Strategy*

*Annex III – YEP Revised Work Plan*

*Annex IV – YEP M&E Framework*

*Annex V – CEOPs Media Campaign*

*Annex VI – Women-on-the-Road*

*Annex VII – INDMO Strategic Plan 2011-2020*

*Annex VIII – INDMO Staff Development Plan*

*Annex IX – Guidelines for the Approval of Competency-Based Qualifications*

*Annex X – Approval Process for Registering National Qualifications*

*Annex XI – Admin and Finance Sector Analysis*

*Annex XII –Registration and Accreditation Standards for VT Providers*

*Annex XIII – Registration and Accreditation Application Form*

*Annex XIV – Registration and Accreditation VT Providers Guide*

*Annex XV – Registration and Accreditation Reviewers Checklist*

*Annex XVI – Timor-Leste National Qualifications Framework*