



Evaluation of the European Union's Co-operation with Timor-Leste (2008-2013)

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the European Commission*



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***The opinions expressed in this document represent the authors' points of view
which are not necessarily shared by the European Commission or by the authorities
of the countries involved***

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ANNEX 1: TERMS OF REFERENCES



EUROPEAN COMMISSION

Directorate-General for Development and Co-operation — EuropeAid

EU Development Policy - Evaluation

**Evaluation of the European Union's
Co-operation
with Timor-Leste

Country Level Evaluation**

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1 MANDATE

Systematic and timely evaluation of its co-operation, programmes and activities is a priority¹ of the European Commission, including legislation and other non-spending activities². Evaluation is key to account for the management of the allocated funds, for informing decision-making processes and for learning lessons to improve development policy and practice. The European Union (EU) is giving greater attention to outcomes and impact as it increases its emphasis on results-oriented approaches³

The evaluation of the European Union's external aid with Timor-Leste is part of the 2013/2014 evaluation programme as approved by the Development Commissioner.

The main purposes of EU evaluations of this type are:

- to provide the relevant external co-operation services of the European Union and the wider public with an overall independent assessment of the European Union's past and current external aid and partnership relations with a particular country or region;
- to identify key lessons and to produce recommendations in order to improve the current and future European Union's strategies, programmes and actions.

1.1 Evaluation Users

Direct evaluation users include the EU management in Brussels, EU Delegation in Timor-Leste, EU policy/thematic Units, other EU Delegations working in fragile contexts, Timor-Leste authorities and Partners. 2014 – 2020 is the new programming period within the EU. The evaluation will be used to inform early programme choices and practices. It will also be an early contribution to inform the mid-term review.

2 BACKGROUND

Country and Regional Context

Timor-Leste, while still a Fragile State, has made impressive progress since its restoration of independence in May 2002, emerging from a violent past and overcoming significant challenges, such as lack of basic infrastructure, and lack of institutional and human resources capacity, which constitutes a major cause of the country's fragility. Reflecting these achievements, it underwent largely peaceful democratic elections for President (March and May 2012) and Parliament (June 2012), and an orderly transition to the Fifth Constitutional Government. The United Nations Integrated Mission for Timor-Leste (UNMIT) and the International Stabilization Force (ISF), both deployed following the 2006 crisis (when tensions spilled onto the streets as police, army and disaffected veterans fought one another, and over 100,000 Dili residents were displaced), completed their missions in December 2012 and have withdrawn from the country at the Government of Timor-Leste's (GoTL) request.

The country is situated at the eastern end of the Indonesian archipelago and includes the eastern half of the island of Timor, with the capital Dili, the Oecusse enclave on the North-western part of the island and the islands of Atauro and Jaco. It has a population of 1,1

¹ EU Financial Regulation (art 27); Regulation (EC) No 1905/2006; Regulation (EC) No 1889/2006; Regulation (EC) No 1638/2006; Regulation (EC) No 1717/2006; Council Regulation (EC) No 215/2008.

² SEC(2007)213 "Responding to Strategic Needs: Reinforcing the use of evaluation"

³ COM (2011) 637 final 'Increasing the impact of EU Development Policy: An Agenda for Change'

million, which is largely (more than 64%) under the age of 30. Portuguese and Tetum are official languages, but numerous local languages are also in use.

Timor-Leste joined the UN in 2002, is an observer at the Pacific Forum, member of the Pacific Financial Technical Assistance Centre (PFTAC), and seeks membership to the Association of Southeast Asian Nations (ASEAN), and the Commonwealth.

Evolution of the context and the major trends in the political, institutional, social and economic fields

In 2013, Timor-Leste is ranked 134 out of 187 countries in the Human Development Index (HDI), placing it in the category of the “medium human development” group. However, the social indicators of the country remain precariously low, with almost 50% of the population living below the poverty line. Low agricultural production and persistent food insecurity remain pressing concerns, and are priorities for growth and poverty reduction. Agriculture remains an important buffer that absorbs excess labour, albeit with low value-added and salaries. Over 70% of the population is engaged in subsistence agriculture, where low crop yields persist. Annual rice and periodic maize deficits contribute to malnutrition rates that are among the highest in the world (Timor-Leste is ranked 73 out of 79 countries in the 2012 Global Hunger Index). Shortfalls in agricultural production are driven by poor agricultural management practices, liquidity constraints which limit access to commercial inputs, poor infrastructure and high market access costs, and insufficient agricultural investment, both public and private. Improving agricultural yields and expanding income opportunities in rural upland and highland areas, including through production of coffee, other cash crops, and high-value hardwoods for the export market, will be essential to reduce rural poverty. These expanded income opportunities, coupled with enhanced access for the poor to better basic services, will help tackle inequality, which is shown to have widened slightly since 2007. Livelihoods are particularly affected in rural areas where infrastructure has still not recovered from the devastation of 1999. Moreover, the shortage of skilled labour is a significant constraint on private sector growth in Timor-Leste. Some progress is being made in this regard with the adoption of Timor-Leste's Strategic Development Plan 2011-2030 (SDP) which aims to lift the country from lower income to upper middle income status by 2030, and which prioritises economic growth and social inclusion.

A central issue which frames development engagement with Timor-Leste is its fragile situation. It is classed as a country in a fragile situation by both the OECD-DAC and World Bank. The country has gained a global profile for its fragile situation, but also as a country which is active in trying to build its way to greater stability. The Finance Minister is the Chair of the G7+ group of Fragile States, and co-Chair of the International Dialogue on Peace building and State-building – the body which developed the New Deal (2011), within the 4th High Level Forum on Aid Effectiveness. The New Deal recognises that donors need to engage differently with countries in fragile situations in order for progress to be made against the MDGs. The Timor-Leste Development Partners Meeting (TLDPM) held in June 2013 in

Dili, resulted in a jointly endorsed ‘Commitment to operationalize the Strategic Development Plan.’ The TLDPM takes place on a yearly basis, and has re-inforced Timor-Leste's efforts in holding to the New Deal as the overarching architecture for its development partnerships. The Government is currently seeking ways to link the Strategic Development Plans 2011-2030 and Government Plans with the New Deal and MDGs.

Within the evaluation period, 2011 is a key moment of change since this is the year in which the EU and Timor-Leste endorsed the New Deal and it is also the year the EU introduced the Agenda for Change which recognises the importance of increased volume and share of EU aid to those countries most in need, including Fragile States.

In many ways, Timor-Leste is at the beginning of its journey, mainly in terms of institution and state-building. As stability and internal security improve, its main challenges are weak institutional capacity (mainly due to lack of qualified human resources across all the institutions), high youth unemployment, food insecurity, while growing corruption (the 2012 Corruption Perception Index ranked Timor-Leste at 113 out of 176 surveyed countries) also remains a concern.

Key economic issues

Timor-Leste has made some progress in setting up the economic foundations to promote growth and reduce poverty. A good example of this is that it has created a system for income management. This includes the Petroleum Fund, (June 2005) which seeks to serve as a reserve for all petroleum revenues and to preserve Timor-Leste's petroleum wealth for the benefit of both current and future generations. However, despite having the strongest growth rate in the Pacific region - around 10% - the country continues to recover from the mid-2006 outbreak of civil unrest, which disrupted overall economic activity. Moreover in 2013, Timor-Leste is one of the most petroleum revenue dependent countries in the world. One of the policy challenges is how best to use the oil-and-gas wealth to strengthen the non-oil economy such that higher growth ensues and there is a sustainable path towards poverty reduction, to underpin Timor-Leste's future.

The legal basis and political commitments of the European Union to Timor-Leste

Timor-Leste ratified the Cotonou Agreement in December 2005, paving the way for EDF support. The 2006 Communication, 'The EU Relations with the Pacific Islands – A strategy for a Strengthened Partnership,' consists of three components, all relevant to Timor-Leste – (i) strengthened relationship between EU and Pacific region to allow for broad political dialogue (ii) more focused development co-operation with a central theme relating to the sustainable management of natural resources and (iii) more efficient aid delivery.

More generally, key EU policy documents include - the European Consensus on Development which sets out the general policy framework at EU level on which the Agenda for Change builds (2011). In the context of aid effectiveness, note the EU commitment to Paris Declaration and subsequent High Level Fora including Busan 2011. With regard to Gender, note the 'EU Gender Equality in Development Action Plan' (2010- 2020), with regard to women, peace and security note the 'Comprehensive Approach' adopted by EU Council in 2008

Main Donors in Timor-Leste and approximate funds dispersed (2002 to 2012)

Australia : close to E1 bn – many sectors

Portugal : around E500 M – major supporter education sector

Japan: around E180 M – mainly in roads infrastructure including maintenance

USA: around E120 M – private sector, rural water, health and good governance

New Zealand : around E40 M – support to PFM, revenue and customs

China : estimated E 35 M – building state and government buildings

Portugal, Germany, Ireland, France and Spain were the active EU donors in the period, although as of 2013, Ireland is withdrawing. In the period since 1999, the European Union has contributed close to half of the total assistance to Timor-Leste (around E900 M) of which around one third is provided by the European Commission

Main features and evolution of the European Union's co-operation with Timor-Leste.

The EU has been supporting Timor-Leste since 1999, through aid to the United Nations public consultation process, funding the United Nations Transitional Administration (UNTAET) in Timor-Leste, and providing humanitarian aid. Support was administered from Jakarta,

Indonesia, until the EU Delegation was opened in Dili, Timor-Leste, in November 2008. By June 2013, the EU had committed more than Euros 344.30 million (out of which Euros 301.41 million contracted) to the country. From 1999 to 2002 (pre-Independence) support focused on stabilisation, reconstruction and dialogue, fighting poverty, and provision of humanitarian support. In the period 2003-2008, humanitarian support continued, with support to the health sector, support for institutional capacity building and democratisation and governance, and rural development.

The EU is one of the major nation-building contributors to the country. It assists the GoTL in implementing good governance practices, i.e. practices of good decision-making and the processes by which such decisions are implemented. Under the Cotonou Partnership Agreement, the EU is working closely with the GoTL in supporting the implementation of democratic principles and the rule of law across the country.

EU has played a major role in participating in financing all the elections which have been held in Timor-Leste since 1999 supporting the decentralization of government bodies, and improving the accountability of locally elected leaders in order to better legitimize their authority. Constituent Assembly elections in 2001, Presidential elections in 2002, Community elections in 2004-05, general (Presidential and legislative elections) in 2007 and Legislative elections in 2012, have all been supported by the EC deploying also the largest international observers' missions.

Main sectors and themes covered in the Timor-Leste Strategy Paper 2008 – 2013 (CSP)

Regarding the period of focus for this evaluation, the 2008-2013 country strategy paper (CSP) identifies its main objectives, themes and intervention areas as :

Sustainable rural development – to promote socio-economic development of the poorer and remote rural areas, in order to achieve sustained poverty reduction and food security and improved service delivery, in support of the GoTL's own sector investment plan for agriculture and rural roads, water supply and electricity, through mainly strengthening agricultural service delivery to farmers; introducing new technologies for increased agricultural production; building and rehabilitating infrastructure; strengthening capacities of the Ministry of Agriculture at the central and district level; facilitating access to markets and clean water and sanitation, and rebuilding rural communication networks.

Health – to improve the availability and accessibility and affordability of health services to all people in Timor-Leste and the participation of the community and other stakeholders in the implementation of the National Health Plan.

Institutional capacity building – in line with GoTL's goal of achieving sustainable national capacity for improved service delivery within the Executive and institutions responsible for checks and balances, by providing capacity building programmes within the public administration (particularly in key areas such as planning and financial management), the justice sector, the National Parliament and the media.

Non focal sectors – support to civil society (mainly through capacity building of Civil Society Organisations (CSOs) and technical co-operation facilities.

Thematic budget lines and Facilities

Apart from European Development Fund (EDF), Timor-Leste has been supported by external actions funded by the general budget of the European Community carried out under the Financial Framework for 2007 – 2013. These include programmes funded by Development Co-operation Instruments (DCI) such as the thematic programmes ie **Food Security** (€12.15

M), the Non-State Actors/Local Authorities **NSA/LA** budget line (€8.59 M), investing in people, migration and asylum, environment and sustainable management of natural resources, the **Water Facility** (€5.8 M), the **Energy Facility** (€1.1 M),

Other instruments include, the Instrument for Stability (€9.91 M), the instrument for the promotion of human rights and democracy (EIDHR), and the instrument for humanitarian and emergency assistance. In addition, €4 M is already allocated to Timor-Leste for the Global Climate Change Alliance support programme.

Other programmes

- **Regional Programme for the Pacific Region:** Timor-Leste is eligible for funds from the 10th EDF Regional Pacific Programme. Significant efforts to ensure that Timor-Leste can derive maximum benefits from this programme. Membership of Regional International Organisations would enhance these prospects. The country has already applied to become a member of the Pacific Finance Technical Assistance Centre (PFFTAC) (multi-donor, including the EU, IMF-managed regional facility providing macro-economic support to members), and should start benefitting from this facility soon.
- **PALOP | TL** (Portuguese-speaking countries in Africa and Timor-Leste): Timor-Leste is a full participant to this 10th EDF allocation. At present it is benefitting from one project (support to electoral process). More projects are being planned to commence soon. Also, agreement has been reached to allow Timor-Leste to benefit from the 9th EDF PALOP projects under implementation.

3 SCOPE

The objective of the evaluation is to assess the European Union's co-operation strategy and its delivery.

3.1 Legal

The overall EU engagement with Timor-Leste should be taken into consideration including agreements, the co-operation framework and any other official commitments. For Timor-Leste, this concerns the following financing instruments : EDF (9th, 10th), EIDHR, Instrument for Nuclear Safety co-operation (INSC), and instrument for stability, including the thematic programmes through the Development Co-operation Instrument (DCI) – water facility, food security, non-state actors/local authorities, energy facility, investing in people, migration and asylum, and the disaster preparedness programme from ECHO (DIPECHO.) Timor-Leste also benefits from the Regional Programme for the Pacific, and PALOP allocation of the EDF

The Evaluation should also take into account changes in the European Union institutional context during the period of focus, particularly, the creation the European External Action Service (EEAS) in 2011.

3.2 Temporal scope and evaluation criteria

The evaluation will cover the period 2008-2013. However, it will include a brief analysis of the strategy in place in the immediate prior period (2006-2008), in order to better understand the strategic choices made in setting strategy in 2008. The evaluation will undertake the assessment on the basis of the five OECD-DAC evaluation criteria, namely: relevance, effectiveness, efficiency, sustainability and impact. (See annexe 5 for distinctions in EU understanding of these terms).

In addition :

- the value added⁴ of the European Union's interventions (at both the strategy and implementation levels);
- the 3Cs: coordination and complementarity of the European Union's interventions with other donors' interventions (focusing on EU Member States); and coherence⁵ between the European Union's interventions in the field of development co-operation and other European Union policies that are likely to affect Timor-Leste.
- the overall fitness for purpose of each legal instrument used in delivering EU objectives in Timor-Leste⁶.

3.3 Thematic scope

In institutional terms, within the EU, the scope of the evaluation will include all DEVCO engagement, political and policy dialogue as it relates to development from EEAS, and the interface of DEVCO's engagement with ECHO, and IFS. To provide further clarity, interventions per se funded by the European Commission Humanitarian Office (ECHO) and/or the European Investment Bank (EIB) are not part of the evaluation scope. However, the synergies (or lack of) coherence and complementarity between these interventions and the strategy/ies evaluated, and between the strategies evaluated and political dialogue and any other EU engagement, must be examined.

The evaluation will cover the focal sectors in which the EU intervenes, and any other important areas of the co-operation. These focal sectors include, institutional capacity building, peace and stability, rural development, rehabilitation, health, support to elections and civic education, support to non-state actors, food security.

Timor-Leste is of particular interest to the EU in light of its recent history and fragile/post conflict situation, its engagement and leadership role in global deliberation about peace-building and state-building, and its particular development potential due to its natural resources. The evaluation will assess EU development co-operation in Timor-Leste in this context, and pay special attention to the following issues identified by the evaluation users :

State-building – Timor-Leste is resource rich country, with a relatively small, unskilled, youthful population which has had little exposure to the expertise required, and complexities of state-building. Its capacity to manage domestic resources and thus to turn the wealth of the country into a productive and well governed state remains weak. In part this is due to lack of human and institutional capacity. Inter alia, the task will involve building a non-oil economy to diversify and render the economy stable in the long term. With reference to OECD commitments to engagement with Fragile States and subsequent New Deal principles, the evaluation should consider how EU co-operation has supported the Timorese to confront these challenges, deliver services to the poor and embed a stable environment; to what extent, and why has it been effective; what has helped/hindered ?

⁴ See annex 5.

⁵ This definition of coherence refers to its definition under the 3Cs (see annex 5).

⁶ This should cover effectiveness, efficiency, and added value, complementarity and synergies with other financial instruments

Use of aid modalities – The evaluation users seek to understand the extent of EU alignment with Timor-Leste's own country systems (as per the TRUST pillar of the New Deal) and whether this has contributed to strengthening the core functions of the state and better service provision for Timorese citizens. The evaluation should also explore whether the EU employs the most appropriate aid modalities to deliver its objectives in Timor-Leste, the key factors or thresholds to consider in the choice of aid instruments and why, and working jointly with other donors

Sustainable development : How far has EU co-operation contributed to assisting Timor-Leste towards meeting the MDGs, with particular respect to environmental sustainability, gender equality and inclusive growth ?

Women-peace-security agenda : How have the EU's policy frameworks⁷ which emphasize the centrality of gender equality and empowerment of women played out in Timor-Leste ? The evaluation will examine this particular EU corporate priority in the context of Timor-Leste. Of note will be how far EU Co-operation with Timor-Leste has progressed the implementation of UN SCR 1325 (2000) and 1820 through the Comprehensive Approach.

EU's internal coherence and consistency with regard to Timor-Leste and its impact on EU effectiveness and efficiency – what progress has been made in terms of:

- (i) bilateral and regional co-operation - do the regions defined within the EU structures reflect EU priorities and constraints or do they reflect the regional configurations on the ground ? Does the way EU support is organised reflect Timor-Leste's aspirations in the region ?
- (ii) matching the financial resources with policy and political priorities and human resources allocated, in context of remote regions of the world, such as Timor-Leste

Based on the evolving EU co-operation framework, non-funded engagement ie political and policy dialogue, should be taken into consideration, as well as funded interventions.

The contractor should also consider whether the following cross-cutting issues; gender equality, human rights, democracy, environmental sustainability, were taken into account in the programming documents and the extent to which they have been reflected in the implementation modalities.

4 EVALUATION PROCESS AND DELIVERABLES

The overall methodological guidance to be used is available on the web page of the DG DEVCO Evaluation Unit at the following address:

http://ec.europa.eu/europeaid/how/evaluation/methodology/index_en.htm

The basic approach to the assignment consists of three *main phases*, which cover several stages. *Deliverables* in the form of reports⁸ and slide presentations should be submitted at the end of the corresponding stages.

⁷ For example : EU Strategic framework on Human Rights and Democracy, adopted 25 June 2012; the Agenda For Change (COM (2011) 637 final); EC Communication : Gender Equality and Women Empowerment in Development Co-operation (COM(2007) 100 final); EU Guidelines on Violence against Women and Girls and Combating All forms of Discrimination against them adopted by the Council.

⁸ For each Report a draft version is to be presented. For all reports, the contractor may either accept or reject through a response sheet the comments provided by the Evaluation manager. In case of rejection the contractor must justify (in writing) the reasons for rejection. When the comment is accepted, a reference to the text in the report (where the relevant change has been made) has to be included in the response sheet.

The table below summaries these links:

<i>Phases of the Evaluation</i>	<i>Stages:</i>	<i>Deliverables⁹:</i>
1. <u>Desk phase</u>	<ul style="list-style-type: none"> • Inception: Structuring of the evaluation 	<ul style="list-style-type: none"> ➤ <i>Slide presentation</i> ➤ <i>Inception Report</i>
	<ul style="list-style-type: none"> • Data collection • Analysis 	<ul style="list-style-type: none"> ➤ <i>Desk Report</i>
2. <u>Field phase</u> (Mission to Timor-Leste)	<ul style="list-style-type: none"> • Data collection • Verification of the hypotheses 	<ul style="list-style-type: none"> ➤ <i>Slide presentation</i>
3. <u>Synthesis phase</u>	<ul style="list-style-type: none"> • Analysis • Judgements 	<ul style="list-style-type: none"> ➤ <i>Draft final report</i> ➤ <i>Slide presentation adapted + minutes of the country/regional seminar</i> ➤ <i>Final report</i> ➤ <i>Quality control note</i>

All reports will be written in English. The Reports must be written in Arial or Times New Roman minimum 11 and 12 respectively, single spacing. Inception and Desk reports will be delivered only electronically. The Draft Final and the Final Report will also be delivered in hard copies. The Executive Summary will also be provided in Portuguese, and be delivered separately in electronic form. The electronic versions of all documents need to be delivered in both editable and non-editable format.

4.1 The Desk Phase

The Desk Phase comprises two components: the Inception stage covering a presentation and the delivery of the ***Inception Report*** and a second stage which ends with the production of the ***Desk Report***. Note that within the overall approach, significant emphasis is given to getting the main structure and orientation of the evaluation clearly set out in the Inception Report.

4.1.1 Presentation of the Intervention Logic and Evaluation Questions

The assignment will start with the mission of the Team leader (plus one other senior member of the team), to Brussels. This will be a substantive meeting (one or two days) for initial Briefing with some of the stakeholders, and discussion about the evaluation approach.

⁹ The contractors must provide, whenever requested and in any case at the end of the evaluation, the list of all documents reviewed, data collected and databases built.

Subsequent to this, the contractor shall prepare a *slide presentation* including ‘original’ and ‘reconstructed of the original’ intervention logics, proposed evaluation questions and when possible judgement criteria.

The main work consists of:

- Identifying and prioritizing the co-operation choices and objectives as observed in relevant documents regarding the European Union’s co-operation with Timor-Leste and translating these specific objectives into intended results.
- Reconstructing the intervention logic of the EU in the framework of its co-operation with Timor-Leste. It is understood the contractor will develop this together with key stakeholders. The reconstructed logic of the EU intervention will be presented in both narrative and diagrammatic form
- Defining the Evaluation Questions and judgement criteria. The intervention logic will help to identify the main evaluation questions which should be presented with explanatory comments.

The contractor will carry out a preparatory visit to the field to discuss main issues with the EU Delegation and key beneficiaries. It may be carried out before drafting the diagrams and the evaluation questions or after the Inception meeting, in agreement (written ex-ante approval) with the Evaluation Manager. This visit will not exceed one week. It will be quoted, but the cost of the related inputs will not be eligible for payment if the visit does not take place. The related eligible costs will be revised if it is substantially modified (duration, number of experts etc.).

An Inception meeting will be held with the Reference Group in Brussels where a *slide presentation* will be made to show the proposed:

- intervention logic narrative and logical diagrams;
- evaluation questions¹⁰ and judgement criteria.

Inception Report

Taking into account the outcome of the Inception meeting, the contractor must deliver an **Inception Report** which should contain the following elements:

- A concise analysis of the national (political, economic, social etc), context of Timor-Leste and key regional or international dimensions, and the co-operation context between the European Union and Timor-Leste
- a concise analysis of the European Union's co-operation rationale with Timor-Leste
- the intervention logics (both ‘original’ and ‘reconstructed of the original’) of the European Union's co-operation (provided in both narrative form and diagrams);
- an initial inventory of spending and non-spending activities carried out by the EU during the period to be finalised in the Desk Report;
- the evaluation questions (upon validation by the Evaluation Unit, the evaluation questions become contractually binding); a limited number of appropriate judgment criteria per evaluation question and a limited number of quantitative and/or qualitative indicators related to each judgment criterion;

¹⁰ Aim for ten evaluation questions

- a proposal on methodology - outlining the design of the evaluation, suitable methods of analysis and data and information collection, indicating any limitations;
- a detailed work plan for the next phases.

If necessary, the Report will also suggest modifications to contractual provisions inter alia for the final composition of the evaluation team, and the final workplan and schedule

4.1.2 Desk Report

Upon approval of the Inception Report, the contractor will proceed to the last stage of the Desk Phase and will present a **Desk Report** which should include at least the following elements:

- the agreed evaluation questions with judgement criteria and their corresponding quantitative and qualitative indicators;
- a first analysis and first elements of response to each evaluation question and the assumptions to be tested in the field phase;
- update on progress in the gathering of data. The complementary data required for analysis and for data collection during the field mission must be identified;
- the comprehensive list of EU activities finalised and a list of activities examined during the Desk phase, bearing in mind that activities analysed in the Desk phase must be representative¹¹;
- the proposed evaluation design, including the data collection tools to be applied in the field phase, and appropriate methods to analyse the information, indicating any limitations;
- a work plan for the field phase: a list with brief descriptions of areas/activities for in-depth analysis in the field. The Evaluators must explain the representativeness and the value added of the planned visits.

The contractor will present and discuss the Desk Report with the Reference Group in a meeting in Brussels. The Report will be finalised on the basis of the comments received.

The field mission may not start without the authorisation of the Evaluation Manager.

4.2 Field phase – Mission to Timor-Leste

The fieldwork shall be undertaken on the basis set out in the Desk Report. The work plan and schedule of the mission will be agreed in advance (in principle, at least three weeks before the mission starts). If in the course of the fieldwork it appears necessary to substantially deviate from the agreed approach and/or schedule, the contractor must ask the approval of the Evaluation manager before any changes can be applied. At the conclusion of the field mission the contractor will present the preliminary findings of the evaluation:

- (1) to the Delegation, during a de-briefing meeting; and
- (2) to the Reference Group in Brussels with the support of *a slide presentation*.

¹¹ The representativeness must address the different dimensions (percentage of funds, sample size and choice – diversity, illustration of the chosen interventions ...).

4.3 Synthesis Phase

4.3.1 The Draft Final Report

The contractor will submit the Draft Final Report as per the structure set out in annex 2. Comments received during de-briefing meetings with the Delegation and the Reference Group must be taken into consideration.

The *Draft Final Report* will be discussed with the Reference Group in Brussels.

Following the meeting with the Reference group, the contractor will make appropriate amendments to the Draft Final Report based on the consolidated comments sent by the Evaluation Manager.

4.3.2 The In-Country Seminar

The approved Draft Final Report will be presented at a seminar in Dili, Timor-Leste using a *slide presentation*. The purpose of the seminar is to present the results, the conclusions and the preliminary recommendations of the evaluation to the national authorities, the Delegation and to all the main stakeholders (Government, EU Member States, representatives of civil society organisations, other donors etc.).

For the seminar, **50** hard copies of the main report in English (see annex 2 of the ToR) have to be produced and delivered to the EU Delegation (the exact number of reports and delivery date will be specified by the Evaluation manager). The executive summary should be in both English and Portuguese) If the number *in fine* requested is different by at least 10%, the cost of the number requested will be eligible for payment. The electronic version of the report (including the annexes) will be provided to the Evaluation Manager.

The contractor shall submit the *minutes* of the seminar. These minutes and the updated slide presentation will be included as an annex of the Final Report. The seminar logistic aspects (room rental, catering etc.) may be contracted later, as part or not of the specific contract for the present evaluation. No such logistics costs are to be included in the offer.

4.3.3 The Final Report

The contractor will prepare the *Final Report* taking into account the comments expressed during the seminar. The Final Report must be approved by the Evaluation Manager before it is printed. The executive summary should be translated into Portuguese and included in the Final Main Report.

50 hard copies In English of the *Final Main Report* (ie without annexes) as well as 2 copies of annexes, plus 10 copies in Portuguese must be sent to the Evaluation Unit. An electronic support (CD-ROM) should be added to each printed Final Main Report (PDF format). The Report should include executive summary in both English and Portuguese.

The Evaluation Unit will make a formal judgement on the quality of the evaluation in the "Quality Assessment Grid" (see annex 3) to be sent to the contractor before publication.

5. RESPONSIBILITY FOR THE MANAGEMENT OF THE EVALUATION

The Evaluation Unit is responsible for the management and the supervision of the evaluation. The progress of the evaluation will be followed closely by a Reference Group consisting of members of all concerned services in the Commission and EEAS, as well as the EU Delegation in Timor-Leste and the Embassy of Timor-Leste in Belgium, under the Evaluation Unit's Chairmanship.

Its principal functions will be to:

- discuss draft reports produced by the evaluation team during meetings in Brussels;
- ensure the evaluation team has access to and consults all information sources and documentation on activities undertaken;
- discuss and comment on the quality of work done by the evaluation team;
- provide feedback on the findings, conclusions and recommendations of the evaluation.

6 THE EVALUATION TEAM

The evaluation team is expected to demonstrate expertise in:

- **evaluation methods and techniques in general, including theory of change and contribution analysis** and particularly, of evaluation in the field of external relations and development co-operation.
- **the Commission's evaluation approach and process** – it is highly desirable that at least one member of the team is familiar with the EU evaluation approach (*cf. Evaluation Unit's website: http://ec.europa.eu/europeaid/how/evaluation/introduction/introduction_en.htm*).
- **The EU's modus operandi** – at least one member of the team should be (1) familiar with the process of EU programming and implementation, and (2) thorough knowledge of EU institutions, principles and mechanisms of external policies
- **Geographical experience : at least one of the senior members of the team should have relevant experience in Timor-Leste;**
- the following technical expertise :
 - **Political economy and governance in the context of fragile situations.**
 - Knowledge of the New Deal and the link between relief and development is required. Given the focus of EU co-operation, expertise in state-building in fragile situations with particular emphasis on institutional capacity building will be an advantage.
 - Good knowledge of current political economy of Timor-Leste
 - Good knowledge and experience from other, relevant post-conflict countries
- **Aid effectiveness in the context of fragile situations.** Given the focus of the evaluation, familiarity with the international aid effectiveness agenda, EU legal instruments and EU aid modalities, including budget support is required.
- **Rural Development - with economic expertise** particularly in the area of road and infrastructure development
- **Gender expertise** – with experience of evaluating gender policy in the field of international development
 - **Environment expertise** – with experience of evaluating environment policy in the field of international development

– **Languages :**

English – all team members should be proficient

Portuguese - at least one member of the team should be proficient

Bahasa Indonesia, or Tetum - at least one member of the team should be proficient in either of these languages

The team leader should be an experienced, senior expert with proven leadership skills, including good experience in group facilitation and proven high standards of report writing and editing skills. At least one other member of the team should be a senior expert.

The key skills are indicated **in bold**¹².

The composition of the team, including how the expertise is distributed across the team, and the tasks each will undertake, should be justified. How the team will be co-ordinated should also be clearly described. **A breakdown of working days per expert should be provided.**

Evaluators must be independent from the programmes/projects evaluated. Should a conflict of interest be identified in the course of the evaluation, it should be immediately reported to the Evaluation manager for further analysis and appropriate measures.

The contractor remains fully responsible for the quality of the report. Any report which does not meet the required quality will not be accepted.

The contracting authority reserves the right to conduct telephone interviews with shortlisted bids at no cost to the contractor. In the event this right is exercised, the Team Leader and one other senior expert will be required to participate. Any such interview will take place no later than 10 working days after the offers submission deadline. The contractor will indicate the telephone number to reach the team leader and other senior experts.

7 TIMING

The project implementation is due to start November 2013. The expected duration is of 12 months. **As part of the offer, the framework contractor must fill-in the timetable in the Annex 4.**

8 OFFER FOR THE EVALUATION

The offer will be itemised to allow the verification of the fees compliance with the Framework contract terms as well as, for items under h to k of the contractual price breakdown model, whether the prices quoted correspond to the market prices.

The total length of sections 2, 3 and 4 of the technical offer (Framework contract, Annexe 1, section 10.3. b) may not exceed 15 pages (font minimum Times New Roman 12 or Arial, 11) CVs provided will be in addition to this.

The offer will follow the guidance set out in the Framework contract. The following additional information is also provided. The offer should demonstrate :

- (1) A clear understanding of the overall scope of the evaluation in your own words, and its key implications for your offer
- (2) The relevance of the skills and experience of the proposed team for the evaluation
- (3) The approach -
 - Stakeholder engagement – identify the ways in which you propose to engage with EU stakeholders over the course of the evaluation
 - Methodological aspects – outline of design of the evaluation, analytical and data collection methods proposed and justification. Attention should also be given to (i) how you propose to

¹² In their absence, the 80 points threshold of the selection process may not be reached

construct intervention logics and why you choose your proposed way (ii) how you propose to use the preparatory field visit, and the subsequent substantive field visit

(4) Organisation

- Set out the schedule for the evaluation
- Identify the elements in the quality control you will provide

Nota Bene : A draft set of evaluation questions should **not** be included in the offer The offer evaluation criteria are :

Experts/Expertise	Maximum
Team Leader	15
Other Experts	25
Team: distribution of expertise and tasks across the team	10
Sub-total	50
Organisation and Approach	
Understanding of the ToR	10
Approach	30
Schedule and quality control	10
Sub- total	50
Total score	100

9 ANNEXES

The contracting authority reserves the right to modify the annexes without prior notice.

ANNEXES

ANNEX 1: INDICATIVE DOCUMENTATION TO BE CONSULTED FOR THE PURPOSE OF THE EVALUATION BY THE SELECTED CONTRACTOR

General documentation

- Communications of the European Union including :
 - European Development Policy ‘European Consensus’ (2005)
 - Increasing the Impact of EU Development Policy: An Agenda for Change (2011)
 - Social Protection in the European Union Development Co-operation (2012)
 - Communication : EU Approach to Resilience : Learning from Food Security Crises (2013)
- Key regulations
- The New deal for Engagement in Fragile States, Busan, 2011.

Country/Region

- CRIS¹³ (information on the projects), ROM¹⁴ and other databases concerning the financed projects, engagements, payments, etc.;
- EU Co-operation strategies – Timor-Leste, Regional
- Conclusions of the Mid-term and End-of-Term Reviews;
- Key government planning and policy documents;
- Projects evaluation reports;
- Relevant documentation provided by the local authorities and other local partners, etc.;
- Other donors and OECD/DAC documentation.
- Background analysis such as :
 - EU Delegation Dili : More than 13 years of EU Co-operation with Timor-Leste (June 2013)
 - EIU Country Reports Timor-Leste
 - Aid Effectiveness in Fragile States: Lessons from the first generation of transition compacts, Bennett, C, International Peace Institute, 2012
 - Democratic Republic of Timor-Leste – Staff Report for the 2011 Article IV Consultation, IMF, February 2012

The following will be provided to the selected contractor:

- Access to the information contained in the ROM system for an evaluation;
- Template for the cover page.

¹³ Common RELEX Information System

¹⁴ Results Oriented Monitoring

ANNEX 2: OVERALL STRUCTURE OF THE FINAL REPORT

The overall layout of the **Final report** is:

- Executive summary (1);
- Context of the evaluation and methodology;
- Evaluation questions and their answers (findings);
- Conclusions (2); and
- Recommendations (3).

Length: the final main report should aim to be 50 pages, and in no circumstances should exceed 70 pages excluding annexes. Each annex must be referenced in the main text. Additional information regarding the context, the activities and the comprehensive aspects of the methodology, including the analysis, should be placed in the annexes.

(1) Executive summary

The executive summary of the evaluation report may not exceed 5 pages (3.000 words). It should be structured as follows:

- a) 1 paragraph explaining the objectives and the challenges of the evaluation;
- b) 1 paragraph explaining the context in which the evaluation takes place;
- c) 1 paragraph referring to the methodology followed, spelling out the main tools used (data on the number of projects visited, number of interviews completed, number of questionnaires sent, number of focus groups conducted, etc.);
- d) The general conclusions related to sectorial and transversal issues on one hand, and the overarching conclusion(s) (for example on poverty reduction) on the other hand;
- e) 3 to 5 main conclusions should be listed and classified in order of importance; and
- f) 3 to 5 main recommendations should be listed according to their importance and priority.
The recommendations have to be linked to the 3 to 5 main conclusions.

The chapters on conclusions and recommendations should be drafted taking the following issues into consideration:

(2) Conclusions

- The conclusions should be assembled in homogeneous "clusters" (groups).
- They should include conclusions related to sectorial and transversal issues, and overarching conclusion(s) (for example on poverty reduction).
- Specific conclusions on each financial instrument indicated in the ToR section "3.1.1. Legal scope". These conclusions will focus on effectiveness, efficiency, added value, complementarity and synergies with other financial instruments.
- The conclusions should identify lessons to be learnt, both positive and negative.

(3) Recommendations

- Recommendations should be substantiated by the conclusions.
- Recommendations should be grouped in clusters (groups) and presented in order of importance and priority within these clusters.
- Recommendations should be realistic and operational.
- The possible conditions of implementation (who? when? how?) have to be specified and key steps/action points should be detailed when possible.

Annexes (non exhaustive)

- National background;
- Methodological approach;
- Information matrix;
- Monograph, case studies;
- List of documents consulted;
- List of institutions and persons met;
- People interviewed;
- Results of the focus group, expert panel, etc.;
- Slide presentations in the country/regional seminar and the seminar minutes.

EDITING

The Final report must:

- be consistent, concise and clear;
 - be well balanced between argumentation, tables and graphs;
 - be free of linguistic errors;
 - include a table of contents indicating the page number of all the chapters listed therein, a list of annexes (whose page numbering shall continue from that in the report) and a complete list in alphabetical order of any abbreviations in the text;
 - contain a summary (in several language versions when required).
 - be typed in single spacing and printed double sided, in DIN-A-4 format.
- The presentation must be well spaced (the use of graphs, tables and small paragraphs is strongly recommended). The graphs must be clear (shades of grey produce better contrasts on a black and white printout).
 - Reports must be glued or stapled; plastic spirals are not acceptable.
 - The contractor is responsible for the quality of translations and their conformity with the original text.

ANNEX 3 - QUALITY ASSESSMENT GRID

Concerning these criteria, the evaluation report is:	Unacceptable	Poor	Good	Very good	Excellent
1. Meeting needs: Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference?					
2. Relevant scope: Is the rationale of the policy examined and its set of outputs, results and outcomes/impacts examined fully, including both intended and unexpected policy interactions and consequences?					
3. Defensible design: Is the evaluation design appropriate and adequate to ensure that the full set of findings, along with methodological limitations, is made accessible for answering the main evaluation questions?					
4. Reliable data: To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use?					
5. Sound data analysis: Is quantitative information appropriately and systematically analysed according to the state of the art so that evaluation questions are answered in a valid way?					
6. Credible findings: Do findings follow logically from, and are they justified by, the data analysis and interpretations based on carefully described assumptions and rationale?					
7. Validity of the conclusions: Does the report provide clear conclusions? Are conclusions based on credible results?					
8. Usefulness of the recommendations: Are recommendations fair, unbiased by personnel or shareholders' views, and sufficiently detailed to be operationally applicable?					
9. Clearly reported: Does the report clearly describe the policy being evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood?					
Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered.					

ANNEX 4 – TIMING

To be filled by the contractors and submitted as part of the methodology

<i>Evaluation Phases and Stages</i>	<i>Notes and Reports</i>	<i>Dates</i>	<i>Meetings/Communications</i>
Desk phase			
Structuring stage			Briefing session in Brussels
	Slide presentation		RG Meeting
			Short preparatory visit of the evaluators to the field
	Draft Inception report		RG meeting
	Final Inception report		
Desk study	Draft Desk report		RG Meeting
	Final Desk report		
Field phase			De-briefing meeting with the Delegation
	Presentation		RG Meeting
Synthesis phase (seminar in the country/region)			
	1 st Draft final report		RG Meeting
	2 nd Draft final report Presentation + Minutes		Seminar in Timor-Leste
	Final report + other deliverables		

RG: Reference Group

ANNEX 5: EVALUATION CRITERIA AND KEY ISSUES

(1) Definitions of the **five OECD-DAC evaluation criteria** can be found at the following website :

<http://www.oecd.org/dac/evaluationofdevelopmentprogrammes/daccriteriaforevaluatingdevelopmentassistance.htm>

- (2) **Relevance**: the extent to which an intervention's objectives are pertinent to needs, problems and issues to be addressed.¹⁵
- (3) "**Coherence**" is used in two different contexts: as an evaluation criterion and as part of the 3Cs (key issues).

i. *The definitions of coherence as evaluation criteria:*

Coherence¹⁶: the extent to which the intervention logic is not contradictory/the intervention does not contradict other intervention with similar objectives

ii. *Provisions regarding the 3Cs (key issues):*

Development co-operation is a shared competence between the European Community and the Member States. The EU competence on development co-operation was established in law by the adoption of the Maastricht Treaty in 1992. To guide its practical implementation the Maastricht Treaty established three specific requirements: *coordination, complementarity and coherence* – the “*three Cs*”. These commitments are reaffirmed in the "European Consensus for Development"¹⁷. The legal provisions with regard to the 3Cs remain largely unchanged in the Lisbon Treaty. They offer basic definitions of the various concepts involved as can be seen in the box below.

Lisbon Treaty

Art. 208 (ex Art. 177 TEC)

1. "Union policy in the field of development co-operation shall be conducted within the framework of the principles and objectives of the Union's external action. The Union's development co-operation policy and that of the Member States complement and reinforce each other.

Union development co-operation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. The Union shall take account of the objectives of development co-operation in the policies that it implements which are likely to affect developing countries."

Art. 210 (ex Art. 180 TEC)

1. "In order to promote the complementarity and efficiency of their action, the Union shall coordinate their policies on development co-operation and shall consult each other on their aid programmes, including in international organisations and during international conferences. They may undertake joint action. Member States shall contribute if necessary to the implementation of Community aid programmes.

2. The Commission may take any useful initiative to promote the coordination referred to in paragraph 1."

¹⁵ Evaluating EU activity - Glossary p.101 (Relevance, p. 108):
http://ec.europa.eu/dgs/secretariat_general/evaluation/docs/eval_activities_en.pdf.

While, according to the DAC Glossary the **relevance** is the extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies. The terms '**relevance and coherence**' as European Union's evaluation criteria cover the DAC definition of 'relevance'.

¹⁶ Evaluating EU activity - Glossary p.101 (Coherence: p.102):
http://ec.europa.eu/dgs/secretariat_general/evaluation/docs/eval_activities_en.pdf

¹⁷ (2006/C 46/01)

Coordination: In EC policy documents the distinction is made between three levels of coordination: (i) policy coordination; (ii) operational coordination and (iii) coordination in international forums.

Complementarity: The obligation to ensure complementarity is a logical outcome of the fact that development co-operation is a shared competence between the EC and the Member States. Over time, the concept was linked to a better distribution of roles between the Commission and the Member States on the base of their respective comparative advantages. This interpretation is also the basis for the Code of Conduct on Complementarity (2007) emphasizing the need for a „division of labour“ (DOL) between the various European actors in delivering aid.

Coherence: One such typology distinguishes between (i) coherence/incoherence of European development policy itself; (ii) coherence/incoherence with the partner country's/region's policies; and (iii) coherence/incoherence between development co-operation policies and policies in other fields¹⁸.

- (4) **Value added of the European Union's interventions:** The criterion is closely related to the principle of subsidiarity and relates to the fact that an activity/operation financed/implemented through the Commission should generate a particular benefit.

There are practical elements that illustrate possible aspects of the criterion:

- 1) The European Union has a particular capacity, for example experience in regional integration, above that of EU Member States.
- 2) The European Union has a particular mandate within the framework of the '3Cs' and can draw Member States to a greater joint effort.
- 3) The European Union's co-operation is guided by a common political agenda embracing all EU Member States.

¹⁸ In recent years, the concept of „policy coherence for development“ (PCD) has gained momentum, in the European Consensus (2005) PCD was defined as *“ensuring that the EU takes account of the objectives of development co-operation in all policies that it implements which are likely to affect developing countries, and that these policies support development objectives.”* (par. 9).

ANNEX 2: BIBLIOGRAPHY

EU Documents		
EC Strategy papers		
Country Strategy Paper and National Indicative Programme 2006-2007	EC	2006
Country Strategy Paper and National Indicative Programme 2008-2013	EC	2008
Regional Strategy Paper and Regional Indicative Programme 2008-2013	EC	2008
Timor-Leste:CSP/NIP Mid Term Review HOD's Cover note	EC	2009
Assessment of Government's Compliance as of mid-2009	EC	2009
Draft - Mid-Term Review of the 10th EDF CSP/NIP	NAO - EC	2009
Letter Draft Mid Term Review	Vice MoF	2009
EDF 11 Workshop - EU-TL Co-operation 2013-12-16	EC	2014
Assessment of Progress in the MTR	EC	na
Timor-Leste: MTR Conclusions	EC	na
EC Annual Programmes		
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Context Timor-Leste	EC	na
General Background Timor-Leste	EC	na
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Political report of TL Mid October 2012	EUD Laurianne Command	2012
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EU Strategic framework on Human Rights and Democracy, adopted 25 June 2012	EU	2012
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USAID-DCHA East Asia and Pacific Humanitarian Assistance in Review - FY 2003-2012	USAID	2012
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Rural Development Programme-Factsheet 18-02-2013	GIZ	2013
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Mid-Term Evaluation of the UNDP Timor-Leste Parliamentary Project	UNDP	2008
OECD-TL Country program evaluation	OECD	2011
Timor-Leste Country Programme Evaluation 2000-2010	WB	2011
Justice Sector Evaluation	AusAid	2012
TL Works Final Evaluation	ILO	2012
TL MDG Case Study Final Evaluation	UN Rita Fernandes	2012
Country Portfolio Evaluation 2008-2012	WFP	2012
Country Portfolio Study: Timor-Leste (2004-2011) Evaluation Report	GEF	2013
Enhancing Rural Access Independent MTR	ILO	2013
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Excerpt Master Plan for Rural Road	GoTL and EU	
Our National vision - Timor-Leste	GoTL Prime Minister	
Governance Commitment Plan		2007
Draft Report on the Progress of the Timor-Leste Government's 'Governance Commitment' The Institutional Capacity Building Program for the Government of Timor-Leste - 9/ACP/TL/01	Maria Lourdes de Sousa	2008
Draft final report - Technical assistance to design the master plan for rural roads	Egis Bceom International	2009
Australia/Timor-Leste Country Strategy 2009-2014	GoTL-Ausaid	2009
Timor-Leste: Strategic Development Plan 2011-2030	GoTL	2011
Strategic Planning Agreement between Government of Timor-Leste and the Government of Australia	GoTL and Gov of Australia	2011
MoF Strategic Plan 2011-2030	GoTL Ministry of Finance	2011
National biodiversity strategy plan - 2011-2020	GoTL Ministry of Economy	2011
Jornal da Republica-TL 9-2011	GoTL	2011
Address by his Excellency the prime minister Kay Rala Xanana Gusmao at the g7+ fragility assessment workshop	GoTL Prime Minister	2012
Planning and financial management capacity building program, Final Draft Annual Report	GoTL Ministry of Finance	2012
Program-of-the-5th-Constitutional-Government 2012-2017	GoTL Prime Minister	2012
Functional and Organisational Review of the Civil Service Commission in Timor-Leste	GoTL Civil Service	2012
Timor-Leste extractive industries transparency initiative , independent reconciliation report for the year 2011	GoTL	2012
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Fragility Assessment in Timor-Leste	GoTL Ministry of Finance	2013
Development Partners Meeting - Background paper	GoTL	2013
Development co-operation Report 2012 Development Co-operation Overview	GoTL Ministry of Finance	2013

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Ministry of Social Solidarity: Standard Operating Procedures: GBV Referral Pathway. Dili, n.d	GoTL, Ministry of Social Solidarity	na
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ANNEX 3: EVALUATION MATRIX

EQ	JUDGMENT CRITERIA	INDICATORS
EQ 1 STRATEGIC RELEVANCE To what extent has the EU co-operation been and is likely to continue to be strategically relevant with national development priorities and EU co-operation policy frameworks?	JC 1.1 – The EU co-operation is strategically relevant to GoTL goals (including MDGs) and is adjusted to the evolution of national priorities	1. % of elements of EU strategy matching with National Priorities and MDGs over the period 2. Evidence that EU priorities reflected any changes to GoTL priorities 3. Elements of new (2014) co-operation strategy matching with National Priorities
	JC 1.2 – The EU co-operation strategy and efforts support the regional and international ambitions and priorities of the Government of Timor-Leste	1. Number of EU efforts (financial and non-financial) supporting regional and international ambitions 2. Volume of financial assistance directly supporting international ambitions (total and % of overall co-operation efforts)
	JC 1.3 - The EU co-operation strategy is tailored to the country context which is characterised by limited absorption capacities, high poverty levels and an overall fragile environment, but also growing oil income	1. Strategy explicitly addressing issues of: - absorption capacities, - poverty - fragility
	JC 1.4 – EU co-operation maintains its value added adjusting to the evolution of the co-operation context	1. % of EU interventions aimed to support EU values 2. Majority of Development Partners interviewed perceive EU co-operation as providing a specific value added to development efforts in TL
	JC 1.5 – The EU co-operation with Timor-Leste demonstrates coherence with EU policies, going beyond development co-operation.	1. Elements of EU co-operation strategy (2008 and 2014) show evidence of taking into account EU policies
EQ 2 STRATEGIC PARTNERSHIPS To what extent have partnerships with other development partners helped to foster synergies in support of the GoTL's development priorities and the promotion of the	JC 2.1 – The EU strategy and implementation are harmonized and well-coordinated with EU member states' development efforts	1. Concrete evidence of plans for donors to undertake joint programming and jointly evaluate 2. External evaluations assess positively co-operation with MS 3. TL Government perceives EU + MS engagement as positive 4. Majority of MS partners express positive assessment of coordination and harmonization during interviews
	JC 2.2 – The EU developed strategic partnerships with non-EU development actors to promote its goals effectively contributing to changes on the ground.	1. Number of evaluations documenting effective collaboration between EU and other international development partners 2. Evidence of EU engagement in Co-operation efforts with Australia and China, Brazil and Indonesia 3. Evidence of co-operation developing partnerships with Private sector to promote EU goals. Evidence of leverage of change achieved through partnerships 4. Majority of institutional co-operation stakeholders express positive assessment of partnerships during interviews 5. Majority of national stakeholders express satisfaction of EU strategic partnerships with UN, Australia and WB
	JC 2.3 – As of 2011, EU co-operation supported the GoTL's	1. Majority of national stakeholders provide positive assessment of EU's

EQ	JUDGMENT CRITERIA	INDICATORS
EU's co-operation goals, and changes on the ground?	efforts to implement the FOCUS and TRUST pillars of the New Deal.	support to implement FOCUS and TRUST pillars of New Deal. 2. Evidence of concrete examples of EU efforts to adjust to the New Deal 3. Number of co-operation efforts in support of implementing the New Deal.
	JC 2.4 – The aid coordination with other development partners resulted in greater complementarity of action and helped to address the gaps of the GoTL's development funding more effectively.	1. No of agreements reached between EU and other development partners to coordinate allocation of funding for priority development areas 2. Number and percentage of (sector) working group meetings held under the lead of the GoTL during the year 3. External evaluations confirming establishment of complementarities with development partners 4. Government view supports that the gaps are being filled
EQ 3 EU PROCESSES AND CAPACITIES To what extent are internal EU processes, structures, resources, learning functions and capacities supportive of co-operation goals in Timor-Leste?	JC 3.1 –The EU's internal institutional set-up to execute EU co-operation with Timor-Leste is effective.	1. Majority of EU officials express and justify satisfaction about the EU's internal institutional set-up to execute the EU's co-operation with Timor-Leste i.e. where T-L is located in the organisation 2. Responsibilities for the EU's co-operation with Timor-Leste are clearly defined and divided up between the EEAS and DG DEVCO, and between Brussels and the EU Delegation
	JC 3.2 – EU human capacities at headquarters and country level are adequate to design and execute EU co-operation with Timor-Leste effectively	1. Workload assessment shows adequate capacities to manage co-operation portfolio 2. Majority of T-L related EU staff confirm adequacy of human resources for efficient and effective management of co-operation efforts 3. EU reports indicate adequate human resources, in terms of seniority / authority, quantity, quality and expertise, for design and execution of EU co-operation
	JC 3.3 –Learning mechanisms are in place and function at Desk and EUD level to feedback lessons to support the effectiveness of co-operation efforts.	1. % of co-operation efforts assessed through external evaluations 2. Instances of recommendations from evaluations which are used to adapt or reorient existing co-operation efforts at country level 3. Evidence of learning system in place in EU Delegation in Dili
	JC 3.4 – Capacities and organizational arrangements facilitate effective political and policy dialogue with the GoTL	1. Number of meetings with GoTL to discuss political and policy issues in relation to implementation of EU strategy 2. Minutes of meetings evidencing EU leadership in promotion of policy dialogue 3. Instances of political and policy dialogue between EU and GoTL staff expertise for policy and political dialogue established in EU Delegation
	JC 3.5 – The EU's internal structure, under which the co-operation with Timor-Leste is executed, is able to address appropriately the regional configurations on the ground	1. Political and policy issues arising from ASEAN that have an impact on Timor-Leste are effectively coordinated by desks at EEAS and DG DEVCO 2. Political and policy issues arising from the PIF and the implementation of the Regional Pacific Strategy and the small island strategy that have an impact on Timor-Leste are effectively coordinated by desks at EEAS and DG DEVCO 3.

EQ	JUDGMENT CRITERIA	INDICATORS
<p>EQ 4</p> <p>AID MODALITIES AND INSTRUMENTS</p> <p>To what extent have co-operation instruments and intervention modalities adapted to the co-operation context, supporting EU goals and building complementarities?</p>	<p>JC 4.1 EU choice of aid modalities and financial instruments are adapted to Timor-Leste context and effectively support measurable changes, contributing to co-operation goals</p>	<ol style="list-style-type: none"> 1. External assessments findings confirm that project aid modality is effective to deliver changes in the context of Timor-Leste 2. % of projects supported by a clearly defined and measurable result framework 3. Well defined thresholds established for introduction of budget support
	<p>JC 4.2 – The support through the EU’s thematic budget lines helped to promote the GoTL’s development priorities and changes on the ground and to deliver on overall EU co-operation goals.</p>	<ol style="list-style-type: none"> 1. Thematic Funding Instruments prioritise the synergy between GoTLs development priorities and EU co-operation goals as verified through Eligibility Criteria of Calls for Proposals for Thematic Funding Instruments 2. Delegation staff, NAO staff and national stakeholders confirm in interviews relevance to co-operation goals and effective complementarities established by support through thematic budget lines
	<p>JC. 4.3 - Regional programs effectively support EU – Timor-Leste co-operation goals</p>	<ol style="list-style-type: none"> 1. External evaluations assess positively relevance and effectiveness of interventions financed through regional budget lines 2. Views on what other types of regional/bi-lateral balance could achieve
	<p>JC 4.4 –Strategic complementarities are established across instruments and aid modalities and help to enhance effectiveness of the co-operation on the ground.</p>	<ol style="list-style-type: none"> 1. External evaluations assess positively the establishment of complementarities in rural development, health and justice sectors 2. % of ROM (out of random sample) positively assessing the establishment of complementarities
	<p>JC 4.5 – Financial instruments and aid modalities are supporting the EU’s dialogue on policy reform and political dialogue with the GoTL and with development partners</p>	<ol style="list-style-type: none"> 1. % of projects including policy reform changes as part of a measurable result framework 2. Positive evidence from quality assessments of efficacy of financial/instruments 3. Instances of policy reforms supported through EU co-operation efforts in the focal sectors 4. Number of effective synergies established between financial aid and non-financial co-operation (policy and political dialogue) as verified through ROM exercises and external review
<p>EQ 5</p> <p>FOCAL SECTORS AND SUSTAINABLE DEVELOPMENT</p> <p>To what extent has the EU co-operation contributed to sustainable</p>	<p>JC 5.1 – Co-operation efforts in rural development (including rural roads) and health in Timor-Leste helped to influence poverty reduction and social-economic development</p>	<ol style="list-style-type: none"> 1. Evaluations of RDP and health sectors assess positively contributions to poverty reduction and socio-economic development 2. ROMs for rural development, food security, nutrition and health projects assess positively contributions to poverty reduction and socio-economic development
	<p>JC 5.2 – The EU contributed to sustainable development, including agriculture, through the strengthening of national capacities and systems for rural development resulting in more effective national institutions</p>	<ol style="list-style-type: none"> 1. % of sector interventions including measurable changes for institutional capacities 2. Evidence of EU efforts contributing to changes in focal sectors 3. External evaluations assess positively contributions to capacity building 4. Stakeholders from beneficiary institutions assess positively changes for institutional development supported by EU co-operation
	<p>JC 5.3 – The EU contributed to sustainable rural development by supporting a comprehensive and broad-</p>	<ol style="list-style-type: none"> 1. Broad-based approach applied to RDP and other interventions for rural development (verification through interviews with project stakeholders

EQ	JUDGMENT CRITERIA	INDICATORS
development, support to a non-oil economy and improved service delivery through the two focal sectors of rural development and of health?	based approach as stated in the 10th EDF CSP-NIP.	during field work)
	JC 5.4 – EU coherently supported agricultural production and improved food security and contributed to improved nutrition levels of the population in Timor-Leste	1. External evaluations appraise positively increased production and food security related to EU co-operation sector support 2. Beneficiaries positive appraisal of increased production related to EU co-operation effort (group meetings for RDP)
	JC 5.5 – EU co-operation efforts in the health sector are geared to improve the quality of health services	1. External assessment of health projects appraise positive changes in health service delivery 2. Sector stakeholders and final beneficiary appraise positively health sector co-operation outcomes (interviews and focus groups on health)
	JC 5.6 – Policy dialogue has been leveraging key sector reforms in areas relevant to sustainable rural development, nutrition and health	1. Evidence of leverage of key sector reforms as a result of EU policy dialogue 2. Number of policy reforms for agricultural sector supported by EU co-operation 3. Policy reforms for health and nutrition sector supported by EU co-operation
EQ 6 CROSS CUTTING To what extent has the EU co-operation managed to mainstream cross-cutting issues relating to environment, climate change and gender, achieving changes on the ground?	JC 6.1 – The three cross-cutting issues of environment, climate change and gender are clearly addressed with appropriate measures in EU strategies, policy, programming and implementation plans in Timor-Leste	1. Well defined EU strategies have been developed by the EU co-operation in T-L for gender, environment, and climate change 2. Mechanisms are established to mainstream gender, environment and climate change issues in EU Co-operation with Timor
	JC 6.2 – EU efforts to support gender equality and empowerment are embedded throughout EU interventions and have contributed to changes on the ground in the focal sectors of EU co-operation.	1. % of projects including measurable outcomes for gender; 2. Perception of women groups and civil society of EU support to gender through co-operation efforts 3. Consistently increasing number of projects over the evaluation period addressing empowerment and equality of women 4. Evidence of changes on the ground in these areas to which EU has contributed, and degree of change
	JC 6.3 – Environmental sustainability in Timor-Leste is supported by EU co-operation and has helped to enhance the impact of the EU's support to the focal sectors of EU co-operation.	1. % projects positively assessed for addressing sustainable environment in Timor-Leste 2. % of projects including measurable outcomes for sustainable natural resource management; 3. Perception of environmental groups and civil society of EU support to environment through co-operation efforts
	JC 6.4 – EU co-operation in Timor-Leste takes into account the EU's corporate priority for climate change	1. Number and type of actions supporting climate change in EU Co-operation with Timor-Leste 2. Guidelines are established and communicated to partners for Climate Change 3. Training of national partners on Climate Change
EQ 7 STATE BUILDING AND	JC 7.1 – The EU has contributed to building capacities of the central institutions of the Government state administration	1. Percentage and number of interventions that support goals of statebuilding 2. External evaluations provide evidence of effective support to statebuilding 3. Instances are documented that show improved performance of the state administration in areas of EU support

EQ	JUDGMENT CRITERIA	INDICATORS
GOVERNANCE To what extent has the EU co-operation contributed to sustainable change on statebuilding, good governance and democracy in Timor-Leste?	JC 7.2 – Support to the NAO office has helped to make the EU support to statebuilding more effective.	<ol style="list-style-type: none"> 1. External evaluation documenting effectiveness of NAO office 2. Number and increased volume of projects processed by NAO office between 2008 and 2013
	JC 7.3 – The EU co-operation contributed to strengthen mechanisms that help to promote democracy, a more effective rule of law, women empowerment, accountability and transparency of the state towards its citizens	<ol style="list-style-type: none"> 1. Percentage and number of mechanisms supported to promote democracy and strengthen accountability and transparency of the state 2. Evidence of EU efforts contributing to changes supporting state building and governance 3. Audits and other reports on institutional transparency show evidence of increased state performance in areas of EU support 4. Gender equality and women empowerment are promoted throughout EU co-operation interventions 5. External evaluations and studies provide evidence of the state showing growing transparency, accountability and responsiveness to demands of citizens.
	JC 7.4 – The EU has contributed to strengthen national capacities that are instrumental to help with the diversification of the economy and to support changes on the ground	<ol style="list-style-type: none"> 1. Evidence of national capacities strengthened by the EU. which help to diversify the economy 2. Percentage change of the non-oil economy, notably growth of economy through agricultural production, between 2008 and 2013. 3. Evidence of EU contributions to national capacity building which contributed to specific changes on the ground
	JC 7.5 – EU political and policy dialogue with the GoTL supported macro-level statebuilding reforms and human rights issues.	<ol style="list-style-type: none"> 1. Macro-level state-building reforms relating to the political-economy course of the GoTL are discussed during the EU political and policy dialogue with the GoTL 2. Political dialogue EU-GoTL addresses human rights issues in line with recommendations of the report compiled by the Commission for Truth and Friendship. 3. Interview records document instances how the EU supported the GoTL on issues pertaining to overall statebuilding and macro-level policies, and to what degree they contributed to specific changes on the ground.
EQ 8 CIVIL SOCIETY To what extent has EU co-operation managed to provide strategic support to Civil Society as a key development	JC 8.1 - EU gave strategic support to Civil Society, mainstreaming Civil Society as a key development partner	<ol style="list-style-type: none"> 1. Availability of an EU strategy for Civil Society support. 2. Evidence of achievements as an effect of Civil Society support 3. Perceptions of the effectiveness and sustainability of EU support to CS among representatives of key CSOs / CS actors, EU representatives, GoTL representatives, development partners. 4. Evidences of synergies and donor co-operation in CS support.
JC 8.2 – The EU co-operation supported the strengthening of capacities of NGOs and civil society organisations to become more effective in gender support, human rights, advocacy, policy dialogue, promoting transparency and state accountability	<ol style="list-style-type: none"> 1. Quality and Effectiveness of NGO Platforms or NGOs working on policy dialogue, advocacy, promoting transparency and state accountability. Perceived EU contribution as communicated by EU, GoTL and NGO/CSO representatives. 2. Availability of EU strategy on support to Human Rights NGOs. 	

EQ	JUDGMENT CRITERIA	INDICATORS
partner, (effectively contributing to co-operation outcomes)?	<p>JC 8.3 – The EU supported civil society effectively in the promotion of the agenda on women, peace and security (UN SCR 1325 and 1820) and helped to strengthen processes that contribute to peace and stability.</p> <p>JC 8.4 – Civil society was effectively supported and empowered to enhance the quality of service delivery in the different sectors of EU intervention.</p>	<p>3. Availability of EU CS sector analysis including needs assessment.</p> <p>4. Number and quality of EU Capacity Building efforts strengthening CSO capacities in governance, accountability and advocacy. Coherence of support</p> <p>1. Availability of an articulated EU strategy on support to NGOs engaged in ‘1325’; number and % of contracts with CSOs on the agenda on women, peace and security</p> <p>2. The state of the agenda on women, peace and security in TL (as assessed in analyses, reports and communicated by 1325 experts) and the perceived contribution of EU support as mentioned in reports or communicated by government representatives, EU, or NSA</p> <p>3. Quality and Effectiveness of NGO Platforms or NGOs working on 1325. Perceived EU contribution as communicated by EU, government and CSO representatives.</p> <p>1. Number and % of interventions where Civil Society was supported and empowered to enhance the quality of service delivery.</p> <p>2. Positive assessment of outcomes (in ROMs and external assessment of effectiveness of CSO contributions to service delivery and improvement of quality).</p>
<p>EQ 9</p> <p>A CO-OPERATION CONTRIBUTING TO CHANGES</p> <p>To what extent has the EU co-operation contributed to overall long-term impact on development changes in Timor-Leste?</p>	<p>JC 9.1 - The New Deal provides an overall framework for EU Co-operation with Timor-Leste adjusted to fragility and capacities, conducive to deliver long term impacts</p> <p>JC 9.2 - EU Co-operation has contributed to peace and security in Timor-Leste</p> <p>JC 9.3 – The EU’s co-operation has influenced the achievement of long-term national development goals</p> <p>JC 9.4 – The EU’s overall development co-operation priorities, its values and its regional ambitions have been perceived by beneficiaries as a relevant contribution to the further development and independence of Timor-Leste.</p> <p>JC 9.5 – The EU is perceived by beneficiaries and development partners in Timor-Leste as a key development actor and a credible political actor, which helps to achieve national development priorities.</p>	<p>1. Majority of stakeholders in EU Delegation, NAO, and line Ministries expresses perception that the New Deal provides an appropriate framework (addressing fragility context)</p> <p>2. Majority of stakeholders in EU Delegation, NAO, and line Ministries expresses perception that adequate capacities are established to align co-operation efforts to the New Deal</p> <p>1. External evaluations assess positively contribution to impacts to peace and security of EU co-operation efforts</p> <p>2. Majority of stakeholders in EU Delegation, NAO, and line Ministries expresses perception of positive contributions to peace and security</p> <p>1. External evaluations assess positively contribution to impacts to Timor-Leste development goals of EU co-operation efforts</p> <p>1. Majority of national co-operation stakeholders respond positively to perception analysis questions on EU support to regional ambitions and EU being a reliable partner for Timor-Leste</p> <p>2. Majority of national co-operation stakeholders, including beneficiary institutions and civil society, responds positively to perception analysis questions on EU as a credible political actor, and a co-operation supporting Timor-Leste development priorities</p>

ANNEX 4: LIST OF PERSONS MET

	Type	Institutions	Name	Surname	Position
1	EU	DG DEVCO	Thierry	Soyez	Desk Officer
2	EU	DG DEVCO	Konstantinos	Anastasopoulos	Transport / Infrastructure
3	EU	DG DEVCO	Pedro	Campo-Llopis	Resilience / Food Security
4	EU	DG DEVCO	Maria	Del Rosario Ruiz Rivera	Governance unit
5	EU	DG DEVCO	Eric	Deschoenmaeker	Responsible for PFM with H2
6	EU	DG DEVCO	Bridget	Dillon	Evaluation Manager
7	EU	DG DEVCO	Federica	Petrucci	Evaluation Department
8	EU	DG DEVCO	Fernando	Frutuoso de Melo	Director General
9	EU	DG DEVCO	Mihaela	Haliciu	Fragile States / Crisis Management
10	EU	DG DEVCO	Annelie	Hildeman	Budget Support Division
11	EU	DG DEVCO	Jos	Jonckers	Dep.Head Asia Dept.
12	EU	DG DEVCO	Peter	Maher	Head of Operations
13	EU	DG DEVCO	Norbert	Probst	Desk Officer
14	EU	Former EU Deleg.	Juan Carlos	Rey	Former Head of Delegation
15	EU	Former EU Deleg.	Costas	Tsilogiannis	Former Head of Operations
16	EU	DG DEVCO	Simon	Van den Broeke	Budget Support Division
17	EU	EEAS	Claes	Andersson	EC - Service for Foreign Policy Instruments (FPI) Unit 2 - Stability Instrument Operations
18	EU	EEAS	Gosia	Lachut	Former Desk Officer Timor-Leste
19	EU	EEAS	Carmen	Ruiz Serrano	Head of Asia-Pacific Department
20	EU	EEAS	Gerhard	Sabathil	Director
21	EU	EEAS	Achim	Tillessen	Former Desk Officer Timor-Leste
22	EU	EEAS	Konstantin	Von Mentzingen	Former Desk Officer Timor-Leste
23	EU	EEAS Asia-Pacific Department	Rainer	Schierhorst	Programming Coordination, Relations with Int'l Financial Institutions, and Desk for the Regional Programme in the Pacific, TL, Tonga & Nauru
24	EU	EU Delegation	Emanuel José	Amaral	Programme Officer Rural Development
25	EU	EU Delegation	Joseph	Buckley	HoFCA
26	EU	Former EU Delegation	Guglielmo	Colombo	Former EC representative
27	EU	EU Delegation	Joachim	Debois	FCA Manager
28	EU	EU Delegation	Charles	Dubay	Finance & Contract Manager
29	EU	EU Delegation	Luis M.	Godinho	First Counsellor
30	EU	EU Delegation	Sónia	Godinho	Task Manager PFMCBP
31	EU	EU Delegation	Ruth Maria	Jorge	Programme Officer Fragility / Governance
32	EU	EU Delegation	Sylvie	Tabesse	Ambassador / Head of Delegation

33	EU	EU Delegation	Vincent	Vire	Head of Co-operation
34	EU	EU Delegation	Juvita	dos Santo Guterres	EC Task manager / Programma Officer NAO
35	EU member	GIZ	Jose	Barros	Dealing with RDP4 extension
36	EU member	GIZ	Juliao	De Aranja	National Construction Engineer RDP 4
37	EU member	GIZ	Juliao	De Arroso	GIZ infrastructure officer
38	EU member	GIZ	Holger	Koetzle	Knowledge Management Officer
39	EU member	Camoes	Patrícia	Mota Paula	Senior Expert of Media Programme of EU in TL
40	EU member	Camoes	Graça	Lima	Programme Manager
41	EU member	Camoes	Carlos	Liz Rodrigues	Programme Deputy Manager Justice Programme
42	EU member	French embassy	Aurélie	Seguin	Cultural Attache
43	EU member	GIZ	Silvio	Decurtins	German Development Co- operation Coordinator
44	EU member	Portugese Embassy	Daniel	Carolo	Head of Corporation
45	EU member	Portugese Embassy	Vanessa	Spencer	Programme Officer
46	GoTL	Ministry of Agriculture and Fisheries	Octavio	Da Costa Monteiro de Almeida	National Director for Policy and Planning
47	GoTL	Ministry of Agriculture and Fisheries	Alexandrino	Nunes	Head of Extension Service District of Bobonaro
48	GoTL	Ministry of Agriculture and Fisheries	John B.	Dalton	Team Leader - Seeds for Life Programme
49	GoTL	Ministry of Finance	Brigida	Da Silva	Former deputy NAO
50	GoTL	Ministry of Finance	Bernardino	De Costa Pereira	Director
51	GoTL	Ministry of Finance	Emilia	Pires	Minister of Finance
52	GoTL	Ministry of Foreign Affairs	Fernando	De Deus Mendonça	NAO Officer
53	GoTL	Ministry of Foreign Affairs	Jose	Eusebio	NAO Officer
54	GoTL	Ministry of Foreign Affairs	José Luis	Guterres	Senior Minister of Foreign Affairs and NAO
55	GoTL	Ministry of Foreign Affairs	Madalena F. M.	Hanjan C. Soares	Deputy NAO
56	GoTL	Ministry of Foreign Affairs	Eusebio	Jeronimo	MoF staff
57	GoTL	Ministry of Foreign Affairs	Sylvia	Lemos	Account Officer
58	GoTL	Ministry of Foreign Affairs-NAO	John	Sykes	Adviser Deputy NAO
59	GoTL	Ministry of Health	Lourenço	Camnahas	Program manager
60	GoTL	Ministry of Health	Manuela M.S.	Pereira	Deputy Program Manager
61	GoTL	Ministry of Social Solidarity	Rochelle	Craker	Volunteer
62	GoTL	Ministry of Social Solidarity	Juana	da Cunha	Director
63	GoTL	Ministry of Social Solidarity	Judith	dos Reis Sarmiento	GBV staff
64	GoTL	Ministry of Social Solidarity	Maria Jose	Reis	GBV staff
65	GoTL	New Deal Implementation Task Force	Felix	Piedade	Coordinator

66	GoTL	Presidency to the Council of Ministers	Domingos	Morais Tristão	Senior Legal Advisor to the Prime Minister
67	GoTL	SEPI (Secretary of State for the Promotion of Equality)	Armando	da Costa	Director, DNPDG,
68	GoTL	Timor-Leste Embassy	Madalena	Filipe	1 st Secretary
69	GoTL	Timor-Leste Embassy	Hugo	Martins	TA to embassy in Brussels
70	GoTL	Timor-Leste Embassy	Nelson	Santos	Ambassador TL in Brussels
71	GoTL	Timor-Leste Embassy	Madaleina		First Secretary
72	NGO	Belun	Constantino da C.	Branco	
73	NGO	Belun	Luis	Ximenes	Director
74	NGO	Casa Vida	Simone B.	Assis	National Director
75	NGO	Casa Vida	Yosia	Budiardjo	General manager
76	NGO	CIDAC	Cristina	Cruz	President
77	NGO	Fokupers	Marilia	Da Silva Alves	Executive Director
78	NGO	Luta Hamutuk	Mericio	Akara	Director
79	NGO	Madres Canosiana (Canoesean Convent)	Becora, Madre Guilhermina	Marçal	
80	NGO	Marie Stopes International	Mario	Martins	Team Leader
81	NGO	Marie Stopes International	Maliana; Zhiva, Malia, Reinato da Costa, Ventura Soares, Helio Afranio		Team members
82	NGO	Ora et Labora, Daisua, Same	Ibu Victoria and other participants		Group leader
83	NGO	Search for Common Ground	Ursula	De Almeida	Director of Programs
84	NGO	Search for Common Ground	Jose Francisco	De Sousa	Country Director
85	NGO	ACBIT (Asosiasaun Chega Ba Ita)	Natalia	De Jesus	Staff
86	NGO	ACBIT (Asosiasaun Chega Ba Ita)	Manuela	Leon	Director
87	NGO	APSCTL (Asia Pacific Support Committee Timor Leste)	Laura	Abrantes	
88	NGO	APSCTL (Asia Pacific Support Committee Timor Leste)	Odette	Bello	
89	NGO	APSCTL (Asia Pacific Support Committee Timor Leste)	Isabel Maria M.	Sequeira	Director
90	NGO	Asia Foundation	Susan	Marx	Country Representative
91	NGO	Ba Futuru Associação	Andreza	Guterrez	
92	NGO	Ba Futuru Associação	Sierra	James	Director

93	NGO	Ba Futuru Associação	Emilya	Stallman	Project coordinator
94	NGO	Caucus	Paula	Corte Real	Director
95	NGO	Caucus	Carla	Viegas	Programme officer
96	NGO	FONGTIL (NGO Forum Timor-Leste)	Arsenio	Pereira da Silva	
97	NGO	FONGTIL (NGO Forum Timor-Leste)	Viriato	Soares	
98	NGO	FONGTIL (NGO Forum Timor-Leste)	Gaudencio	Souza	
99	NGO	FONGTIL (NGO Forum Timor-Leste)	Lourenco	Tito	Manager EU project MOCA
100	NGO	Haburas	Fernando	da Costa	program manager Land and Housing Justice project
101	NGO	Haburas	Ms. Angelina		Staff of Value Sere project
102	NGO	Hivos	Raul	De la Rosa	Programme manager
103	NGO	ICTJ	Manuela	Pereira	
104	NGO	La'o Hamutuk	Juvinil	Dias	staff
105	NGO	La'o Hamutuk		Mr. Adilson	
106	NGO	La'o Hamutuk	Charles	Scheiner	Director
107	NGO	La'o Hamutuk	Juvenal	Dias	
108	NGO	Mahein (Fundasaun Mahein)	Nelson	Belo	Director
109	NGO	Mercy Corps	Lavao	Pinheiro	Field officer SILC
110	NGO	Mudansa, Ollarua, Daisua, Same	Ibu Martina and participants		Group leader
111	NGO	PARCIC (Parc Interpeople's Co-operation)	Titi ,	Amaral	Project coordinator
112	NGO	Patarata, Tapomemo, Maliana	Veronika Casimira, group leader; Delfina Sowe Claudina, Mafalda Monis, Adriana Araujo, Nazalima Amaral, Fabiola Jennifer Monis Soaraz.		women's group
113	NGO	Rede Feto, Umbrella of Women's Organisations	Dinorah	Granadeiro	Executive Director
114	NGO	Search for Common Ground	Ursula	De Almeida	DoP
115	CSO	Ass. of Journalists (AJTL)	Tito	Belo	
116	CSO	Jornal Semanariu Bus. Timor	Carlos	Jesus	
117	CSO	Sindicato Jornalistas (SJTL)	Jose	Ximenes	
118	TL institutions	National Parliament of TL	Cristina	Ferreira	Parliamentary Advisor
119	TL Institutions	Anti-Corruption Commission (CAC)	Hans	Gutbrot	Consultant
120	TL Institutions	Maliana Agric. Traning Inst.	Filomeno	Abel	Teacher
121	TL Institutions	Maliana Agric. Traning Inst.	Felix	Cardoro	Teacher
122	TL Institutions	Maliana Agric. Traning Inst.	Duarte	Da Conceicao Santos	Assistant Teacher

123	TL Institutions	Maliana Agric. Training Inst.	Bonifacio	De Oliveira Fraga	Act. School Director
124	TL Institutions	Maliana Agric. Training Inst.	Alfonso	dos Santos de Conleicao	Teacher
125	TL Institutions	Maliana Agric. Training Inst.	Joao	Longuinhos	Teacher
126	TL Institutions	Maliana Agric. Training Inst.	Joao	Magno	Teacher
127	TL Institutions	Maliana Agric. Training Inst.	Irene	Pereira Santos	GiZ officer at Maliana
128	TL Institutions	RTTL	Tito Filipe	De Jesus da Costa	Adjunto Director da Informação e Actualidade
129	UN	UN Women	Vicenta Maria	Correira	Project coordinator
130	UN	UN Women	Janet	Wong	Country Representative
131	UN	ILO	Roberto	Pes	Head of Mission
132	UN	ILO	Tomas	Stenstrom	Project Chief Engineer ERA
133	UN	UN	Pablo	Barrera Cruz	Head of Resident Coordinator office
134	UN	UN/UNDP	Knut	Ostby	UN Resident Coordinator and UNDP Resident Representative
135	UN	UNDP	César	Dias Quintas	Project Manager Parliament Project
136	UN	UNDP	Nora	Hamladji	Country Director
137	UN	UNDP	Farhan	Sabih	Assistant Country Director / Head of Governance Unit
138	UN	UNICEF	Ramesh	Bhusal	Chief of WASH
139	UN	UNICEF	Hongwei	Gao	Representative
140	UN	UNICEF	Hemlal	Sharma	Chief of Health & Nutrition
141	Other donors	Australia Aid Program	Vincent	Ashcroft	Minister Counsellor
142	Other donors	Australia Aid Program	Jonathan	Gouy	Counsellor
143	Other donors	Australia Aid Program	Chloe	Olliver	Programme Director PNDS Support
144	Other donors	Embassy of Indonesia	Primanto	Hendrasgoro	Ambassador
145	Other donors	World Bank	Hans	Anand Beck	Senior Economist
146	Other donors	World Bank	Eileen	Brainne Sullivan	Health Specialist
147	Other donors	World Bank	Eric	Vitale	Country Officer Aid Effectiveness & Donor Coordination
148	Other		Hans	Gutbrod	Governance Consultant

ANNEX 5: INVENTORY METHODOLOGY AND ANALYSIS

METHODOLOGY

This section presents the elaboration of the Inventory of the interventions financed by the European Commission in Timor-Leste.

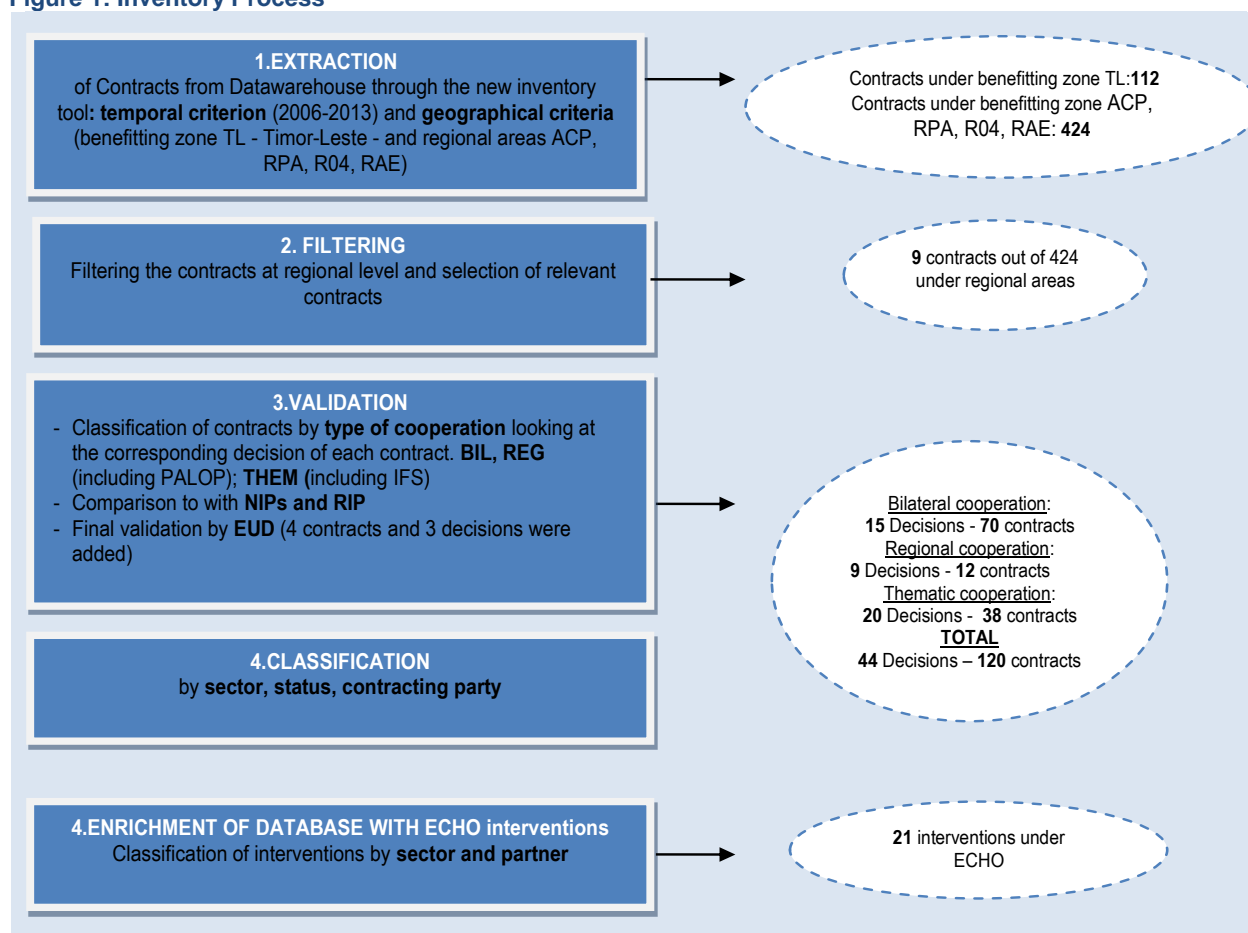
From the beginning of the evaluation, the team has started to work in order to reconstruct the inventory of all interventions financed by the European Commission in Timor-Leste from 2006 to 2013.

It is worth noting that the goal of the inventory and of its analysis is twofold:

- 1) First, the inventory enables to illustrate the *realised (ex post)* intervention logic, as compared to the *intended (ex ante)* intervention logic coming out from the analysis of policy documents.
- 2) Second, it helps to show in a synthetic way, through tables and graphs, the size, the sectoral and financial distribution of the EC interventions and their evolution over time, based on data retrieved from the Data Warehouse¹ of the DG DEVCO and data received from ECHO.

As depicted in the figure 1, the process followed can be synthesized in five main steps, which will be presented in further detail in the following sections.

Figure 1: Inventory Process



¹The Data Warehouse is a repository of electronically stored data, housing data sourced from various operational systems used in an organisation. At DEVCO, the data available in the Data Warehouse are extracted from the information systems developed by the IT Unit, including CRIS: Common Relax Information System; PADOR: Potential Applicant Data On-line Registration Service; PLS: Picture Library System, ROM: Results Oriented Monitoring system; Other: data from other information systems might be included in the future. The benefits offered by this system are: speed, data combination, availability of data, consistency throughout the DG, Independence from the source system. *Source: EC DATA WAREHOUSE DEVCO'S REPORTING TOOL User Manual*

STEP 1: DATA EXTRACTION

Interventions undertaken in Timor-Leste are included in various programmes at both country and regional level. As a result, the first step aimed at including the largest possible sample of interventions in order to avoid the possible exclusion of relevant interventions. To this end, all available data from Data Warehouse² were extracted through the new tool called “*Inventory of interventions for Country Level Evaluations*” developed by the DWH team. The criteria used are the following:

- time criterion: 2006-2013 related to the contract year covered by the evaluation,
- geographical criterion: selection of all contracts falling under tab “benefitting zone”: TL (Timor-Leste), RAE (South East Asia Region), RPA (Pacific Region), R04 (Pacific Region³, ACP (ACP countries).

As a result, the total number of contracts retrieved is 112 under the benefitting zone TL and 424 under the regional areas (ACP, RAE; R04, RPA).

STEP 2: FILTERING PROCESS

This step consisted in applying another filtering criterion through which the number of regional interventions was gradually reduced in order to match the scope of the evaluation. Looking at the corresponding decision of the contracts, at the title of each contract and to the relevant documents only nine contracts were retained.

STEP 3. DATA VALIDATION PROCESS

In order to avoid discrepancies and to make sure that the inventory does include all relevant projects, the full list of 121 (112 plus 9) contracts was carefully checked. This validation process consisted of four main actions:

- Classification of each contracts for “type of co-operation” looking at the columns “zone benefitting the action” and the “title” of the corresponding decision in order to obtain only 3 main categories: BIL (Bilateral), REG (Regional)⁴, THEM (Thematic co-operation);
- Creation of the inventory of Decisions (43 decisions) divided by type of co-operation;
- Cross checking of decisions with the NIPs 2006-2007 and 2008-2013 and corresponding Annual Programmes and the RIP 2007-2013.
- Final validation of the inventory with EUD that added 4 more contracts⁵ to the database under the IFS-RRM instrument and 3 more decisions⁶ for which no contracts have been implemented yet; moreover for one contract the amounts have been changed⁷.

The number of decisions and corresponding contracts obtained with this research is:

- Bilateral Co-operation: 15 decisions and 70 contracts
- Regional Co-operation: 9⁸ decisions and 12 contracts
- Thematic Co-operation: 20⁹ decisions and 38 contracts

²The data were extracted on the Januray.2014 from the Data Warehouse.

³ Which also includes PALOP countries

⁴ The REG and MULTI categories include contracts that have been filtered through the country level, this is because some contracts belong to regional interventions but have been registered in DWH with a clear geographical definition.

⁵ The following four contracts, received by Ruth Maria Jorge (Programme Manager Fragility and Governance) were not encoded in CRIS since at the time was not a requirement: Leadership, Consensus Building and Support for National Dialogue in Timor-Leste (2006) [Club de Madrid] (€320,000); Timor-Leste ‘Work for Peace’ Project (ILO-UNDP) [2006] (€2,450,000); Dialogue & Mediation (2006) (€1,230,000); Security sector review in Timor-Leste - Capacity Development Facility (UNDP) (€1,640,000)

⁶ The following three decisions have been indicated by the EUD in March 2014: EDF/2009/21324 “Palop and East Timor/Support to the 2009-2011 electoral cycles of the PAOLO/TL countries (€460,725); FED/2010/022-733 “District Roads Rehabilitation and Maintenance Project” (€20,500,000); FED/2013/023-655 “Support to Public Finance Management Reform” (€4,000,000).

⁷ In particular the amounts have been changed for the contract “*Enhancing stabilisation through sustainable reintegration of IDPs*” from 555,444 to 1,500,000

⁸ Of which 4 decisions have been issued prior the evaluation period but are included in the inventory because a set of corresponding contracts (8 contracts) fall under the evaluation period

⁹ Of which 1 has been issued prior the evaluation period but is included in the inventory because a set of corresponding contracts (5 contracts) fall under the evaluation period

STEP 4: CLASSIFICATION

With a view to enhancing the understanding of EC interventions in Timor-Leste the relevant contracts selected on the basis of the previous steps have been classified by **sectors** and **status**, and **contracting party**.

a) Sectors

The sectors have been defined based on the analysis of main relevant policy and programming documents and correspond to the main areas of EC intervention as foreseen under the NIP 2006-2007 and NIP 2008-2013. The definition of the sectors has also been defined following a first analysis of the content of the inventory¹⁰. Overall, **12 sectors** have been identified, see Table 1 with corresponding description.

Table 1: Classification by sectors and sub-sectors – EU/TL contracts

Sector classification		Definition
1.	Rural development (RD)	Agriculture related activities, enabling environment to increase productivity economic growth in rural areas such as rural roads.
2.	Food security (FS)	Supply of edible human food under national or international programmes including transport costs; cash payments made for food supplies; project food aid and food aid for market sales when benefiting sector not specified and for rural development; excluding emergency food aid.
3.	Democratic participation and governance (DEM GOV)	Community participation and development; co-operatives; grassroots organisations; development of other participatory planning and decision making procedures and institutions
4.	Civilian peace-building, conflict prevention and resolution (CPB)	Support for civilian activities related to peace building, conflict prevention and resolution, including capacity building, monitoring, dialogue and information exchange
5.	Media and communication (M&C)	Communications policy, promotion of development awareness through radio/television/print media
6.	Health (HEL)	Health policy, medical services, Basic and primary health care programme, Basic health infrastructure, Reproductive health care
7.	Technical assistance (TA)	Technical assistance related to the Technical Co-operation Facility used to identify new projects and to allow seminars and workshops
8.	Capacity building (CB)	Institution capacity building activities to support the development of institutions, organizational and human capacities of the pillars of the State. The main actions related to the state administration, judiciary, national parliament, and support to NAO.
9.	Water and Sanitation (W&S)	Water sector policy, planning and programmes; inland surface waters conservation and rehabilitation; activities including protection of maritime water and de-pollution, improvement of waste water governance and management
10.	Environmental policy (ENV)	Environmental policy and administrative management related to the Global Climate Change Alliance
11.	Energy (ENR)	Support to energy market integration and sustainable energy, capacity building and technical assistance, rehabilitation of outdated infrastructures

b) Contracting party

The classification by type of contracting party has been carried out by analysing the column “contractor” and “operator category” of each single contract, resulting in **seven categories**, as shown in Table 2.

¹⁰The titles of the interventions, and, when needed, additional information gathered via Internet and with the support of the OECD/DAC classification which is defined under column “DAC sector”. The DAC sector classification as indicated in the Data Warehouse database was taken in consideration in case of unclear definition of the sector.

Table 2: Classification by contracting party – EU/TL contracts

Classification of contracting party	Definition
Association and NGOs	Association, Foundations, Institutes of research
Commercial organisation	Consultant companies, specific sector enterprises
Single Expert	Contract to a single consultant
International organisations	International Organisation including United Nations Family and WB
EU Member states public organisations	Co-operation agencies of Member states, local institutions, support institutions
Timor-Leste Government	Public Institutions of the Republic Democratic of Timor-Leste
Na	Not available

c) Status

The classification by status has been carried out by analysing the column “status”, resulting in **three categories**, as shown in Table 3

Table 3: Classification by status – EU/TL contracts

Acronym	Definition
EC	Contract ongoing
EG	Contract committed
CL	Contract Closed

STEP 5: ENRICHMENT OF THE DATABASE – ECHO INTERVENTIONS

The inventory needed to be completed with Humanitarian Assistance data, in order to have a comprehensive view of all co-operation efforts in Timor-Leste. Data on Humanitarian Assistance have been received from ECHO at the end of February 2014 and presented in Annex 7.

The interventions funded by ECHO during the period of the evaluation (2006-2013) are 21, of which four at regional level¹¹. The interventions have been classified by sector and by partner as shown in the below tables.

Table 4: Classification by sector, ECHO interventions in Timor-Leste

Sector	Description
IDPs	Assistance to IDPs
Food	Food security assistance
Disaster risk reduction	Emergency shelter, Economic relief, Emergency livelihoods recovery, Protection activities, Support to vulnerable families
Capacity building	Enhancing Red Cross Red Crescent National Societies' capacity to build safer and more resilient communities in Southeast Asia - Phase 3

Table 5: Classification by type of partner

Type of Partner	Description
NGO/Associations	IFRC, PLAN INTERNATIONAL, CONCERN WORLDWIDE etc.
UN	UNHCR; WFP, FAO, IOM, UNDP, UNESCAP

PRESENTATION

Overall, the overview and analysis of the inventory allows providing information with regard to the sectoral distribution of interventions. In addition, the sectoral distribution of interventions will be presented with a view to provide information that will feed into the analysis of issues of relevance and coherence, and into the process leading to the selection of country-case studies.

The evaluation team has built the inventory on a number of selected fields available in the Datawarehouse database¹². The fields selected for the DEVCO interventions and presented in Annex 6 are the following:

¹¹ For the interventions at regional level, it is not possible to have information for each country on the allocated/contracted amount, therefore, the amounts have been divided by 7 (the number of countries included in the regional interventions) in order to have an approximation of the amount for Timor-Leste only.

¹²The extracted excel file gathered from Datawarehouse generated 35 columns.

1. Contract Year: from 2006 to 2013
2. Funding instrument: FED, DCI (ASIA, ENV, FOOD, GENRE, HUM, NSA, and NSAPVD) EIDHR, and IFS-RRM.
3. Contract and decision Reference Number;
4. Status:
5. Contract and decision Title;
6. Zone Benefiting from the action
7. Allocated Amount
8. Committed Amount;
9. Disbursed Amount;
10. Starting date of activities
11. End date of activities

The evaluation team then added a number of additional fields in order to increase responsiveness of the inventory to the needs of the evaluation. Accordingly, these fields are:

12. Sector as presented;
13. Contracting party
14. Type of co-operation

INVENTORY ANALYSIS

The analysis covers all contracts implemented during the period January 2006 – December 2013 by DEVCO, FPI and ECHO. This section summarizes amounts allocated in Timor-Leste by the EC during the evaluation period (2006-2013); in the subsequent sections, details for the DEVCO and ECHO interventions will be provided. The analysis is a project level analysis, therefore, the analysis of impact and effectiveness do not necessarily match with analysis of the impact and effectiveness of the overall co-operation.

Over the evaluation period the EC allocated **€162M** to Timor-Leste including both DEVCO and ECHO interventions, which amount to €153M (95%) and €9M (5%) respectively. The EC's total contribution per year amounts to an average of €20M and represents 0.32% of Timor-Leste GDP, which corresponds to an average of €134 per capita (see table 6).

Table 6: DEVCO and ECHO Allocated Amount to Timor-Leste (2006-2013) and Country data, €

	Total amounts	DEVCO	ECHO
GDP 2012 - current prices € (IMF estimates)	6,300,000,000		
Population tot in 2012	1,210,233		
EC total committed amount € 2006-2013	162,424,028	153,688,703	8,735,325
EC average allocated amount per year €	20,303,003	19,211,088	1,091,916
EC total contribution per year as % of GDP	0.32%	0.30%	0.02%
EC total allocated amount per capita €	134	127	7
EC average allocated amount per year per capita €	17	16	1

Source: World Bank and EC Datawarehouse, the GDP is converted into euro through InforEuro of March 2014

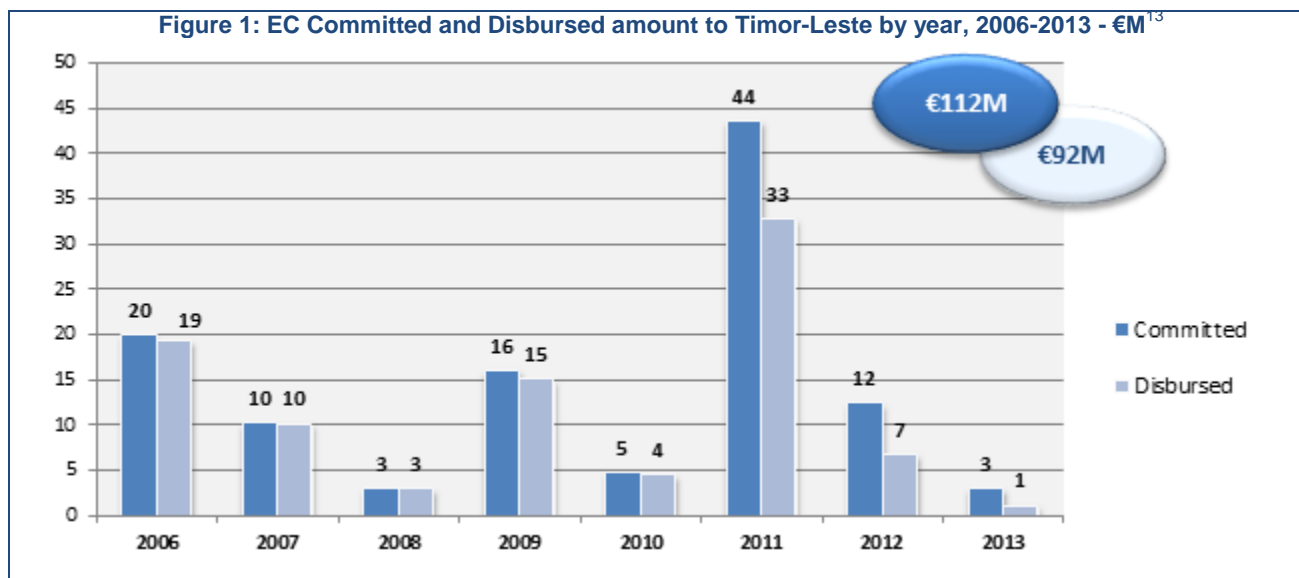
DEVCO Interventions

Table 7 presents the distribution of allocated, committed and disbursed amounts by type of co-operation whereas figure 1 presents the distribution of the committed amount and disbursed amount throughout the evaluation period 2006 – 2013.

Table 7: EC allocated, committed and disbursed amount €, 2006-2013

	Allocated	Committed	Disbursed	N. of Decision	N. of contracts	% allocated
BIL	101,458,587	72,932,376	57,713,271	15	70	66%
REG	10,117,460	10,233,628	8,488,157	9	12	7%
THEM	42,112,656	28,952,375	25,827,710	20	38	26%
TOTAL	153,688,703	112,118,378	92,029,138	44	120	100%

Figure 1: EC Committed and Disbursed amount to Timor-Leste by year, 2006-2013 - €M¹³



Source: DWH/CRIS and own elaboration

¹³ The figure presents the committed and disbursed amounts per year of the contract.

The EC issued a total of 120 contracts for a total committed amount of €112M¹⁴, which accounts for 73% of the allocated amount¹⁵. The figure evidences an unstable trend in resources distribution throughout the evaluation period. In particular, the year 2011 presents a steep increase of financial flows when the committed amount increased of more than 8 times the committed amount of 2010, reaching €44M.

The overall disbursed amount of €92M accounts for 82% of the overall committed amount. However, until 2010 this percentage was close to 100% while from 2011 it naturally decreased due to the recent implementation of projects.

The EC contracts can be classified by **type of co-operation** as follows:

- **Bilateral Co-operation:** including contracts falling under Decisions related to the NIPs and financed through geographical funding instruments (mainly through EDF¹⁶);
- **Regional Co-operation:** interventions belonging to regional programs, including PALOP, financed through the geographical funding instruments EDF and DCI-ASIA;
- **Multi-country Thematic Co-operation**¹⁷: interventions falling under multi-country thematic programs and Instruments such as European Instrument for Democracy & Human Rights (EIDHR) including the Election Observation Mission (EOM); Non-State Actors & Local Authorities in Development (DCI-NSAPVD); DCI-FOOD¹⁸, Instrument for Stability (IFS), and the DCI Environment and sustainable management of natural resources including energy (DCI-ENV).

Table 6 shows the allocated amount over the evaluation period by type of co-operation. The Bilateral co-operation absorbs the majority of funds with a total allocated amount of €101M equal to 66%. The regional co-operation supports Timor-Leste with €10M (7%), while the co-operation through thematic instruments absorbs 26% €42M. More details for each type of co-operation are provided in the following sections.

Bilateral Co-operation. The Bilateral co-operation represents the bulk of the EC co-operation effort. Over the evaluation period 15 Decisions have been issued for a total of €101M of allocated amount, which corresponds to 70 contracts accounting for a total of €73M committed amount, see table 8 and Annex 6 for more details on contracts. Two decisions have been issued prior the evaluation period (2006-2013) but correspond to contracts implemented during the evaluation period and as such have been included in the inventory, see table below.

Table 8: List of Decisions – Bilateral Co-operation – 2006-2013, €

Decision Reference	Decision Title	NIP	Sector	Commitment	Contracted	Paid	N. of contracts
ASIE/2004/016-808	Support to the Implementation of the Health Sector Investment Programme in Timor-Leste	-	Health	186,184	186,184	186,184	3
ASIE/2005/017-505	Second EC rural development programme (RDP II)	-	Rural Development	8,651,689	8,651,689	8,334,786	3
TOTAL for DECISIONS issued PRIOR THE EVALUATION PERIOD				8,837,873	8,837,873	8,520,970	6
FED/2007/020-854	Rural Development Programme Phase II	2006-2007	Focal 1	9,683,267	9,683,268	9,460,196	11
FED/2007/018-796	Capacity Building for Public Financial Management for Timor-Leste TL	2006-2007	Focal 2	3,500,000	3,500,000	3,500,000	1
FED/2007/020-757	Institutional capacity building programme for the Gov. of Timor-Leste	2006-2007	Focal 2	2,311,093	2,311,093	2,347,273	7
FED/2007/020-766	Support to the Timorese Electoral Cycle	2006-2007	Focal 2	1,500,000	1,500,000	1,500,000	1
TOTAL NIP 2006-2007				16,994,361	16,994,361	16,807,469	20
FED/2010/022-146	Fourth Rural Development Programme	2008-2013	Focal 1	22,408,701	20,808,701	15,865,952	8
FED/2010/022-733	District Roads Rehabilitation and Maintenance Project	2008-2013	Focal 1	20,500,000	0	0	0

¹⁴ The 120 contracts also include 13 contracts belonging to decisions issued before the evaluation period for a total amount of €5,3M, accounting for 4% of the total contracted amount

¹⁵ The difference between the allocated and committed amount is due to 3 decisions, for a total of €28.3M, for which tender procedures have been launched but any contract has been signed yet. .

¹⁶ European Development Fund

¹⁷ Multi country interventions refer to contracts belonging to decisions having as *zone benefitting the action* "all countries". This means that the decisions do not specify the geographical destination but at contract level the geographic destination of funds is specified and in the inventory only contracts dealing with T-L are included.

¹⁸ As per DWH/CRIS definition DCI-FOOD is the domain/funding instrument that supports the Food Security Thematic Programme (FSTP)

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FED/2011/022-743	Support to the Health Sector	2008-2013	Focal 2	8,300,000	8,300,000	4,150,000	1
FED/2010/022-100	Support to Democratic Governance Process in Timor-Leste	2008-2013	Focal 3	10,500,000	9,500,000	6,124,350	3
FED/2013/023-655	Support to Public Finance Management Reform	2008-2013	Focal 3	4,000,000	0	0	0
FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF	2008-2013	Focal 3	2,925,940	2,925,940	2,250,553	7
FED/2008/021-007	Technical Co-operation Facility	2008-2013	Non focal sector	1,491,711	1,491,712	1,364,157	13
FED/2010/022-058	Technical Co-operation Facility II	2008-2013	Non focal sector	1,500,000	973,789	634,631	10
FED/2010/022-179	Support to Non State Actors	2008-2013	Non focal sector	4,000,000	3,100,000	1,995,188	2
TOTAL NIP 2008-2013				75,626,352	47,100,141	32,384,831	44
TOTAL BILATERAL DECISIONS 2006-2013				101,458,587	72,932,376	57,713,271	70

Table 9 shows the comparison between the allocated amount as established by the NIPs with corresponding addendum and the allocated amount as per the Decisions issued during the evaluation period. The decisions have been linked to the focal and non-focal sectors in order to present a complete picture. The NIP 2006-2007 only has two focal sectors, namely "Focal 1-Sustainable Rural Development" and "Focal 2-Institutional Capacity Building", while NIP 2007-2013 has three focal sectors, namely "Focal 1-Sustainable Rural Development", "Focal 2-Health", "Focal 3-Institutional Capacity Building" and one "Non Focal sector - Support to Non-State Actors and Technical Co-operation Facility" and an additional envelop related to PALOP.

The allocated amount during the period 2006-2007 reaches the allocated amount established by the NIP 2006-2007, while the allocated amount during the period 2008-2013 is still not totally pledged, indeed, €15.5M still needs to be allocated and in particular under the focal sector 2.

Table 9: EC Allocated amounts by NIPs - Allocated and committed amounts as per the inventory - €m

NIP 2006-2007		INVENTORY		NIP 2008-2013 (addendum 2012)		INVENTORY	
	Allocated	Allocated	Committed		Allocated	Allocated	Committed
Focal 1 - Sustainable Rural Development	12	9.7	9.7	Focal 1 - Sustainable Rural Development	43.5	43.0	20.8
				Focal 2 - Health	20.2	8.3	8.3
Focal 2 - Institutional Capacity Building	6	7.3	7.3	Focal 3 - Institutional Capacity Building	18	17.4	12.4
				PALOP-TL (governance)	2.5	2.5	2.5
				Non focal sector - Support To NSA & TCF	7	7.0	5.6
TOTAL	18	17.0	17.0	TOTAL A+B	91.2	75.7	47.1

Regional Co-operation. The Regional Co-operation supports interventions in Timor-Leste through PALOP and ACP programmes for a total allocated amount of €10M, which corresponds to 9 Decisions and 12 contracts. In particular the regional co-operation was relevant during the period 2008-2013. Indeed, ahead of this period few funds have been deployed. The main programmes under the regional co-operation are under the sector water and sanitation thanks to the Decisions "Water and Sanitation project grants under 10th EDF ACP-EU Water Facility" (€4.7M) and INTRA ACP EU "Facilité pour l'eau – Phase II (€1M), see below table.

Table 10: List of Decisions – Regional Co-operation – 2006-2013, €¹⁹

Decision Reference	Decision Title	Sector	Allocated	Committed	Disbursed	N. of contracts
ASIE/2002/004-032 ²⁰	ASIA-INVEST II	Media and communication	168,767	168,767	168,767	1
ASIE/2005/016-885	Operation short term technical assistance related to the financial and technical co-operation with developing counters in Asia	Rural development	118,858	118,858	118,858	1
TOTAL for DECISIONS TAKEN PRIOR THE EVALUATION PERIOD			287,625	287,625	287,625	2
DCI-ASIE/2007/018-889	Operational Short-Term Technical Assistance Related to the Political, Economic, Cultural, Financial and Technical Co-operation with Developing Countries in Asia	Rural development	47,364	47,364	47,364	1
FED/2007/018-819	INTRA ACP EU "Facilité pour l'eau – Phase II	water and	1,070,257	1,070,257	1,070,257	1

¹⁹ The Decisions supporting PALOP programmes have been included in the analysis even though those funds are not totally allocated to Timor-Leste in order to have an overview of total EU financial efforts towards the country. T-L has actually benefitted in a minor extent from these programmes so far.

²⁰ Two decisions issued prior the evaluation period (2006-2013) are included in the table since the corresponding contracts have been implemented during the evaluation period and as such included in the inventory

		sanitation				
TOTAL regional decisions 2006-2007			1,117,621	1,145,002	1,117,621	2
DCI-ASIE/2008/019-770	Operational Short-Term Technical Assistance Related to the Political, Economic, Cultural, Financial and Technical Co-operation with Developing Countries in Asia	Rural development	193,245	193,245	193,245	2
FED/2010/022-467	Premier engagement financier global (GFC) de la Facilité Energie 10è FED	Energy	1,078,255	1,078,255	970,429	1
FED/2010/022-853	Water and Sanitation project grants under 10 th EDF ACP-EU Water Facility	water and sanitation	4,701,962	4,701,962	3,372,006	3
FED/2013/024-310	Evaluation ACP countries 2012-2013	Technical assistance	238,752	238,752	0	1
TL contribution to the 10th EDF - PALOP			2,500,000	2,500,000	2,500,000	1
TOTAL regional decisions 2008-2013			8,712,214	8,762,974	7,082,911	8
TOTAL REGIONAL DECISIONS			10,117,460	10,233,628	8,488,157	12

Under the regional co-operation, Timor-Leste has benefitted of funds committed through broader programmes. The large geographical scope of these kind of programmes do not allow to identify the amount allocated exclusively to Timor-Leste, therefore, they have not been included in the overall amount but have been taken separated but still included in the analysis. In particular, this is the case for the "Facilité Intra ACP pour les Migrations" (FED/2007/18837), a large programme covering 12 pilots countries and the 6 ACP regions with a total budget of €21M. The main objective of the project was to mainstream migration & development into ACP national and regional development strategies and policies towards the improvement of living conditions and people's rights. In addition to the above regional programmes, Timor-Leste has also benefitted with a minor extent from 8 PALOP programmes listed in the below table.

Table 11: Additional EC regional programmes

CRIS Dec.	Responsible NAO	Project	Allocated €	Committed €	EDF	Notes and Timor-Leste involvement
20847	Angola	Rec. Humanos Saúde (PADRHS)	7,515,803	7,474,900	9	TL benefited from this project only at the end
20875 + 20873	Cabo Verde	Formação Profissional (PASFP)	4,700,000	2,996,805	9	A training activity on "EMPREENDEORISMO EM INDÚSTRIAS CRIATIVAS" conducted in Dili
20859	Guiné Bissau	Iniciativas Culturais (PAIC)	3,000,000	2,904,023	9	TL benefited VERY LITTLE from this project
21732	Cabo Verde	Serviços Públicos (PAMQSP)	5,000,000	0	10	Project NOT started
21324	Guiné Bissau	Ciclos Eleitorais (PACE)	6,100,000	6,100,000	10	TL benefited from this project
21808	Angola	Estado de Direito (PAMED)	7,000,000	0	10	Project NOT started
21719	Cabo Verde	Governança Económica (PARBGEDSP)	6,400,000	2,025,512	10	Project NOT started
24373	Angola	Instituto Formação Econ-Financeira (PAIFGEF)	3,000,000	0	10	Contract not yet signed.

Multi-country Thematic Co-operation. The Multi-country Thematic Programmes supported the EC co-operation to Timor-Leste with a total of €42M of allocated amount during the evaluation period, corresponding to 38 contracts with a total contracted amount of €29M, see Table 13 and Annex 6 for more details, and accounting for a 26% of the total allocated amount during the period 2006-2013. Under the thematic programmes funds are mainly channelled through IFS-RRM (€19M) DCI-FOOD (€11M) and DCI-NSAPVD (€5.6M) see Table 12.

Table 12: EC allocated amount by Funding Instrument to Timor-Leste 2006-2012, values in €

	Allocated	Committed	N. of contracts
FED	102,209,940	73,708,472	71
DCI-ASIE	9,366,107	9,457,532	11
Total geographic instruments	111,576,047	83,166,004	82
DCI-ENV	3,800,000	0	2
DCI-FOOD	11,096,504	11,096,504	11
DCI-NSAPVD	5,620,570	5,620,570	13
EIDHR	2,185,075	2,185,075	2
EOM	103,104	103,104	1
IFS-RRM	19,307,403	9,947,122	9
Total thematic instruments	42,112,656	28,952,375	38
TOTAL	153,688,703	112,118,378	120

Source: DWH and own elaboration

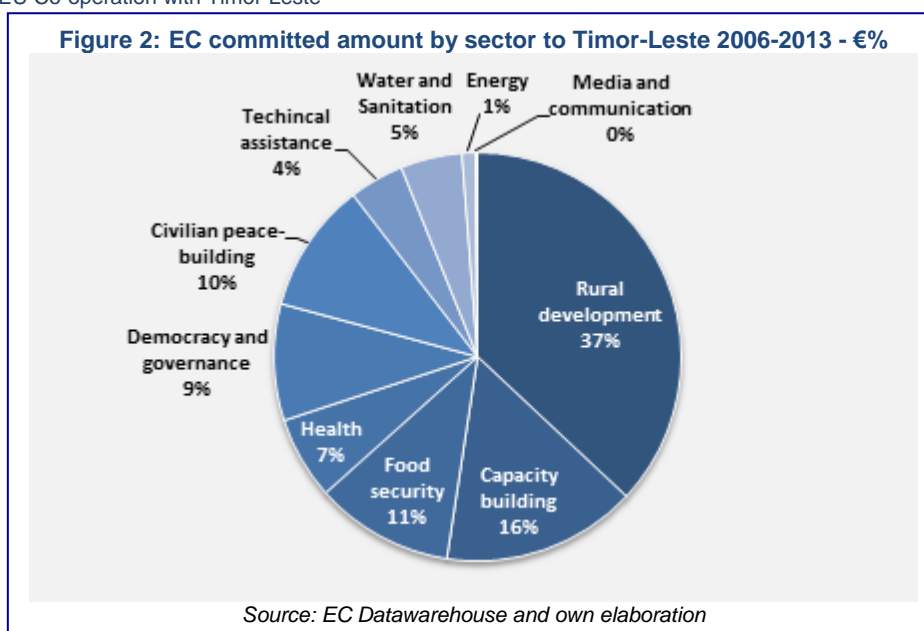
Table 13: List of Decisions – Thematic Co-operation – 2006-2013, €

Decision Reference	Decision Title	Sector	Allocated	Committed	Disbursed	N. of contracts
FOOD/2005/017-313 ²¹	Food Security Programme 2005 - NGO Programme East Timor	Food	5,351,275	5,351,275	5351275	5
TOTAL for DECISIONS TAKEN PRIOR THE EVALAUTION PERIOD			5,351,275	5,351,275	5,351,275	
DDH/2006/018-159	Expertise Missions Exploratoires elections	Democratic participation and civil society	63,800	63,801	63800.81	1
EIDHR/2006/018-680	Missions d'Observation Electorale de l'UE au cours du premier semestre 2007	Democratic participation and civil society	2,121,274	2,121,274	2121274	1
RRM 6-2006	Support to Stabilisation and Dialogue in Timor-Leste	Civilian peace-building,	4,000,000	3,976,732	3,976,732	3
DCI-NSAPVD/2007/019-615	Global commitment for global in-country calls for proposal - Objective 1- PVD Projects - Non State Actors	Health	907,120	907,120	907120	1
DCI-NSAPVD/2007/019-616	Global Commitment for global in-country calls for proposal - Objective 1 - PVD Projects - Local Authorities	Health	82,004	82,004	82004	1
TOTAL regional decisions 2006-2007			7,174,199	7,150,931	7,150,931	7
DCI-FOOD/2008/019-732	Projets d'appui post crise 2008 - Composante 4 LRRD programme thématique sécurité alimentaire	Food	4,621,270	4,621,270	4,131,902	4
DCI-NSAPVD/2008/020-081	Global commitment for in-country calls for proposals - Objective 1 - PVD projects - Non State Actors - AAP 2008	Democratic participation	1,519,198	1,519,198	1,363,352	4
IFS-RRM/2008/020-632	Support to tribunals of international character and transitional justice initiatives	Civilian peace-building,	546,760	552,499	546,760	1
na	Programme in support for peace and stability in Timor-Leste	Civilian peace-building,	4,700,000	1,640,509	1,468,967	1
DCI-NSAPVD/2009/021-105	Global commitment for in-country and multi-country calls for proposals - Objective 1 - PVD projects - Non State Actors - AAP 2009	Democratic participation	474,204	474,204	369,459	1
IFS-RRM/2009/024-065	Enhancing stabilisation through sustainable reintegration of IDPs	Civilian peace-building	4,700,000	1,555,444	1,395,270	1
DCI-FOOD/2010/021-972	Innovative approaches to food insecurity FSTP Component 5 AAP 2010	food	1,100,000	1,100,000	601,989	1
DCI-NSAPVD/2010/022-312	NSA & LA Programme > Obj. 1 NSA (In-country + multi-country)	Democratic participation	760,719	760,719	660,924	3
IFS-RRM/2010/022-458	Instrument for Stability - Crisis Preparedness Component (Peace-Building Partnership) - Annual Action Programme constituting an Annual Work Programme - IFS/2010/06	Civilian peace-building	660,643	660,643	620,791	2
EOM/2011/022-994	EIDHR 2011 AAP Election Observation Missions Project (EU EOM)	Democratic participation	103,104	103,104	103,104	1
DCI-ENV/2012/023-745	Global Climate Change Alliance support programme to Timor-Leste	Environmental policy	3,800,000	0	0	2
DCI-FOOD/2012/023-799	"Support measures for Food Security Thematic Programme / Annual Action Programme 2012".	Food	23,959	23,959	23,959	1
DCI-NSAPVD/2012/023-482	Non State Actors (NSA): Objective 1 - Actions in partner countries (in-country and multi-country interventions)	Democratic participation	1,877,325	1,877,325	516,623	3
IFS-RRM/2012/23-970	Support for rural infrastructure development and employment generation	Rural development	4,700,000	1,561,295	1,522,404	1
TOTAL regional decisions 2008-2013			29,587,182	16,450,169	13,325,504	26
TOTAL THEMATIC DECISIONS			42,112,656	28,952,375	25,827,710	38

Source: DWH and own elaboration

The inventory includes co-operation contributions to the **12 sectors** described in the methodology in the above section and synthesized in figure 2 and Table 13. The analysis is carried out at contract level in order to have an overview of the actual implemented contracts by sector.

²¹ One decision was issued prior the evaluation period (2006-2013) and is included in the table since the corresponding contracts have been implemented during the evaluation period and as such included in the inventory.



A total contracted amount of €40m of EC Co-operation with Timor-Leste is attributed to the Rural Development Sector²², accounting for 35% of the total committed amount, and representing the most important sector for the whole period 2006-2013.

The second sector is the Capacity Building sector with €18M (16%) and includes interventions for Institutional Capacity Building as Support to NAO. Food security is the third sector with a total of 11 contracts for a total of €11M.

Table 14: Committed amount by Sector to Timor-Leste 2006-2012, values in €

Sector	2008-2013			2006-2007			TOT		
	Committed Amount	n. of contracts	%	Committed Amount	n. of contracts	%	Committed Amount	n. of contracts	%
Rural development	30,937,665	24	38%	8,641,030	2	29%	39,578,695	26	35%
Capacity building	12,932,127	15	16%	5,304,907	3	18%	18,237,033	18	16%
Food security	5,745,229	6	7%	5,351,275	5	18%	11,096,504	11	10%
Health	10,285,117	7	13%			0%	10,285,117	7	9%
Democratic participation and civil society	6,424,741	12	8%	3,685,075	3	12%	10,109,816	15	9%
Civilian peace-building, conflict prevention and resolution	4,329,881	5	5%	5,617,241	4	19%	9,947,122	9	9%
Technical assistance	5,804,253	26	7%			0%	5,804,253	26	5%
Water and Sanitation	4,701,962	3	6%	1,095,000	1	4%	5,796,962	4	5%
Energy	1,078,255	1	1%			0%	1,078,255	1	1%
Media and communication			0%	184,622	1	1%	184,622	1	0%
Environmental policy	0	2	0%			0%	0	2	0%
TOTAL	82,239,228		100%	29,879,150	19	100%	112,118,378	120	100%

Source: EC Datawarehouse and own elaboration

The analysis of distribution by **technical composition of EC funds** offers interesting results. The majority of interventions is implemented through a project approach by International Organizations, which absorbs €38m (34%) and mainly supports projects under capacity building and rural development sectors, see Table 4. The NGOs and associations follow with €25m, accounting for 23% of the total committed amount and again support projects under food security, rural development sector and water and sanitation. Commercial organisations and bilateral organizations (mostly co-operation agencies of the EU Member States) follow with €19M (17%) and €24M (22%) respectively. The Commercial organisations support is primarily focused on capacity building and rural development such as the Bilateral Organizations.

²² For a detailed description of the sector and corresponding sub-sectors refer to table 2 of the methodology.

Table 15: EC Committed amount by contracting party and sector to Timor-Leste 2006-2013 - Thousands€

Contractor type	CB	CPB	DEM GOV	ENER	ENV	FS	HEL	M&C	RD	TEC ASS	W&S	TOTAL	%
International organisations	7,500	7,207	3,621				8,300		10,000		1,500	38,128	34%
NGO and Associations		1,213	3,822	1,078		9,973	1,799	185		3,100	4,297	25,467	23%
Bilateral organisations	5,500	1,210			0	1,100			16,500			24,310	22%
Commercial organisation	4,217		167			24	186		12,923	1,373		18,890	17%
na		317	2,500									2,817	3%
TL Government	1,020								156	655		1,831	2%
single expert										676		676	1%
TOTAL	18,237	9,947	10,110	1,078	0	11,097	10,285	185	39,579	5,804	5,797	112,119	100%

Source: EC Datawarehouse and own elaboration

Table 16: EC Committed amount by contracting party and relevant contractors

Type of contracting party	Contractor detail	Contracted amount	Contracts	% amount
Bilateral organisations		24,309,860	9	22%
	GTZ	15,607,010	5	
	CAMOES PORTUGAL	8,702,850	4	
Commercial organisation		18,890,243	49	17%
International organisations		38,128,468	11	34%
	UNDP	7,140,509	3	
	ILO	11,561,295	2	
	WB	11,800,000	2	
	ILO-UNDP	2,449,946	1	
	IOM	3,676,718	2	
	UNICEF	1,500,000	1	
NGO and Associations		25,466,096	32	23%
T-L Government		1,831,000	8	2%
Single expert		675,785	9	1%
NA		2,816,926	2	3%
TOTAL		112,118,378	120	100%

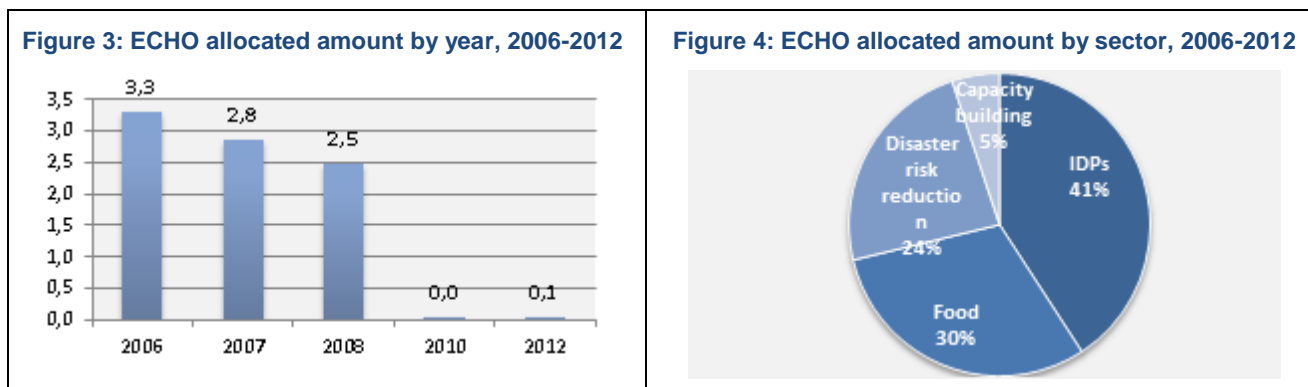
Table 17: List of contractors

International organisations (6):	<ol style="list-style-type: none"> 1. Club De Madrid 2. International Labour Organization 3. International Organization For Migration 4. The World Bank Group 5. United Nations Children's Fund 6. United Nations Development Programme
NGO's (30):	<ol style="list-style-type: none"> 7. Ba Futuru Associacao 8. Belun Fundacao 9. Care International Uk Lbg 10. Care Osterreich Verein Fur Entwicklungszusammenarbeit Und Humanitare Hilfe 11. Catholic Agency For Overseas Development Trust 12. Catholic Institute For International Relations Lbg 13. Centre International Pour La Justice Transitionnelle International Center For Transitional Justice Asbl 14. Centro De Informacao E Documentacaoamilcar Cabral Associacao 15. Childfund International Usa Corp 16. Christoffel-Blindenmission Deutschland Ev 17. Concern Worldwide Lbg 18. Forum Ong Timor-Leste Associacao De Facto 19. Haburas Foundation 20. Instituto Marques De Valle Flor Fundacao 21. Internews Europe Association 22. Marie Stopes International Lbg

	<p>23. Medicos Do Mundo Associacao 24. Mercy Corps Scotland Lbg 25. Osterreichisches Rotes Kreuz 26. Oxfam Australia Public Company Limited By Guarantee 27. Plan International (Uk) Lbg 28. Plan International Deutschland Ev 29. Search For Common Ground Vzw 30. Stichting Hivos (Humanistisch Instituut Voor Ontwikkelings Samenwerking) 31. Triangle Generation Humanitaire Association 32. Uniao Das Cidades Capitais Luso-Afro-Americo-Asiaticas Associacao 33. World Neighbors Inc 34. World Vision Deutschland Ev 35. Yayasan Pusat Keadilan Transisi Internasional</p>
Commercial organisations (25):	<p>36. Ace International Consultants Si 37. Agence Europeenne Pour Le Developpement Et La Sante Scrl Aedes 38. Agrer Sa 39. Agriconsulting Spa -Societa' Per La Consulenza E Lo Sviluppo Delle Attivita' Agricole Ed Ambientali 40. Aide A La Decision Economique Sa 41. Atos Belgium Nv 42. Cardno Emerging Markets (Uk) Ltd 43. Cardno Emerging Markets Belgium Sa 44. Conseil Sante Sa 45. Cowi Belgium Sprl 46. Deloitte Reviseurs D Entreprises Sc Scrl 47. Deloitte Unipessoal Lda 48. Ecorys Nederland Bv 49. Egis International Sa 50. Ernst And Young Bedrijfsrevisoren Cvba 51. Grafica Nacional Lda 52. Grafica Patria Lda 53. Htspe Limited 54. Ibf International Consulting Sa 55. Landell Mills Limited 56. Moore Stephens Llp 57. Pohl Consulting & Associates Gmbh 58. Scanagri Denmark As 59. Soges Spa 60. Transtec Sa</p>
Bilateral European development organization (2):	<p>61. Deutsche Gesellschaft Fur Internationale Zusammenarbeit (GIZ) GmbH 62. Camoes - Instituto da Cooperacao e da Lingua - Portugal</p>

ECHO Interventions

During the period 2006-2013 Timor-Leste has received through ECHO a total allocated amount of €8.7M for a total of 21 interventions, see Table 15, following a variable trend throughout the years. Indeed, funds have been largely pledged during the first period 2006-2008 (€8.6m), whereas in 2010-2012 a very little amount has been allocated (€0.9m), see Figure 3.



In terms of sectoral allocation IDPs and Food sectors receive the majority of funds with €3.5M (41%) and €2.6M (30%) respectively, see Figure 4. “Disaster risk reduction” and “Capacity building” sectors follow with €2M (24%) and €0.4M (5%) respectively.

As a conclusion another interesting aspect to be considered is the implementing partner which in Timor-Leste is represented by UN agencies for more than 70%. The remaining 30% is channelled through INGOs.

Table 18: List of ECHO interventions 2006-2013

Year	Project Title	Classification	Type of partner	Amount
2006	East Timor Health and Improved Shelter Emergency Response, EAST TIMOR	disaster risk reduction	INGO	EUR 206,652.
2006	Shelter and protection of IDPs and other victims of civil strife in Timor-Leste	IDPs	UN	EUR 1,500,000
2006	Emergency Food Assistance to Victims of Civil Strife in Timor-Leste	Food	UN	EUR 1,160,000
2006	Response to civil unrest in Timor-Leste	disaster risk reduction	INGO	EUR 132,958
2006	Coordinated actions for disaster risk reduction and empowerment (CADRE) programme, EAST TIMOR	disaster risk reduction	INGO	EUR 245,312.
2006	REGIONAL - Partnerships for Disaster Reduction South East Asia Phase 4 (PDR-SEA 4) Cambodia, Indonesia, Lao PDR, Philippines, Thailand, Timor-Leste and Vietnam	disaster risk reduction	UN	EUR 64,285 ²³
2007	Water and sanitation support to internally displaced people in transitional housing sites in Dili district, East Timor	IDPs	INGO	EUR 221,679.
2007	Supporting vulnerable and disadvantaged groups affected by the continuing crisis in Timor-Leste	disaster risk reduction	INGO	EUR 439,970
2007	IOM Support to Camp Management and Return and Reintegration of IDPs in Timor-Leste	IDPs	UN	EUR 688,350
2007	Emergency Food Assistance - EAST TIMOR	Food	UN	EUR 1,000,000
2007	Improved food security and livelihoods of the vulnerable rural communities affected by the crisis and drought in Timor-Leste	Food	UN	EUR 500,000
2008	IOM Support to the Protection, Assistance and Sustainable Return and Reintegration of IDPs in Timor-Leste	IDPs	UN	EUR 930,709
2008	Supporting post-crisis reintegration and community capacity in Timor-Leste	Disaster risk reduction	INGO	EUR 385,000
2008	Soutien aux personnes déplacées par l'approvisionnement en eau et la construction d'infrastructures sanitaires ans les sites d'hébergement transitionnels", TIMOR ORIENTAL	IDPs	INGO	EUR 224,000
2008	Soutien aux personnes victimes de la crise touchant le Timor Oriental à travers la réduction des conflits intercommunautaires", TIMOR ORIENTAL	disaster risk reduction	INGO	EUR 70,000

²³ For the regional interventions the total committed amount presented in the table is the result of the allocated amount divided by the 7 ASEAN countries included in the regional interventions since there was no information on the amount per country.

2008	Support to the Vulnerable Populations in Timor-Leste	disaster risk reduction	UN	EUR 220,000
2008	Strengthening, Consolidation and Learning of DRR (SCALE Up DRR)", EAST TIMOR	capacity building	INGO	EUR 300,837
2008	Disaster Risk Management Institutional and Operational Systems Development in Timor-Leste	disaster risk reduction	UN	EUR 300,000
2008	REGIONAL - Enhancing Red Cross and Red Crescent capacity to build safer and more resilient communities in Southeast Asia", (LAOS, CAMBODIA, VIET NAM, INDONESIA, PHILIPPINES, EAST TIMOR, THAILAND, MYANMAR)	capacity building	INGO	EUR 52,714
2010	REGIONAL - Enhancing Red Cross and Red Crescent capacity to build safer and more resilient communities in Southeast Asia-Phase 2, South-East Asia, with focus on the national societies of Cambodia, Indonesia, Lao PDR, Myanmar, Philippines, Timor-Leste and Vietnam	capacity building	INGO	EUR 42,857
2012	REGIONAL -Enhancing Red Cross Red Crescent National Societies' capacity to build safer and more resilient communities in Southeast Asia - Phase 3, CAMBODIA, INDONESIA, LAOS, MYANMAR, PHILIPPINES, EAST TIMOR and VIET NAM	capacity building	INGO	EUR 50,000
TOTAL				EUR 8,735,325

Others Donors' Co-operation

Between 2006 and 2012 the Official Development Aid (ODA) commitments to Timor-Leste from OECD/DAC donors amounted to **€1.5bn**²⁴.

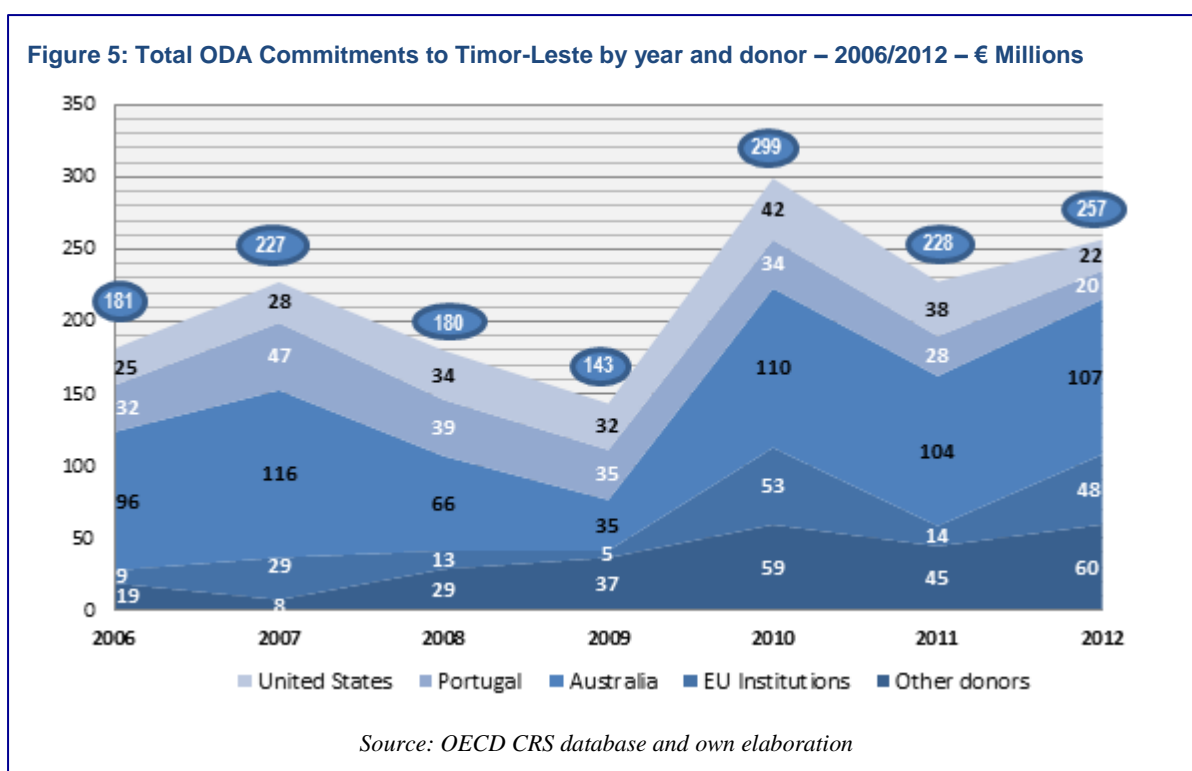


Figure 5 shows that ODA commitments decreased from 2007 to 2009 following the same trend for the four major donors (USA, Portugal, Australia, EU Institutions) while in 2010 increased drastically reaching a peak of a total of €299m. Whereas, all other donors present overall an increasing trend starting from 2007.

²⁴ Data retrieved in February 2014 from the OECD CRS website in USD and converted in Euro through the Exchange rate of February 2014 (<http://ec.europa.eu/budget/infoureuro>)

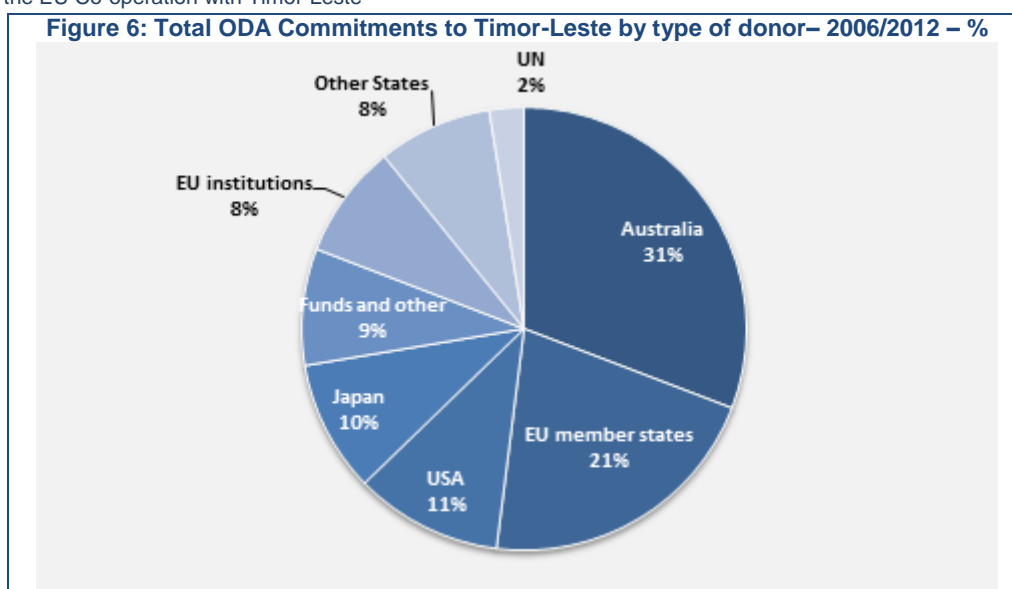
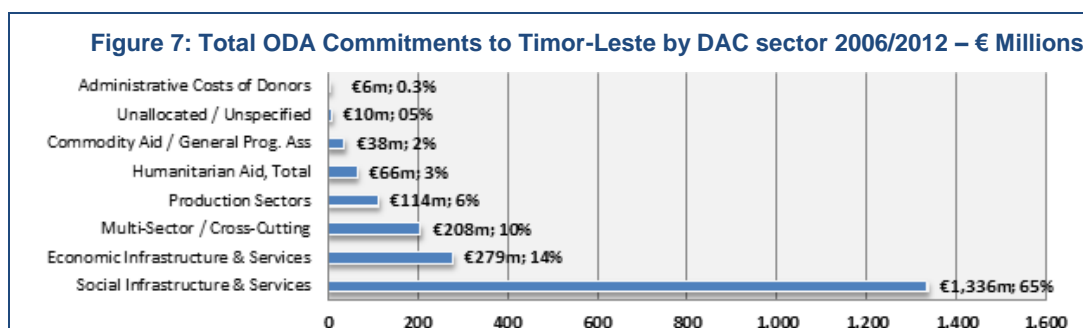


Figure 6, based on OECD/DAC data, shows that Australia represents the largest donors to Timor-Leste with a total aggregated amount of €467m, accounting for 31% of total commitments. EU member states follow with a total of €321m, of which 54% is pledged by Portugal (€172m). USA and Japan rank third and fourth with a total of €163m and €146m respectively. EU institutions follow only after other Funds and represent 8% of the overall committed amount throughout the evaluation period.

In terms of sectoral distribution, see Figure 7, 65% of commitments support interventions under “Social Infrastructure & Services” a total of €1.3m, of which 55% is absorbed by the “Government & Civil Society” sub-sector. “Economic Infrastructure and services” follows with €279m while “Multi-Sector/Cross-Cutting”, including environment interventions, ranks third with €208m.



ANNEX 6: LIST OF DEVCO INTERVENTIONS IN TIMOR-LESTE

BILATERAL CO-OPERATION

Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
159325	2008	country	EVALUATION OF HEALTH SECTOR PROGRAMMES IN TIMOR LESTE	Health	Commercial organisation	87,746.01	87,746.01	ASIE/2004/016-808	Support to the Implementation of the Health Sector Investment Programme in Timor Leste
219976	2009	country	Final Evaluation of the Technical Assistance to Health Sector Programmes in Timor Leste	Health	Commercial organisation	56,160.00	56,160.00	ASIE/2004/016-808	Support to the Implementation of the Health Sector Investment Programme in Timor Leste
234425	2010	country	Verification mission to the WB for SHISIP - Health Sector Support for Timor Leste ASIE/2004/016-808 - ASIE/2006/104-344	Health	Commercial organisation	42,277.83	42,277.83	ASIE/2004/016-808	Support to the Implementation of the Health Sector Investment Programme in Timor Leste
129285	2006	country	Second Rural Development Programme for Timor Leste (RDP II 2005)	Rural development	Bilateral organisations	8,500,000.00	8,183,097.02	ASIE/2005/017-505	SECOND EC RURAL DEVELOPMENT PROGRAMME (RDP II)
228140	2010	country	Mid Term Evaluation of Rural Development Programme II	Rural development	Commercial organisation	113,730.00	113,730.00	ASIE/2005/017-505	SECOND EC RURAL DEVELOPMENT PROGRAMME (RDP II)
313669	2013	country	Financial Audit of RDP II	Rural development	Commercial organisation	37,959.00	37,959.00	ASIE/2005/017-505	SECOND EC RURAL DEVELOPMENT PROGRAMME (RDP II)
197358	2007	country	PLANNING AND FINANCIAL MANAGEMENT CAPACITY BUILDING PROGRAM	Capacity building	International organisations	3,500,000.00	3,500,000.00	FED/2007/018-796	Capacity Building for Public Financial Management for Timor Leste TL
172196	2009	country	IDENTIFICATION OF 10th EDF TIMOR LESTE - NON FOCAL SECTOR - NON STATE ACTORS	Capacity building	Commercial organisation	106,813.23	106,813.23	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
196913	2007	country	FORMULATION FINANCIAL PROPOSAL THIRD RURAL DEVELOPMENT PROGRAMME (RDP III) FOR TIMOR LESTE	Capacity building	Commercial organisation	164,687.48	164,687.48	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
196914	2007	country	SOGES WITH TRANSTEC AND GRM	Capacity building	Commercial organisation	1,640,219.40	1,640,219.40	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
196915	2008	country	DP 1 - DU 1 JUNE TO 31 MAY 2009	Capacity building	Commercial organisation	208,177.16	244,357.16	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
210900	2009	country	Technical Assistance to the Ministry of Economy and Development	Capacity building	Commercial organisation	148,806.00	148,806.00	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
229417	2009	country	Financial Audit of Closure Request for Programme Estimate n°1 Institutional Capacity Building to the NAO - Support Office	Capacity building	Commercial organisation	11,240.19	11,240.19	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
260378	2011	country	A FINANCIAL AUDIT CONCERNING Service Contract, TA of Institutional Capacity Building Programme for Government of Timor Leste	Capacity building	Commercial organisation	31,150.00	31,150.00	FED/2007/020-757	INSTITUTIONAL CAPACITY BUILDING PROGRAMME FOR THE GOVERNMENT OF TIMOR LESTE
197092	2007	country	UNDP CONTRIBUTION AGREEMENT - SUPPORT OF TIMORESE ELECTORAL CYCLE	Democratic participation and civil society	International organisations	1,500,000.00	1,500,000.00	FED/2007/020-766	SUPPORT TO THE TIMORESE ELECTORAL CYCLE
201617	2009	country	Rural Development Phase III - RDP III - Technical Assistance - PMU	Rural development	Commercial organisation	3,511,187.92	3,358,119.89	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
216998	2009	country	Rural Development phase III - Start-up Programme Estimate	Rural development	Commercial organisation	125,714.45	237,635.06	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
217755	2009	country	Technical Assistance to the Government of Timor-Leste to design the Master Plan of Rural Roads	Rural development	Commercial organisation	319,860.00	319,860.00	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
239069	2010	country	Programme Estimate No 1	Rural development	Commercial organisation	1,581,320.15	1,709,045.24	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III

Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
251358	2010	country	Verification Expenditure of SUPE RDP phase III	Rural development	Commercial organisation	9,381.54	9,381.54	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
256448	2010	country	Verification Expenditure of pe1 RDP phase III	Rural development	Commercial organisation	14,538.96	14,538.96	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
261586	2011	country	Mid Term Review of RDP III	Rural development	Commercial organisation	91,843.30	91,843.30	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
272651	2011	country	Expenditure verification of the record of expenditure n°2 of the Programme Estimate n°1-RDP III	Rural development	Commercial organisation	23,695.26	23,695.26	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
278438	2011	country	PE 2	Rural development	Commercial organisation	3,800,000.00	3,568,309.89	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
284249	2012	country	Expenditure verification of a European Community Financed Programme Estimates 1 and 2 under RDP III	Rural development	Commercial organisation	145,870.00	67,911.00	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
316063	2013	country	End of Term Evaluation to Rural Development Programme III (RDP III)	Rural development	Commercial organisation	59,856.00	59,856.00	FED/2007/020-854	RURAL DEVELOPMENT PROGRAMME PHASE III
218727	2009	country	Special Adviser on Macroeconomic Policy	Technical assistance	single expert	32,000.00	32,000.00	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
221219	2009	country	Technical Assistance to the National Statistics Directorate	Technical assistance	Commercial organisation	158,550.00	158,550.00	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
229219	2010	country	Appraisal Study to Define Programs/Projects under 10th EDF for Sustainable Rural Development in the Democratic Republic of Timor Leste	Technical assistance	Commercial organisation	352,000.00	352,000.00	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
231176	2010	country	Procurement Policy Adviser for the Office of the Vice Prime Minister	Technical assistance	Commercial organisation	187,008.79	187,008.79	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
233703	2010	country	Supply of conference equipment	Technical assistance	Commercial organisation	31,792.58	31,792.58	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
234536	2010	country	Supply of booklets	Technical assistance	Commercial organisation	1,769.01	1,769.01	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
235999	2010	country	Programme Estimate No 1	Technical assistance	TL Government	200,000.00	187,736.45	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
242187	2010	country	Identification Study for the Support to Health project	Technical assistance	Commercial organisation	128,666.00	128,666.00	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
247314	2010	country	Special Adviser on Macroeconomic Policy	Technical assistance	single expert	34,339.33	34,339.34	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
260834	2011	country	Provision of Legal Advice for the Office of the President	Technical assistance	single expert	91,525.42	28,752.83	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
266505	2011	country	Technical Assistance to the National Food Security Unit	Technical assistance	single expert	63,060.54	60,342.69	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
278318	2011	country	Programme Estimate No 2 of TFC I	Technical assistance	TL Government	191,000.00	141,199.15	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
284134	2012	country	Financial audit for the FED/2010/235-999 and FED/2011/278-318(PE No 1- TCF I FED/2008/021007)	Technical assistance	Commercial organisation	20,000.00	20,000.00	FED/2008/021-007	TECHNICAL COOPERATION FACILITY
239642	2010	country	Technical Assistance to NAO 10th EDF	Capacity building	Commercial organisation	1,805,000.00	1,493,750.00	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF

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Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
248107	2010	country	Start-Up Programme Estimate	Capacity building	TL Government	165,000.00	155,507.68	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
264608	2011	country	Programme Estimate No 1	Capacity building	TL Government	475,000.00	337,075.23	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
284136	2012	country	Financial audit for SUPE FED/2010/248-107 (Institutional Capacity Building support to NAO FED/2009/021-443)	Capacity building	Commercial organisation	10,800.00	10,800.00	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
299370	2012	country	Financial audit to ICB PE No 1 FED 2011/264-608 and PE No 2 FED/2012/306-218	Capacity building	Commercial organisation	44,688.00	26,000.00	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
299420	2012	country	Mid-Term Evaluation of the Institutional Capacity Building of the NAO System 10th EDF	Capacity building	Commercial organisation	45,452.00	45,452.00	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
306218	2012	country	Programme Estimate No.2 of Institutional Capacity Building to the NAO System	Capacity building	TL Government	380,000.00	181,968.45	FED/2009/021-443	Institutional Capacity Building - Support to NAO 10th EDF
268113	2011	country	Programme Estimate No 1	Technical assistance	TL Government	182,000.00	123,702.66	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
272018	2011	country	Senior Trade and Legal Advisor to the Ministry of Trade, Commerce and Industry of Timor-Leste	Technical assistance	Commercial organisation	164,425.00	164,425.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
312162	2013	country	Short Term Expert to Support the NAO staff in finance & procurement	Technical assistance	single expert	78,000.00	78,000.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
312163	2013	country	Short Term Expert to support the Deputy NAO on the daily management of the NAO Office	Technical assistance	single expert	110,860.00	92,430.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
312166	2013	country	ASYCUDA System and Network Expert	Technical assistance	single expert	110,000.00	49,929.17	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
316645	2013	country	Legal Advisor in the Department of Consultation and Legal Affairs	Technical assistance	single expert	120,000.00	20,000.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
317043	2013	country	Legal Advisor on Anti-Money Laundering and Counter-Terrorism financing	Technical assistance	single expert	36,000.00	12,000.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
317408	2013	country	PE2 TCF II	Technical assistance	TL Government	82,000.00	51,974.97	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
318161	2013	country	Financial audit of TCF II programme estimate number 1, FED/2013/318-161	Technical assistance	Commercial organisation	20,222.00	0.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
326610	2013	country	PEFA Assessment, Timor-Leste 2013	Technical assistance	Commercial organisation	70,282.00	42,169.00	FED/2010/022-058	TECHNICAL COOPERATION FACILITY II
267807	2011	country	Strengthening Institutional Capacity of the National Parliament in Timor-Leste	Capacity building	International organisations	4,000,000.00	2,850,000.00	FED/2010/022-100	Support to Democratic Governance Process in Timor-Leste
275758	2011	country	Programa de Apoio à Governação Democrática em Timor-Leste -Programa de Justiça	Capacity building	NGO and Associations	4,500,000.00	2,294,498.49	FED/2010/022-100	Support to Democratic Governance Process in Timor-Leste
276596	2011	country	Apoio à Governação Democrática em Timor-Leste - Componente de apoio à Comunicação Social	Capacity building	NGO and Associations	1,000,000.00	979,851.27	FED/2010/022-100	Support to Democratic Governance Process in Timor-Leste
261576	2011	country	Feasibility study for the rehabilitation and maintenance of district roads	Rural development	Commercial organisation	729,500.00	647,820.00	FED/2010/022-146	Fourth Rural Development Programme
270661	2011	country	ENHANCING RURAL ACCESS (ERA)	Rural development	International organisations	10,000,000.00	9,431,989.00	FED/2010/022-146	Fourth Rural Development Programme

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Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
271147	2011	country	RDP IV - Technical Assistance to the ICRD	Rural development	Commercial organisation	1,858,750.00	585,756.90	FED/2010/022-146	Fourth Rural Development Programme
278069	2011	country	Fourth Rural Development Project - Project Purpose I: Strengthening Agricultural Extension	Rural development	Bilateral organisations	4,797,150.00	3,011,225.00	FED/2010/022-146	Fourth Rural Development Programme
278104	2011	country	Fourth Rural Development Project - Project Purpose I: Strengthening Agricultural Extension	Rural development	NGO and Associations	3,202,850.00	2,034,887.00	FED/2010/022-146	Fourth Rural Development Programme
283227	2012	country	Programme Estimate no.1	Rural development	TL Government	156,000.00	116,460.72	FED/2010/022-146	Fourth Rural Development Programme
321040	2013	country	Expenditure verification of Programme Estimate n°1 under Rural Development Programme (RDP) Phase IV	Rural development	Commercial organisation	8,573.00	4,286.50	FED/2010/022-146	Fourth Rural Development Programme
327602	2013	country	Mid-Term Evaluation of Rural Development Programme IV (RDP IV)	Rural development	Commercial organisation	55,878.00	33,526.80	FED/2010/022-146	Fourth Rural Development Programme
284340	2012	country	Technical Assistance and Capacity Building Programme to strengthen HASATIL Network and CSOs with decentralized actions in the field of Rural Development	Technical assistance	NGO and Associations	1,500,000.00	796,810.44	FED/2010/022-179	Support to Non State Actors
284404	2012	country	Democracy and Development in Action through Media and Empowerment (DAME)	Technical assistance	NGO and Associations	1,600,000.00	1,198,377.94	FED/2010/022-179	Support to Non State Actors
307096	2012	country	Support to the Health Sector	Health	International organisations	8,300,000.00	4,150,000.00	FED/2011/022-743	Support to the Health Sector

REGIONAL CO-OPERATION

Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
131936	2006	regional	Timor Radio Connect	Media and communication	NGO and Associations	184,622	168,766.92	ASIE/2002/004-032	ASIA-INVEST II
132739	2006	regional	Mid-term evaluation of Rural Development Programme for Timor-Leste (2003/5795)	Rural development	Commercial organisation	141,030.00	118,858.18	ASIE/2005/016-885	OPERATIONAL SHORT TERM TECHNICAL ASSISTANCE RELATED TO THE FINANCIAL AND TECHNICAL COOPERATION WITH DEVELOPING COUNTRIES IN ACP
156806	2008	regional	UNDP Dili - Verification mission RCDRA - ASIE/2003/005-795 - ASIE/2004/082-039	Rural development	Commercial organisation	50,002.00	47,363.78	DCI-ASIE/2007/018-889	Operational Short Term Technical Assistance Related to the Political, Economic, Cultural, Financial and Technical Cooperation with Developing Countries in Asia
208596	2009	regional	Final Evaluation of Timor Leste Rural Development Programme	Rural development	Commercial organisation	167,910.00	141,562.07	DCI-ASIE/2008/019-770	Operational Short Term Technical Assistance Related to the Political, Economic, Cultural, Financial and Technical Cooperation with Developing Countries in Asia
211296	2009	regional	World Bank - Verification of ARP III ASIE/2004/082-219 - TIMOR LESTE	Rural development	Commercial organisation	76,095.00	51,682.87	DCI-ASIE/2008/019-770	Operational Short Term Technical Assistance Related to the Political, Economic, Cultural, Financial and Technical Cooperation with Developing Countries in Asia
196265	2007	regional	SIEGE: AUSTRIAN RED CROSS - INTEGRATED RURAL COMMUNITY WATER AND SANITATION PROJECT IN TIMOR LESTE (131 - C)	Water and Sanitation	NGO and Associations	1,095,000.00	1,070,257.35	FED/2007/018-819	INTRA ACP EU "Facilité pour l'eau - Phase II
264697	2011	regional	Energy for All (E4A) - Alternative Energy Solutions for Rural and Peri-urban Timor-Leste	Energy	NGO and Associations	1,078,255.00	970,429.00	FED/2010/022-467	Premier engagement financier global (GFC) de la Facilité Energie 10e FED
266148	2011	regional	Towards improved water and sanitation services delivery in rural areas of Timor-Leste	Water and Sanitation	NGO and Associations	1,344,871.00	1,179,780	FED/2010/022-853	Water and Sanitation project grants under 10th EDF ACP-EU Water Facility
266980	2011	regional	Improving Access to Water, Sanitation and Hygiene in Rural Schools and Communities Through Capacity Development	Water and Sanitation	International organisations	1,500,000.00	1,416,140.66	FED/2010/022-853	Water and Sanitation project grants under 10th EDF ACP-EU Water Facility
270630	2011	regional	Creating a healthy environment for children in rural communities	Water and Sanitation	NGO and Associations	1,857,091.00	823,316.00	FED/2010/022-853	Water and Sanitation project grants under 10th EDF ACP-EU Water Facility
328506	2013	regional	Timor-Leste - Evaluation of EU Cooperation	Technical assistance	Commercial organisation	238,752.00	0.00	FED/2013/024-310	Evaluation ACP countries 2012-2013
	2009	regional	TL contribution to the 10th EDF - PALOP	ocratic participation and civil se	na	2,500,000.00	2,500,000.00		TL contribution to the 10th EDF

THEMATIC CO-OPERATION

Contract Number	Contract Year	type of cooperation	Contract Title	sector	Contractor type	Total Contracted	Total Paid	Decision Reference	Decision Title
336310	2013	them	Global Climate Change Alliance support programme to Timor Leste	Environmental policy	Bilateral organisations	0.00	0.00	DCI-ENV/2012/023-745	Global Climate Change Alliance support programme to Timor Leste
336311	2013	them	Global Climate Change Alliance support programme to Timor Leste	Environmental policy	NGO and Associations	0.00	0.00	DCI-ENV/2012/023-745	Global Climate Change Alliance support programme to Timor Leste
214611	2009	them	Baucau Food Security and Nutrition Project 1365	Food security	NGO and Associations	1,091,607.76	982,446.98	DCI-FOOD/2008/019-732	Projets d'appui post crise 2008 - Composante 4 LRRD programme thématique sécurité alimentaire
214612	2009	them	Building Food Security and Resilience among rural households in Timor Leste	Food security	NGO and Associations	1,289,786.00	1,133,567.06	DCI-FOOD/2008/019-732	Projets d'appui post crise 2008 - Composante 4 LRRD programme thématique sécurité alimentaire
214613	2009	them	SECURE Sustainable crop production, utilization, and resource management through capacity enhancement in two districts of Timor Leste	Food security	NGO and Associations	1,039,876.00	935,888.40	DCI-FOOD/2008/019-732	Projets d'appui post crise 2008 - Composante 4 LRRD programme thématique sécurité alimentaire
214619	2009	them	Hadia Agrikultura no Nutrisaun (HAN)	Food security	NGO and Associations	1,200,000.00	1,080,000.00	DCI-FOOD/2008/019-732	Projets d'appui post crise 2008 - Composante 4 LRRD programme thématique sécurité alimentaire
282350	2011	them	Innovative approaches to food insecurity in Timor-Leste	Food security	Bilateral organisations	1,100,000.00	601,988.80	DCI-FOOD/2010/021-972	Innovative approaches to food insecurity FSTP Component 5 AAP 2010
316819	2013	them	Financial Audit of the grant contract F-FOOD/2008/131-940 - Covaima-Deceuse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme	Food security	Commercial organisation	23,959.00	23,959.00	DCI-FOOD/2012/023-799	"Support measures for Food Security Thematic Programme / Annual Action Programme 2012".
149535	2008	them	REACHING OUT: Extending the reach of comprehensive sexual and reproductive health care to vulnerable communities in rural Timor Leste	Health	NGO and Associations	907,120.00	907,120.00	DCI-NSAPVD/2007/019-615	Global commitment for global in-country calls for proposal - Objective 1- PVD Projects - Non State Actors
155898	2008	them	Educar para a Prevenção Primária em Saúde	Health	NGO and Associations	82,004.00	82,004.00	DCI-NSAPVD/2007/019-616	Global Commitment for global in-country calls for proposal - Objective 1 - PVD Projects - Local Authorities
200285	2009	them	Raising women's voices: Advocating for women's rights in East Timor	Democratic participation and civil society	NGO and Associations	106,175.00	105,700.43	DCI-NSAPVD/2008/020-081	Global commitment for in-country calls for proposals -Objective 1- PVD projects - Non State Actors - AAP 2008
200361	2009	them	Participative and effective Budget Monitoring in East Timor through an enhanced Civil Society	Democratic participation and civil society	NGO and Associations	260,893.00	248,688.70	DCI-NSAPVD/2008/020-081	Global commitment for in-country calls for proposals -Objective 1- PVD projects - Non State Actors - AAP 2008
200450	2009	them	Inclusion of People with Physical Disabilities in the Social and Economic Life of East Timor.	Democratic participation and civil society	NGO and Associations	342,321.00	308,088.90	DCI-NSAPVD/2008/020-081	Global commitment for in-country calls for proposals -Objective 1- PVD projects - Non State Actors - AAP 2008
200524	2009	them	Projecto Comunidade Saudável	Health	NGO and Associations	809,808.75	700,874.18	DCI-NSAPVD/2008/020-081	Global commitment for in-country calls for proposals -Objective 1- PVD projects - Non State Actors - AAP 2008
200353	2009	them	Ahmatan ba futuro Reducao da pobreza em Timor-Leste através do turismo de base comunitaria	Democratic participation and civil society	NGO and Associations	474,204.00	369,459.48	DCI-NSAPVD/2009/021-105	Global commitment for in-country and multi-country calls for proposals - Objective 1 - PVD projects - Non State Actors - AAP 2009
253057	2011	them	Empowering women and establishing grassroots protection networks	Democratic participation and civil society	NGO and Associations	299,141.00	268,984.85	DCI-NSAPVD/2010/022-312	NSA & LA Programme > Obj. 1 NSA (In-country + multi-country)
253068	2011	them	Mais cidadania, mais desenvolvimento distrito de Liquica	Democratic participation and civil society	NGO and Associations	287,934.00	259,140.60	DCI-NSAPVD/2010/022-312	NSA & LA Programme > Obj. 1 NSA (In-country + multi-country)
277972	2011	them	Baseline organisational capacity assessment of PINGTIL Secretariat and Member-Organisations: ensuring active civil society participation in the development processes in Timor-Leste	Democratic participation and civil society	NGO and Associations	173,644.45	132,798.29	DCI-NSAPVD/2010/022-312	NSA & LA Programme > Obj. 1 NSA (In-country + multi-country)
306930	2013	them	Land and housing justice action	Democratic participation and civil society	NGO and Associations	799,892.59	218,519.35	DCI-NSAPVD/2012/023-482	Non State Actors (NSA): Objective 1 - Actions in partner countries (in-country and multi-country interventions)
306933	2013	them	Towards a strengthened civil society for a better protection of children and women victims of violence	Democratic participation and civil society	NGO and Associations	598,432.00	162,496.80	DCI-NSAPVD/2012/023-482	Non State Actors (NSA): Objective 1 - Actions in partner countries (in-country and multi-country interventions)
306935	2013	them	Empowerment and inclusion of marginalised youth in the economic and political development of Timor-Leste	Democratic participation and civil society	NGO and Associations	479,000.00	135,607.13	DCI-NSAPVD/2012/023-482	Non State Actors (NSA): Objective 1 - Actions in partner countries (in-country and multi-country interventions)

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132731	2007	them	ELE: Exploratory Mission regarding EU Observation Mission to East Timor 2007.	Democratic participation and civil society	Commercial organisation	63,800.81	63,800.81	DDH/2006/018-159	expertise Missions Exploratoires elections
135494	2007	them	MOEUE Au Timor Leste 2007- Presidentielle -	Democratic participation and civil society	International organisations	2,121,274.00	2,121,274.00	EIDHR/2006/018-680	Missions d'Observation Electorale de l'UE au cours du premier semestre 2007
283397	2012	them	Exploratory Mission to Timor Leste 2012 to assess the possibility to deploy an EU EOM	Democratic participation and civil society	Commercial organisation	103,104.20	103,104.20	EOM/2011/022-994	EIDHR 2011 AAP Election Observation Missions Project (EU EOM)
131850	2006	them	Local Initiatives for Food Security Transformation (LIFT) Project	Food security	NGO and Associations	1,304,155.62	1,304,155.62	FOOD/2005/017-313	Food Security Programme 2005 - NGO Programme East Timor
131853	2006	them	From Hunger to Health: Strengthening Community Capacity and Resilience For Food Security in Oecusse, Timor Leste	Food security	NGO and Associations	973,580.84	973,580.84	FOOD/2005/017-313	Food Security Programme 2005 - NGO Programme East Timor
131870	2006	them	Options for Food Security Transformation - Lauem and Manufahi (OFFSET)	Food security	NGO and Associations	1,065,856.91	1,065,856.91	FOOD/2005/017-313	Food Security Programme 2005 - NGO Programme East Timor
131873	2006	them	Attaining Food Security through Improved Agricultural Production Systems Among Dry Upland and Coastal Communities in Timor Leste	Food security	NGO and Associations	736,423.68	736,423.68	FOOD/2005/017-313	Food Security Programme 2005 - NGO Programme East Timor
131940	2006	them	Govana-Oecusse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme	Food security	NGO and Associations	1,271,258.22	1,271,258.22	FOOD/2005/017-313	Food Security Programme 2005 - NGO Programme East Timor
229226	2009	them	Promoting Accountability to Strengthen Peace in Timor-Leste	Civilian peace-building, conflict prevention and	NGO and Associations	552,499	546,760.00	IFS-RRM/2008/020-632	Support to tribunals of international character and transitional justice initiatives
226836	2009	them	Enhancing stabilisation through sustainable reintegration of IDPs	Civilian peace-building, conflict prevention and	International organisations	1,555,444	1,395,269.79	IFS-RRM/2009/024-065	Enhancing stabilisation through sustainable reintegration of IDPs
276398	2011	them	Learning from our past, preventing conflict in our future	Civilian peace-building, conflict prevention and	NGO and Associations	260,643.00	258,492.74	IFS-RRM/2010/022-458	Instrument of Stability - Crisis Preparedness Component (Peace-Building Partnership) - Annual Action Programme constituting an
276400	2011	them	Toward Enhanced Security and Community Resilience in Timor-Leste through the Expansion and Consolidation of the Early Warning and Response System	Civilian peace-building, conflict prevention and	NGO and Associations	400,000.00	362,298.64	IFS-RRM/2010/022-458	Instrument of Stability - Crisis Preparedness Component (Peace-Building Partnership) - Annual Action Programme constituting an
226815	2008	them	budget execution support for rural infrastructure development and employment	Civilian peace-building, conflict prevention and	International organisations	1,561,295	1,522,404.00	IFS-RRM/2012/23-970	Support for rural infrastructure development and employment generation
RRM 2006/06-0023	2006	them	Leadership, Consensus Building and Support for National Dialogue in Timor-Leste	Civilian peace-building, conflict prevention and	International organisations	316,926	316,926	RRM 6-2006	Support to Stabilisation and Dialogue in Timor-Leste
RRM 2006/06-0024	2006	them	Timor-Leste 'Work for Peace' Project (ILO-UNDP)	Civilian peace-building, conflict prevention and	International organisations	2,449,946	2,449,946	RRM 6-2006	Support to Stabilisation and Dialogue in Timor-Leste
RRM 2006/06-0025	2006	them	Technical Assistance to the National Dialogue Process, Timor Leste at Timor Leste (ILO-UNDP)	Civilian peace-building, conflict prevention and	International organisations	1,209,860	1,209,860	RRM 6-2006	Support to Stabilisation and Dialogue in Timor-Leste
226849	2006	them	Security sector review in Timor-Leste - Capacity Development Facility (UNDP)	Civilian peace-building, conflict prevention and	International organisations	1,640,509	1,468,966.60		Programme in support for peace and stability in Timor Leste

ANNEX 7: LIST OF ECHO INTERVENTIONS IN TIMOR-LESTE

Year	Project Title	Classification	Project reference	Type of partner	Partner	Amount Allocated and Committed
2006	East Timor Health and Improved Shelter Emergency Response, EAST TIMOR	disaster risk reduction	ECHO/TMP/BUD/2006/01001	INGO	WORLD VISION	EUR 206,652.00
2006	Response to civil unrest in Timor Leste	disaster risk reduction	ECHO/TMP/BUD/2006/01004	INGO	PLAN INTERNATIONAL	EUR 132,958.00
2006	Coordinated actions for disaster risk reduction and empowerment (CADRE) programme, EAST TIMOR	disaster risk reduction	ECHO/DIP/BUD/2006/01005	INGO	CONCERN WORLDWIDE	EUR 245,312.00
2006	REGIONAL - Partnerships for Disaster Reduction South East Asia Phase 4 (PDR-SEA 4) Cambodia, Indonesia, Lao PDR, Philippines, Thailand, Timor-	disaster risk reduction	ECHO/DIP/BUD/2006/01013	UN	UNESCAP	EUR 450,000.00
2006	Emergency Food Assistance to Victims of Civil Strife in Timor-Leste	Food	ECHO/TMP/BUD/2006/01003	UN	WFP	EUR 1,160,000.00
2006	Shelter and protection of IDPs and other victims of civil strife in Timor-Leste	IDPs	ECHO/TMP/BUD/2006/01002	UN	UNHCR	EUR 1,500,000.00
2007	Supporting vulnerable and disadvantaged groups affected by the continuing crisis in Timor Leste	disaster risk reduction	ECHO/TMP/BUD/2007/01002	INGO	PLAN INTERNATIONAL	EUR 439,970.97
2007	Emergency Food Assistance - EAST TIMOR	Food	ECHO/-FA/BUD/2007/01019	UN	WFP	EUR 1,000,000.00
2007	Improved food security and livelihoods of the vulnerable rural communities affected by the crisis and drought in Timor-Leste	Food	ECHO/-FA/BUD/2007/01029	UN	FAO	EUR 500,000.00
2007	Water and sanitation support to internally displaced people in transitional housing sites in Dili district, East Timor	IDPs	ECHO/TMP/BUD/2007/01001	INGO	LE GENERATION HUMAN	EUR 221,679.00
2007	IOM Support to Camp Management and Return and Reintegration of IDPs in Timor-Leste	IDPs	ECHO/TMP/BUD/2007/01004	UN	IOM	EUR 688,350.00
2008	Strengthening, Consolidation and Learning of DRR (SCALE Up DRR)", EAST TIMOR	capacity building	ECHO/DIP/BUD/2008/02020	INGO	CONCERN WORDWIDE	EUR 300,837.00
2008	REGIONAL - Enhancing Red Cross and Red Crescent capacity to build safer and more resilient communities in Southeast Asia", (LAOS, CAMBODIA,	capacity building	ECHO/DIP/BUD/2008/02018	INGO	IFRC	EUR 369,000.00
2008	Supporting post-crisis reintegration and community capacity in Timor-Leste	disaster risk reduction	ECHO/TMP/BUD/2008/01003	INGO	PLAN INTERNATIONAL	EUR 385,000.00
2008	Soutien aux personnes victimes de la crise touchant le Timor Oriental à travers la réduction des conflits intercommunautaires", TIMOR ORIENTAL	disaster risk reduction	ECHO/TMP/BUD/2008/01005	INGO	TGH	EUR 70,000.00
2008	Support to the Vulnerable Populations in Timor-Leste	disaster risk reduction	ECHO/TMP/BUD/2008/01006	UN	WFP	EUR 220,000.00
2008	Disaster Risk Management Institutional and Operational Systems Development in Timor-Leste	disaster risk reduction	ECHO/DIP/BUD/2008/02028	UN	UNDP	EUR 300,000.00
2008	IOM Support to the Protection, Assistance and Sustainable Return and Reintegration of IDPs in Timor-Leste	IDPs	ECHO/TMP/BUD/2008/01002	UN	IOM	EUR 930,709.00
2008	Soutien aux personnes déplacées par l'approvisionnement en eau et la construction d'infrastructures sanitaires ans les sites d'hébergement	IDPs	ECHO/TMP/BUD/2008/01004	INGO	TGH	EUR 224,000.00
2010	REGIONAL - Enhancing Red Cross and Red Crescent capacity to build safer and more resilient communities in Southeast Asia-Phase 2, South-East	capacity building	ECHO/DIP/BUD/2010/01016	INGO	IFRC	EUR 300,000.00
2012	REGIONAL -Enhancing Red Cross Red Crescent National Societies' capacity to build safer and more resilient communities in Southeast Asia - Phase 3,	capacity building	ECHO/DIP/BUD/2012/93012	INGO	IFRC	EUR 350,000.00

ANNEX 8: ROM ANALYSIS

This annex presents the findings that emerge from the review of the 67 monitoring reports (Results-Oriented Monitoring reports or ROM reports) available through the CRIS database (data have been collected in March 2014) for projects implemented in Timor-Leste between 2006 and 2013. The annex is based on a project level analysis, therefore, the analysis of impact and effectiveness do not necessarily match with analysis of the impact and effectiveness of the overall co-operation.

It is structured in four sections:

- ✓ Section one presents the methodology;
- ✓ Section two presents an overview of available ROM reports;
- ✓ Section three presents the results of the analysis undertaken on the whole set of available monitoring reports and focuses on the results or scores attributed by the ROM reports to the projects; and
- ✓ Section four presents the results of a more qualitative analysis of the relevance score for 15 selected ROM reports.

1. METHODOLOGY

The starting point for the analysis undertaken on the whole set of available monitoring reports²⁵ (MR) is the reconstruction of a database (excel file) including the information retrieved from each available MR²⁶. The file summarizes the results of the monitoring reports available for projects implemented in Timor-Leste within 2006 and 2013.

The reconstructed file provides the following data for reference and identification and is presented in table 5;

Information on the project

- CRIS identification number (contract number and decision number)
- Title of project
- Domain
- Sector/subsector (as defined in the inventory)
- Contract year
- Budget (contracted amount as per inventory)

Information on the ROM

- Data on the scores attributed by the ROM reports to the various projects. For each monitoring report marks “A” to “D” are provided in relation to the five DAC evaluation Criteria of: i) relevance and quality of design, ii) efficiency of implementation to date, iii) effectiveness to date, iv) impact prospects, v) potential sustainability.
- Date of monitoring report
- Number of monitoring report

With a view to enabling the calculation of average scores, the alphabetical scores have been transformed in numerical scores as follows:

- A: Very good (very good project, fully according to or better than to plan. There is every indication that it will achieve its Purpose and Objectives.) = **4 points**;
- B: Good (good project, broadly progressing as planned. But certain corrective measures might be required if the project is to fully reach its Purpose and Objectives) = **3 points**;

²⁵ The Monitoring Reports have been retrieved from CRIS on March 2014

²⁶ Each Monitoring Report includes also a Project Synopsis (PS) and a Background Conclusion Sheet (BCS), which provides details on each evaluation criteria.

- C: Problems (the project has problems. Without corrective measures it will not meet its Purpose and Objectives) = **2 points**;
- D: Serious deficiencies (Substantial corrective measures, major redesign or termination of the project is necessary.) = **1 point**.

2. OVERVIEW OF AVAILABLE ROM REPORTS

Table 1 below provides an overview of the available MR in relation to the interventions funded in the period covered by the evaluation. Out of the 120 funded contracts in Timor-Leste between 2006 and 2013, 44 projects have at least one monitoring report²⁷ and cover 88% of the total contracted amount. This means that the largest projects in Timor-Leste have been monitored.

Table 1: Overview of ROMs and corresponding amount by year

Contract Year	MR	Contracted Amount €	N. of contracts in the inventory	Contracted Amount €	% of contracted amount covered by ROM
2006	7	15,771,928	12	19,794,168	79.68%
2007	4	8,406,093	7	10,084,982	83.35%
2008	3	2,489,124	6	2,896,344	85.94%
2009	14	23,467,177	23	15,936,951	147.25% ²⁸
2010	0	0	14	4,666,824	0.00%
2011	12	35,459,853	28	43,503,529	81.51%
2012	3	11,400,000	11	12,305,914	92.64%
2013	1	1,500,000	19	2,929,666	51.20%
Total	44	98,494,175	120	112,118,378	87.80%

Source: Team's elaboration based on retrieval on March 2014.

The following section analyses the main performing trends by domain and sector.

3. ANALYSIS OF SCORES ATTRIBUTED BY THE ROM REPORTS

Overall analysis

Overall, the performance in Timor-Leste as recorded by the ROM presents a positive picture with an average score of 2.7, see table 5, and highlights few problems. The criteria with the highest average score are Relevance (2.8), meaning that in general the projects' objectives seem to be appropriate to real problems, and Impact (2.8) meaning that the projects had a positive change in the country. Whereas the criterion with the lowest average score is that of sustainability (2.5), which however is not too low and means that the projects seem to have a medium capacity to build a continuation in the stream of benefits produced after the period of external support has ended.

Looking at the total average scores the best performing project within the 44 ROM reports is the project "ERA Enhancing Rural Access" with an overall total score of 4.0 followed by the project "From Hunger To Health: Strengthening Community Capacity And Resilience For Food Security in Oecusse" with an overall score of 3.6; while the worst is the project "Attaining Food Security Through Improved Agricultural Production System Among Dry Upland and Coastal Communities in Timor-Leste" with an overall score of 1.6, see Table 2.

²⁷ The total number of MR reports is indeed 67 but 17 projects have more than one MR, hence have been monitored several times throughout the evaluation period.

²⁸ In 2009 the contracted amount covered by ROM is higher than the contracted amount of the projects in the inventory. This is due to the fact that within the ROM database there are 5 monitoring reports that have not monitored a single contract but a whole decision covering several contracts. This means that the corresponding contracts have been implemented in different years and in the table only one year has been presented for statistical reasons, namely the year of the decision.

Out of the 44 projects, 17 have received a monitoring process more than one time. The analysis of the MR of those projects highlights a positive trend with an overall improvement of 7%²⁹ if looking at the average scores.

Table 2: Overview of best and worst ROMs for the 5 DAC criteria – simple average scores

Contract number	Project Title	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Average
BEST PROJECTS							
270661	ENHANCING RURAL ACCESS (ERA)	4.0	4.0	4.0	4.0	4.0	4.0
131853	From Hunger To Health: Strengthening Community Capacity And Resilience For Food Security in Oecusse. Timor-Leste	4.0	4.0	3.0	4.0	3.0	3.6
226815	Investment budget execution support for rural infrastructure development and employment generation	3.0	3.0	3.0	4.0	4.0	3.4
131850	Local Initiatives for Food Security Transformation (LIFT) Project	3.0	3.0	3.0	4.0	3.0	3.2
229226	Promoting Accountability to Strengthen Peace in Timor-Leste	4.0	3.0	3.0	3.0	3.0	3.2
WORST PROJECTS							
275758	Programa de Apoio à Governação Democrática em Timor-Leste – Programa de Justiça	3.0	2.0	2.0	2.0	2.0	2.2
214612	Building Food Security and Resilience among rural households in Timor-Leste	2.0	2.0	2.0	2.5	2.0	2.1
267807	Strengthening Institutional Capacity of the National Parliament in Timor-Leste	2.0	2.0	2.0	2.0	2.0	2.0
271147	RDP IV - Technical Assistance to the ICRD	2.0	2.0	2.0	2.0	2.0	2.0
131873	Attaining Food Security Through Improved Agricultural Production System Among Dry Upland and Coastal Communities in Timor-Leste	2.0	2.0	2.0	1.0	1.0	1.6
TOTAL scores		2.8	2.6	2.6	2.8	2.5	2.7

Sectors and funding instruments analysis

In terms of sectors, the best performing group of projects are those falling under the sector “Democratic Participation and Governance” and the sector “Water and Sanitation” with an overall score of 2.8 while the worst group of projects are under the “Capacity building” sector with an overall average score of 2.5, see table 3. If looking at the domains, see table 4, the best performing is IFS-RRM with an overall score of 2.9 mainly due to the impact and relevance criteria; the work performing is ASIE with an overall score of 2.4, which covers nevertheless only one project thus being less representative.

Table 3: Overview of ROMs by sector for the 5 DAC criteria – simple average scores

Sector	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Total average	N. of projects
Democratic participation and governance	2.9	2.7	2.9	2.9	2.6	2.8	7
Water and Sanitation	2.9	2.6	2.8	3.2	2.4	2.8	4
Health	3.0	2.7	2.7	2.7	2.7	2.7	3
Rural development	2.9	2.6	2.5	3.0	2.7	2.7	7
Technical assistance	3.0	2.8	2.6	2.8	2.4	2.7	4
Civilian peace-building, conflict prevention and resolution	3.0	2.3	2.7	3.0	2.3	2.7	3
Food security	2.7	2.6	2.6	2.9	2.4	2.6	10
Capacity building	2.6	2.5	2.5	2.5	2.3	2.5	6
Total average	2.8	2.6	2.6	2.8	2.5	2.7	44

²⁹ The percentage of change throughout the years of the 17 projects has been calculated through the average of the percentage change of the last and first MR of each project.

Table 4: Overview of ROMs by domain for the 5 DAC criteria – simple average scores

Domain	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Total average	N. of projects
IFS-RRM	3.0	2.5	2.8	3.3	2.8	2.9	4
DCI-NSAPVD	2.9	2.6	3.0	2.9	2.6	2.8	8
FED	2.8	2.6	2.5	2.8	2.4	2.6	21
DCI-FOOD	2.7	2.6	2.6	2.9	2.4	2.6	10
ASIE	2.5	3.0	2.0	2.0	2.5	2.4	1
Total average	2.8	2.6	2.6	2.8	2.5	2.7	44

4. ANALYSIS OF RELEVANCE ATTRIBUTED BY THE ROM REPORTS TO SELECTED PROJECTS

From the analysis of the ROM reports, in particular through the BCS, the projects funded by the EC seem to have a good relevance in relation to the Government policy, EC strategies as well as in terms of needs of target groups. The average of the relevance score of the 68 ROM reports³⁰ is 2.8, which is more than sufficient and means that in general the projects' objectives seem to be appropriate to real problems. In particular, an in-depth analysis has been carried out for a selection of 15 projects, listed in table 6.

In order to create a representative sample, the 15 projects have been selected through the below criteria:

- Contract year: contracts falling in different years have been selected
- Contracted amount: most relevant projects have been selected
- Sectors: all sectors are considered
- Balance of good and worse overall performances

The result of this analysis is that overall the projects are consistent with the policies of the GoTL; worth mentioning the following strategies as examples: the "Timor-Leste Strategic Development Plan 2011-2030" the "Strategic Plan for the Justice Sector", "Draft National Parliament Strategic Plan", "2008 National Priority 4 Working Group – Employment and Income Generation", "National Health Policy (NHP)", "National Strategic Framework for Rural Development" as well as to the Community Action Planning.

Relevance dropped for those projects which objectives were overcome by the development of the social-economic situation, such as for the IDP project, (contract number 226836), whose relevance has considerably diminished in consideration that today, practically all the IDPs have been reintegrated, and the "Strengthening Institutional Capacity of the National Parliament" (contract 267807), where the 2012 elections and changes in the composition of the elected members made difficult to fully address the needs of the target groups for a significant period of time; however, for this kind of projects EC principles and guidelines as outlined in the CSP and sector programmes are fully endorsed.

³⁰ There are projects that have been monitored more than one time, therefore, in total the ROMs reports are 67 covering 44 projects.

Table 5: Monitoring Reports in Timor-Leste for contracts issued between 2006 and 2013

N.	Contract number	Project Title	N. of ROM	Contracted amount	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Simple Average	Contract Year	Domain	sector
1	197358	PLANNING AND FINANCIAL MANAGEMENT CAPACITY BUILDING PROGRAM	4	3,500,000	3.0	2.8	2.8	2.3	2.5	2.7	2007	FED	Capacity building
2	7 contracts	Institutional Capacity Building Programme for the Government of Timor Leste (GoTL)	3	2,311,093	2.7	2.7	3.3	3.0	2.3	2.8	2007	FED	Capacity building
3	8 contracts	Institutional Capacity Building - Support to NAO 10th EDF	2	3,500,000	3.0	2.5	2.0	2.5	2.0	2.4	2009	FED	Capacity building
4	267807	Strengthening Institutional Capacity of the National Parliament in Timor-Leste	2	4,000,000	2.0	2.0	2.0	2.0	2.0	2.0	2011	FED	Capacity building
5	275758	Programa de Apoio à Governação Democrática em Timor-Leste -Programa de Justiça	2	4,500,000	3.0	2.0	2.0	2.0	2.0	2.2	2011	FED	Capacity building
6	276596	Apoio à Governação Democrática em Timor-Leste - Componente de apoio à Comunicação Social	1	1,000,000	2.0	3.0	3.0	3.0	3.0	2.8	2011	FED	Capacity building
7	226849	Security sector review in Timor-Leste - Capacity Development Facility	1	1,640,509	3.0	2.0	2.0	3.0	2.0	2.4	2006	IFS-RRM	Civilian peace-building
8	226815	Investment budget execution support for rural infrastructure development and employment generation	1	1,561,295	3.0	3.0	3.0	4.0	4.0	3.4	2009	IFS-RRM	Civilian peace-building
9	226836	Enhancing stabilisation through sustainable reintegration of IDPs	1	1,555,444	2.0	2.0	3.0	3.0	2.0	2.4	2009	IFS-RRM	Civilian peace-building
10	229226	Promoting Accountability to Strengthen Peace in Timor-Leste	1	552,499	4.0	3.0	3.0	3.0	3.0	3.2	2009	IFS-RRM	Civilian peace-building
11	197092	UNDP CONTRIBUTION AGREEMENT - SUPPORT OF TIMORESE ELECTORAL CYCLE	2	1,500,000	3.0	3.0	2.5	3.0	3.0	2.9	2007	FED	Democratic participation and governance
12	200285	Raising women's voices: Advocating for women's rights in East Timor	1	106,175	3.0	4.0	3.0	3.0	2.0	3.0	2009	DCI-NSAPVD	Democratic participation and governance
13	200353	Ahimatan ba futuru Reducao da pobreza em Timor-Leste através do turismo de base comunitaria	1	474,204	3.0	2.0	3.0	3.0	3.0	2.8	2009	DCI-NSAPVD	Democratic participation and governance
14	200361	Participative and effective Budget Monitoring in East Timor through an enhanced Civil Society	1	260,893	3.0	3.0	3.0	3.0	3.0	3.0	2009	DCI-NSAPVD	Democratic participation and governance
15	200450	Inclusion of People with Physical Disabilities in the Social and Economic Life of East Timor.	1	342,321	2.0	2.0	3.0	3.0	3.0	2.6	2009	DCI-NSAPVD	Democratic participation and governance
16	253057	Empowering women and establishing grassroots protection networks	1	299,141	3.0	3.0	3.0	2.0	2.0	2.6	2011	DCI-NSAPVD	Democratic participation and governance
17	131850	Local Initiatives for Food Security Transformation (LIFT) Project	1	1,350,000	3.0	3.0	3.0	4.0	3.0	3.2	2006	FOOD	Food security
18	131853	From Hunger To Health: Strengthening Community Capacity And Resilience For Food Security in Oecusse	1	1,005,030	4.0	4.0	3.0	4.0	3.0	3.6	2006	FOOD	Food security
19	131870	Options for Food Security Transformation - Lautem and Manufahi (OFFSET)	3	1,226,389	3.0	3.0	3.0	3.0	2.7	2.9	2006	FOOD	Food security
20	131873	Attaining Food Security Through Improved Agricultural Production System Among Dry Upland and Coastal Communities in Timor Leste	1	750,000	2.0	2.0	2.0	1.0	1.0	1.6	2006	FOOD	Food security
21	131940	Covalima-Oecusse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme	1	1,300,000	3.0	3.0	2.0	3.0	2.0	2.6	2006	FOOD	Food security
22	214611	Baucau Food Security and Nutrition Project 1365	2	1,091,607	2.5	2.5	2.5	2.5	2.5	2.5	2009	FOOD	Food security

N.	Contract number	Project Title	N. of ROM	Contracted amount	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Simple Average	Contract Year	Domain	sector
23	214612	Building Food Security and Resilience among rural households in Timor Leste	2	1,289,786	2.0	2.0	2.0	2.5	2.0	2.1	2009	FOOD	Food security
24	214613	SECURE Sustainable crop production, utilization, and resource management through capacity enhancement in two districts of Timor Leste	2	1,039,876	2.0	2.5	2.5	3.0	3.0	2.6	2009	FOOD	Food security
25	214619	Hadia Agrikultura no Nutrisaun (HAN)	2	1,200,000	2.5	2.0	3.0	3.0	3.0	2.7	2009	FOOD	Food security
26	282350	Innovative approaches to food insecurity in Timor-Leste	1	1,100,000	3.0	2.0	3.0	3.0	2.0	2.6	2011	FOOD	Food security
27	149535	REACHING OUT: Extending the reach of comprehensive sexual and reproductive health care to vulnerable communities in rural Timor Leste	1	907,120	3.0	3.0	3.0	3.0	3.0	3.0	2008	DCI-NSAPVD	Health
28	155898	Educar para a Prevenção Primária em Saúde	1	82,004	3.0	2.0	3.0	3.0	3.0	2.8	2008	DCI-NSAPVD	Health
29	200524	Projecto Comunidade Saudável	1	809,809	3.0	2.0	3.0	3.0	2.0	2.6	2009	DCI-NSAPVD	Health
30	307096	Support to the Health Sector	1	8,300,000	3.0	3.0	2.0	2.0	2.0	2.4	2012	FED	Health
31	129285	Second Rural Development Programme for Timor Leste (RDP II 2005)	2	8,500,000	2.5	3.0	2.0	2.0	2.5	2.4	2006	ASIE	Rural development
32	11 contracts	RURAL DEVELOPMENT PROGRAMME PHASE III	3	9,683,268	2.7	2.3	2.3	2.7	2.3	2.5	2009	FED	Rural development
33	270661	ENHANCING RURAL ACCESS (ERA)	1	10,000,000	4.0	4.0	4.0	4.0	4.0	4.0	2011	FED	Rural development
34	271147	RDP IV - Technical Assistance to the ICRD	1	1,858,750	2.0	2.0	2.0	2.0	2.0	2.0	2011	FED	Rural development
35	278069	Fourth Rural Development Project - Project Purpose I: Strengthening Agricultural Extension	1	4,797,150	3.0	2.0	2.0	3.0	2.0	2.4	2011	FED	Rural development
36	278104	Fourth Rural Development Project - Project Purpose I: Strengthening Agricultural Extension	1	3,202,850	3.0	2.0	2.0	3.0	2.0	2.4	2011	FED	Rural development
37	13 contracts	TECHNICAL COOPERATION FACILITY	2	1,500,000	3.0	3.0	2.5	3.0	2.5	2.8	2008	FED	Technical assistance
38	284340	Technical Assistance and Capacity Building Programme to strengthen HASATIL Network and CSOs with decentralized actions in the field of Rural Development	1	1,500,000	3.0	3.0	2.0	2.0	2.0	2.4	2012	FED	Technical assistance
39	284404	Democracy and Development in Action through Media and Empowerment (DAME)	1	1,600,000	3.0	3.0	3.0	3.0	3.0	3.0	2012	FED	Technical assistance
40	10 contracts	TECHNICAL COOPERATION FACILITY II	1	1,500,000	3.0	2.0	3.0	3.0	2.0	2.6	2013	FED	Technical assistance
41	196265	SIEGE: AUSTRIAN RED CROSS - INTEGRATED RURAL COMMUNITY WATER AND SANITATION PROJECT IN TIMOR LESTE (131 - C)	3	1,095,000	3.0	3.0	3.0	3.7	3.0	3.1	2007	FED	Water and Sanitation
42	266148	Towards improved water and sanitation services delivery in rural areas of Timor-Leste	1	1,344,871	3.0	3.0	3.0	3.0	2.0	2.8	2011	FED	Water and Sanitation
43	266980	Improving Access to Water, Sanitation and Hygiene in Rural Schools and Communities Through Capacity Development	2	1,500,000	3.0	2.0	2.5	3.0	2.0	2.5	2011	FED	Water and Sanitation
44	270630	Creating a healthy environment for children in rural communities	2	1,857,091	2.5	2.5	2.5	3.0	2.5	2.6	2011	FED	Water and Sanitation
TOTAL			67	98,494,175	2.8	2.6	2.6	2.8	2.5	2.7			

Table 6: Overview of the relevance score and narrative of the 15 selected MR

Contract N.	Title	Grade	Sector	Relevance with Government policy	Relevance with EC strategies	Relevance with the needs of the target groups
275758	Programa de Apoio à Governação Democrática em Timor-Leste – Programa de Justiça	3.0	Capacity building	Both the Global Objective (GL) as the Specific Objectives of 'Justice Programme' are consistent with the policies of the Government of Timor-Leste (GoTL) and recognize that the lack of qualified human resources in public institutions is a major cause of weakness, which then deserve support from development partners. In this context GoTL approved the Strategic Plan for the Justice Sector (31/05/2010), which includes the establishment of the Board of Auditors to integrate the future Supreme Administrative Court, as well as identifying needs of the National Police of Timor-Leste (PNTL) in the field of criminal investigation.	The objectives are consistent with the strategies of the EC for the period 2008-2013, which include in the National Indicative Programme the development of institutional capacities (courts) and human resources (accountants, lawyers, judges) of the justice sector. The 'Justice Programme' also respects the spirit of the Paris Declaration on aid effectiveness, which through the 10th EDF continues the work done in the last decade by the Portuguese Co-operation. In particular, enhancement and development of the role of the Judicial Training Centre and technical training in the field of criminal investigation.	The project continues to meet the needs of target groups, with regard to the support for the Court of Appeal (TR) component and the process of constitution of the Board of Auditors. Nevertheless, with regard to the support of the criminal sector component needs vary among target groups (Attorney General, Ministry of Justice, Ministry of Defence and Department of PNTL). They all consider as a priority project support at the level of procedures and techniques. Opinions are, however, divided on the police model to be adopted as well as the identification of the beneficiaries of training.
2678072	Strengthening Institutional Capacity of the National Parliament in Timor-Leste	2.0	Capacity building	The project is clearly supporting the implementation of a National sector policy. The Government of Timor-Leste (GoTL) and the PN address the issue of low capacity of human resources in the country. In concrete, the NP has approved a Draft National Parliament Strategic Plan (NPSP), paving the way for its transformation and development- with a focus on human resources and capacities. A Parliamentary Administration and Service Law was adopted in 2008 and revised Standing Orders were approved in 2009. These elements are the frame where the project is being implemented and supporting the capacity building initiatives by the Timorese State. Budget commitments were made by the GoTL towards training and capacity building, what is a good indicator of ownership and sustainability. The PN, currently one year in its third legislature, is aiming at consolidating its role within the democratic system in the country. The goal is now to address the capacity challenges it faces, the intended solutions clearly identified in the NPSP The OO and PP of the project align to the challenges and priorities identified and are therefore consistent with Partner Government policies, in which there were no relevant changes with an impact towards the relevance of the action.	The project remains in line with the co-operation policies of the European Union (EU) in Timor-Leste. The Country Strategy Paper (CSP) 2008-2013 identifies among the main areas of intervention the institutional capacity building in the Parliament. The project derives from the coordination efforts with other donors and the GoTL, namely through the National Directorate for Aid Effectiveness (under the Ministry of Finance) and donor partner meetings based on the priorities defined by the GoTL. In the area of Parliamentary affairs, UNDP is providing support for the NPSP that, as a national document focusing on the solutions to needs, constitutes an adequate framework for coordinating development partners- in line with the principles of Paris Declaration and subsequent frameworks. UNDP has been engaged since 2003 in technical and financial support to the PN. It is the implementing partner of the current project and of a multi-donor project running between 2010-2013 (December).	The project Strengthening Institutional Capacity of the National Parliament in Timor-Leste (hereinafter "the project") has different levels of target groups with distinctive needs and expectations. On one side the Secretariat of the National Parliament (PN, Parliament) and its different directorates and staff, including the directorate of the Secretary General (SG) of the NP, the "deputados", who are the elected members of the Parliament (MPs) and the Committees representatives, and the members of the Plenary session including the President of the National Parliament (PN). The main occurrence bringing a change to the target groups were the 2012 elections. These brought changes to the composition of the elected members and consequently the leadership of the Parliament. The period before and after the elections revealed to be disturbing to the day-to-day operations of the PN and of the work of the project, making it difficult to fully address the needs of the target groups for a significant period of time. Target groups recognize the need for support, although not always in line with the priorities stated in the project document and revised RRF (Results and Resources Framework) and proposed approach, both of which will be discussed in this BCS.
226815	Investment budget execution support for rural infrastructure development and employment generation	3.0	Civilian peace-building,	The project is high relevant and consistent with national policies and strategies: (i) it well fits in the frame of the "2008 National Priority 4 Working Group – Employment and Income Generation" which aims at creating jobs and income earning opportunities through the implementation of public works programmes; and (ii) it well reflects the Government of Timor-Leste (GoTL) Development Strategy contributing to the achievement of the Millennium Development Goals by trying to address some key factors of poverty reduction.	It is also relevant to the EC IfS principles and guidelines, and as post-crisis response intervention is not necessarily bound by DAC ODA criteria, and by other international commitments of the development co-operation	The project is high relevant to target groups and population needs

226836	Enhancing stabilisation through sustainable reintegration of IDPs	2.0	Civilian peace-building,	The project is still relevant, in general terms, with the national policies and as response to possible emerging crisis in TL, where the stabilisation process is still underway; in the specific, however, regarding the problems of the Internally Displaced People (IDPs) reinstallation, its relevance has considerably diminished in consideration that today, practically all the IDPs have been reintegrated	The project is relevant also to the EC principles and, as post-crisis response, is not necessarily bound by DAC ODA criteria, and/or by other international commitments of the development co-operation	The project responded to the population needs, in the short term through the improvement of the infrastructures (included the Housing manual) in the areas of more IDPs concentration (in Dili) and, in the long term, through the transmission of positive social messages via the soap opera
200524	Projecto Comunidade Saudável	3.0	Health	The project is highly relevant and in line with the National Health Policy (NHP) in East Timor. The project directly contributes to the efforts of the national health system in terms of maternal and child health in rural areas through the Integrated Community Health (SISCa) and the Expanded Program for Immunization (EPI)	The project is also contributing to the development strategy of the EU answering the priorities given to the development of maternal and child health especially in Rural Areas in the Country Strategy Paper (CSP) guidelines.	This project remains relevant and appropriate to the needs of the target groups and can provide the desired benefit to the people.
197092	UNDP CONTRIBUTION AGREEMENT - SUPPORT OT TIMORESE ELECTORALCYCLE	3.0	Democratic participation and civil society	The project was consistent with and supportive of Partner Government	The project was consistent with and supportive of Partner Government policies and EC priorities as embodied in the Paris Declaration on aid effectiveness and the Country Strategy Paper (CSP)/ National Indicative Programme (NIP) for 2008-2013. The 9th and 10th European Development Fund (EDF) refer to institutional capacity building, including improving the management of the electoral process (EDF 10 has allocated 18 million euros to capacity building).	The Support to the Timorese Electoral Cycle project represented a priority for the target group during implementation and it still does today. Although the EC contribution ended in December 2008, the project is still on-going and is supported by other donors (United Nations Development Programme-UNDP, AECID-Spanish Development Co-operation Agency, Irish Government, AusAID). The planned target groups and beneficiaries are the ones benefiting from the project (Timorese population with no distinction between men and women). 600 000 voters are registered from among 1 million Timorese (2004 census). However, some Timorese have difficulties to gain access to the electoral system / Electoral Centres due to geographical and transport reasons.
253057	Empowering women and establishing grassroots protection networks	3.0	Democratic participation and civil society	The purpose of the project is particularly relevant to the needs of Timor-Leste due to the high-levels of violence against women and children, the lack of empowerment opportunities for women, deficient community-based mechanisms for protection and prevention and a limited access to the formal system and victim support services at the local level. The project tries to foster links between state and non-state actors, linking key actors at the local level to those providing assistance at the district and national levels. Furthermore, the action aims to create a local protection network link to district and national level protection system through collaboration between the Ministry of Social Solidarity's (MSS) Child Protection Unit (CPU) and Protection Link Officers (PLOs) and other key actors at the community level in case referrals and follow up.	The project is in perfect accordance with projects and programs outside focal sectors of the 10th CSP/NIP which identifies the gender promotion and conflict prevention as a main priority. The EC also supports through the 10th EDF the capacity building for the Network of community based organizations (CBO's) with a view to enabling them to improve their code of conduct, their organizational and managerial set up as well as strengthening the institutional capacity of CSO's. It supports Paris Declaration given that the design has been carried out involving the relevant agency stakeholders (particularly Ausaid who fund 10% of project budget).	The action still responds to the needs of the target groups by improving grassroots protection and reducing violence and abuse of vulnerable populations, particularly women and children living in Timor-Leste. However, the strengthened linkages between key actors at the local, district and national levels should be much more efficient in order to develop an improved district-based protection system.
131940	Covalima-Oecusse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme	3.0	Food security	The Overall Objective is supportive of the Partner Government policy and National Development Plan (NDP); It contributes to the achievement of poverty reduction targets set by the Government of Timor-Leste (GoTL). The NDP is linked to the Food Security (FS) Policy (12/2005) emphasising improving the livelihoods of rural communities in upland and dry land areas, and of agricultural and fishing populations on the coastal areas, in dire need. Assistance started off mainly in form of short-term live-saving	Since the restoration of independence, still 90% of the population suffers from food shortages for 3 to 5 months each year. As a result, and in support of the Government's National Food Security Policy, the EC launched the 2005 NGOs Food Security Programme under which this project has been awarded.	As a result of that, the project shifted focus from live-saving assistance to recovery by supporting improvement of livelihoods, in both Covalima and Oecusse, targeting a mix of communities where Oxfam was already active before, and new communities. The project aimed to develop social relationships, co-operation and trust (social capital) adversely affected by conflicts. It aimed to create a link between communities

				emergency interventions that did not fully address the root-causes of problems such as conflicts and food insecurity. In addition, the GoTL Economic Stabilization Fund provided subsidised rice - with negative consequences on the market.		and the organizations and individuals willing to support them. The design provided communities with the option of agreeing and implementing their own solutions to their identified needs, aiming for increased ownership. It supports food production, diversification, and to a lesser extent, value adding and marketing. These remain key constraints at local and national levels as shown by the findings of seasonal assessments.
307096	Support to the Health Sector	3.0	Health	The project indeed supports the GoTL long-term health plan to 2030. It was actually designed for that.	The project falls within the objectives and the development co-operation policy of the EC and also supports the core principles of the Paris Declaration and the Accra Agenda for Action. It is also in line with the Cotonou Agreement and with the areas within the health sector that the EC supports worldwide.	This being a restructured project, the new objectives are made more pointed for better focusing of most critical expected results; they are still consistent with the policies of all parties involved. Only one set of activities under component 1 directly responds to the more immediate needs of the target group which are the people of Timor, i.e., the health and education services being provided to people in villages (SISCA). The other components and activities more indirectly respond to people's needs, i.e., strengthening of MOH management, management of the drugs and medical supplies and M&E and health research activities. Changes made in the restructuring only moderately influence the relevance to the ultimate beneficiaries recipient of health services. This, since a heavy emphasis is put in improving and streamlining central MOH functions. Other actors in the health sector complement the activities of this project with no overlaps having been found. Other than the direct services SISCA is providing in all three districts, people in the community will have no understanding of the priority of other project activities at central level; they may one day benefit from these changes. Particularly hard felt by them are frequent drug stock outs.
20854 11 contracts	RURAL DEVELOPMENT PROGRAMME PHASE III	2.7	Rural development	The objectives of RDP III (or RDP3 - the term "Phase III" is actually a misnomer) remain fully consistent with the strategies and policies of the Government of Timor-Leste for developing the agricultural sector and for fighting poverty, particularly the Sector Investment Plan for Agriculture, Forestry and Fisheries	It is also consistent with the 9th EDF Country Strategy Paper (CSP) and National Indicative Programme, for which rural development is a principal focal area, particularly in relation to food security, agricultural extension, agricultural diversification (marketing/agribusiness), local service delivery, and rehabilitation of rural infrastructure to improve market access, all fields where RDP III is active. RDP III consolidates and expands on the achievements of previous projects in this sector, while providing a transition to programme activities under the 10th EDF.	The project focuses on Manufahi district, one of the country's poorest, and it is very relevant, since it addresses poverty alleviation and socio-economic development through supporting agricultural development and rural infrastructure. The project addresses the needs of the target groups, which are the rural poor, including women, youth and others in Manufahi district, and also supports capacity building within MAF as a whole.
270661	ENHANCING RURAL ACCESS (ERA)	4.0	Rural development	The project is strongly consistent with Government of Timor-Leste (GoTL) policies, in relation both to employment and to road infrastructure rehabilitation and maintenance. To address the problem of employment, the Government has prioritized the	The project is also consistent with the development and co-operation strategies of the EC. The CSP/NIP 2008-2013 has as its focal sector sustainable rural development, emphasising that it is	The project responds very well to the needs of the target groups in a four-fold way: by rehabilitating and maintaining rural roads it improves access for rural populations and removes one of the main constraints to increased

				achievement of appropriate levels of human development as a national development priority. Furthermore, to substantially improve the quality of life of its people and to reduce the incidence of poverty, the Government has prioritized the accelerated development and improvement of a well-connected and coherent road network, which is seen as being fundamental to the country's development. In tandem, the need to promote the development of the currently nascent domestic private sector is recognized and prioritized as private sector capacities are much needed, for example to deliver investments in road infrastructure. Roads, together with water supplies have been declared by the GoTL the number one priorities for 2010 and 2011.	critical to adopt a broad-based cross-sectoral approach including, in particular, the Ministry of Infrastructure for rural roads[...]: "besides agriculture related activities geared towards increasing production, the programme will contribute to the creation of an enabling environment which will increase productivity and economic growth as it will improve access and rural roads..." In addition to this, the emphasis of the project on training contractors and, perhaps even more important, on strengthening the partner training institutions IADE and Don Bosco to gradually develop their structures in order to create a national training capacity to support the private sector in responding to emerging infrastructure business opportunities (the Labour-based training section is embedded within Don Bosco and the working arrangements regulated through an Implementation Agreement) aligns the project closely with the principles of aid effectiveness as presented in the Paris declaration and the various related documents that have followed from it, most recently in Busan.	agricultural production; by doing this using labour intensive methods it generates a significant volume of employment and income for the same rural populations; by training small contractors it contributes to the development of the private sector in TL; and by working through existing partner organizations (Don Bosco Training Centre and Instituto de Apoio ao Desenvolvimento Empresarial, IADE), it strengthens them and places them in a position where not only will they be capable of continuing to deliver the same or similar training beyond the project period, they will also be accredited by the authorities in Timor-Leste (namely the Instituto Nacional de Desenvolvimento da Mão de Obra, INDMO) for that training.
278069	Fourth Rural Development Project - Project Purpose I: Strengthening Agricultural Extension	3.0	Rural development	The Fourth Rural Development Programme (RDP IV) contributes towards the realisation of the Government's vision for rural development. It is aligned in its overall objective to the national Strategic Framework for Rural Development as well as to the Timor-Leste Strategic Development Plan 2011-2030..	Rural Development is a focal sector of the EU/Timor-Leste CSP/PIN for the period 2008-2013, giving continuity to the previous phases of the RDP (I started in 2003, II in 2006 and III in 2008). It is implemented in coordination with international organisations in the respect of the Paris declaration and the backbone strategy for effectiveness, including two Member States' co-operation agencies (delegation agreements with GIZ, Germany and IPAD, Portugal) and ILO (grant)	The rural sector needs support due to several weaknesses that are still valid as they have been identified during the project formulation: there are problems in terms of food shortages, lack of employment for young people and low income from agricultural production. Even with some improvement thanks to the Ministry of Agriculture effort, the existing agricultural extension service is not yet adequate due to weak technical and managerial capacities and to lack of harmonised structures at both central and district level.
13 contracts	TECHNICAL CO-OPERATION FACILITY	3.0	Technical assistance	Timor-Leste is the most recent member of ACP as well as the newest independent country in the world; its government therefore is, more than any other, faced with great challenges in programming and managing the considerable volumes of aid the country requires. The TCF responds adequately to the needs of the Government for flexible support in the identification and formulation of interventions under the 10th EDF, as well as for more ad hoc support in the context of Timor development policies	It is also an instrument to contribute to the indicators of the Paris declaration, in particular to increase alignment with national policies, reduce the need for parallel PIUs and increase predictability of aid.	
284404	Democracy and Development in Action through Media and Empowerment (DAME)	3.0	Technical assistance	The project started in mid 2012 right after the election, however there have not been any major changes, which did have an impact thus far. The project does support several sector policies including Youth via the Secretariat of State (SoS) for Youth and Sports, unemployment via the SoS for Employment. It further supports decentralization via the Ministry of State Administration and Local Government, as well as conflict resolution mechanisms via the SoS for Security. Timor-Leste (TL) is currently working on a scheme for	The project purpose, specific objectives and expected results are well integrated within the 10th EDF, Country Strategy Paper (CSP) and National Indicative Programme (NIP) for 2008-2013.	The project targets primarily Non State Actors (NSAs), Youth, Media, local government structures. Government structures at all levels are involved in the project.

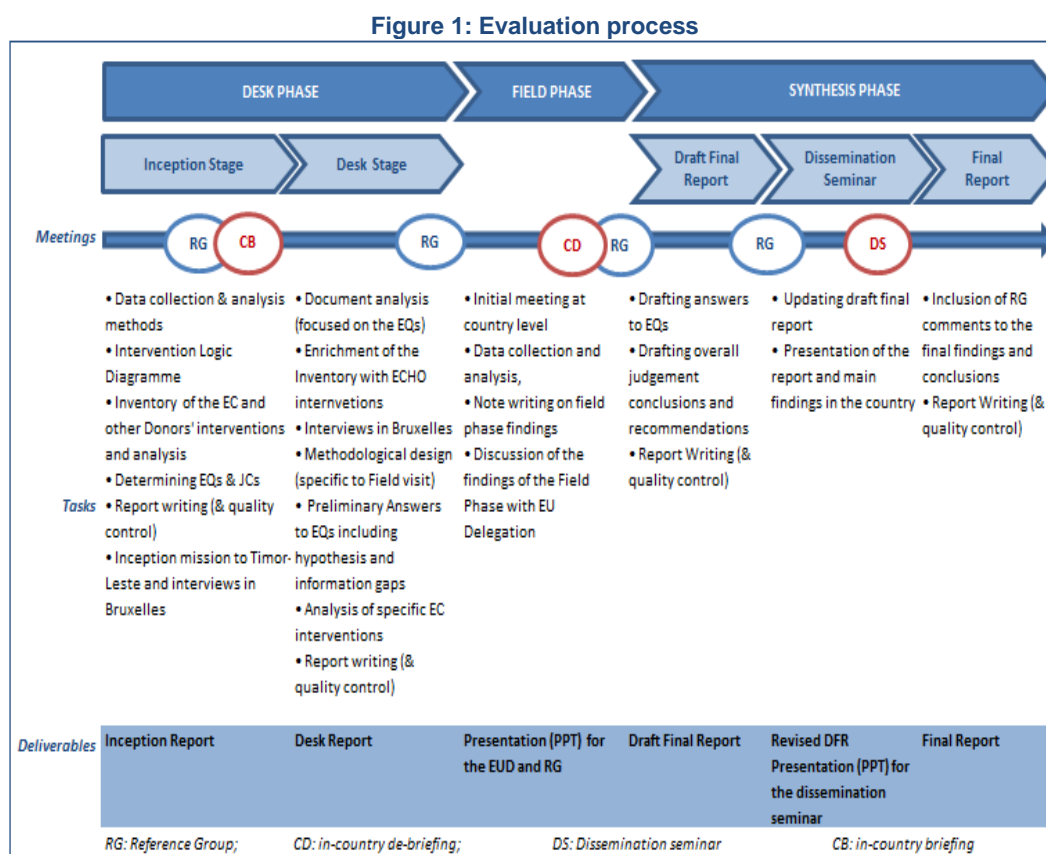
				Decentralization, which is fully addressed by this project. It further reflects the TL Government Strategy 2020 'from poverty to prosperity', which highlights peace building.		
270630	Creating a healthy environment for children in rural communities	2.5	Water and Sanitation	<p>Government policy has not changed since the project was designed. Domestic water supply and sanitation remain high on government's priority list, as outlined in the National Development Plan, and the strategies and approaches being pursued by the project, including community management of water systems and the CLTS approach to sanitation, are supported by government.</p> <p>The project is contributing - through participation on BeSI (WASH) forums and field application - to developing and validating policies such as Community Action Planning, GMFs (village water committees), CLTS and guidelines for school WASH.</p>	<p>The project supports general EU DC policy, both in terms of its contribution to poverty reduction as well as its contribution to achieving the MDGs. It is in line with the goals of the EU-ACP Water Facility.</p> <p>The 10th EDF CSP defines 3 focal areas, two of which - health and institutional capacity building - are directly supported by this project. The 3rd focal area - rural development - includes potable water supply as a key requirement for creating an enabling environment. Non focal sectors include NSAs who are central to the project, i.e. local NGOs doing implementation and CBOs managing water systems.</p> <p>The project does not contribute directly to policy dialogue as this tends to be focussed on higher level democracy, governance and institution building issues.</p>	<p>The project remains very relevant for the target groups; at the start only about 44% of the population had access to drinking water and only 20% to adequate sanitation. Only 34% of schools had access to water and 51% to sanitation facilities. For those who have not benefitted from the project yet, their situation has not changed. Water remains a high priority for all the target communities.</p>

ANNEX 9: METHODOLOGICAL APPROACH

The progress of the work was closely followed by a Reference Group (RG) composed of members of the Commission’s Directorate-General (DG) Development and Co-operation - EuropeAid Office (DEVCO), of the European External Action Service (EEAS), and of the EU Delegation in Timor-Leste, and chaired by the Evaluation Unit of DG DEVCO-EuropeAid.

In accordance with the guidelines issued by the Evaluation Unit, the methodology developed for this evaluation aimed to define and answer a set of Evaluation Questions in order to draw out conclusions based on sound analysis and useful corresponding recommendations. To this end the evaluation was conducted in three main phases: desk phase, field phase and synthesis phase. This section presents the overall evaluation process, the information on which the findings are based (data collection), and the methodology applied throughout the evaluation.

The evaluation was carried out between 3 December 2013 and December 2014, see workplan in Figure 2. It was structured in three main phases: i) a desk phase; ii) a field phase; and iii) a synthesis phase. The figure below provides an overview of the three main phases, specifying for each activity undertaken the deliverables produced, and the meetings organised with the Reference Group (RG) and with the EU Delegation in Timor-Leste.



The **Desk Phase** was structured in two steps:

- the **Inception Stage**, aimed at defining – in consultation with the Reference Group - the framework of the evaluation
- the **Desk Study Stage**, which developed preliminary answers to the Evaluation Questions

The Inception Stage included the collection and analysis of information relating to the national context and to the Commission’s Co-operation with Timor-Leste. The review of documentation, of

interviews³¹, and of the analysis of funding flows led to the preparation of the Inception Report in April 2014. This report included:

- a description of the evolution of Timor-Leste's socio-economic and policy context within which the Commission's co-operation was framed
- a reconstruction of the intervention logic underlying the objectives and intended impacts pursued by the Commission both during the 2008-2013 period and during the prior 2006-2008 period linked to the 9th EDF, in order to better understand the strategic choices made in 2008 in setting strategy
- an inventory of the Commission's interventions in Timor-Leste
- the drafting of nine Evaluation Questions (EQs) along with the definition of Judgment Criteria and related Indicators for each EQ, and identification of the sources and tools to be used, which allowed better focusing of the scope of the evaluation.

During the Desk Study the evaluation team developed the analysis of documentary sources and carried out additional interviews in Brussels. The Desk Study report (June 2014) included:

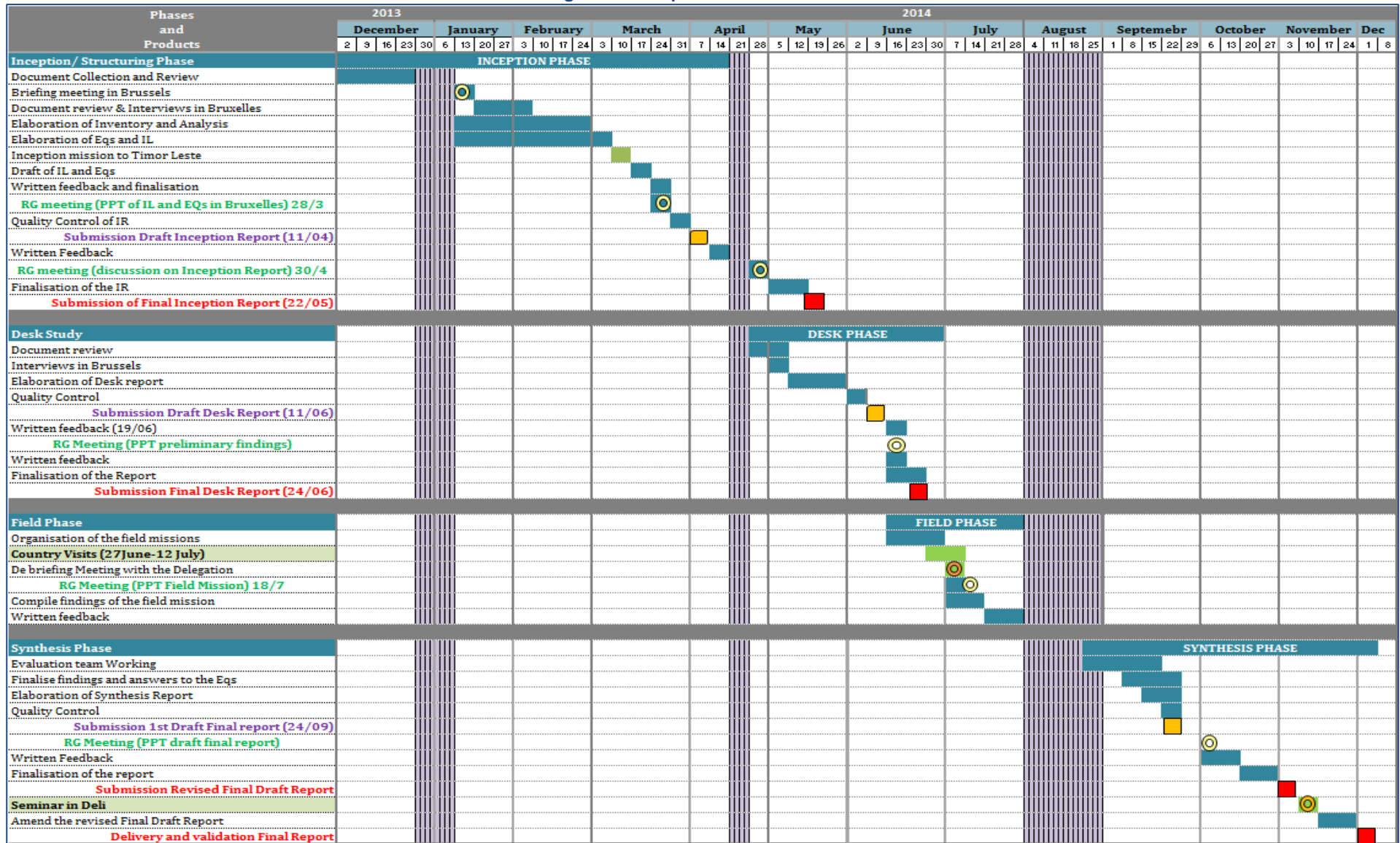
- finalization of the evaluation framework (including 9 EQs, 43 Judgement Criteria and 113 Indicators)
- preliminary findings structured on the basis of the nine Evaluation Questions, and analysis of each Judgment Criterion (JC); definition of key hypotheses to be tested and the information gaps to be filled during the field phase
- methodology and approach for field work, including data collection and analysis tools.

During **The Field Phase** the Team carried out evaluation activities in Timor-Leste between 27 June and 12 July 2014. Data collection tools included semi-structured interviews, focus groups, and community meetings. During the fieldwork the team carried out additional documentary analysis, designed and implemented a perception survey (58 respondents), and visited project sites. A debriefing with the EU Delegation was held at the conclusion of the country visit.

The **Synthesis Phase** has brought together the results of the desk and field phases. During this phase all information collected was assessed and cross-checked with a view to providing evidence-based answers to the Evaluation Questions, assessment of Judgement Criteria, Conclusions and Recommendations.

³¹ Short missions to Timor-Leste and Brussels were carried out during the inception phase, March 2014

Figure 2: Workplan of the evaluation



CONTRIBUTION ANALYSIS

The evaluation adopts a contribution analysis³² as the main methodological approach to exploring the causal links between co-operation efforts in Timor-Leste and how they influence outcomes and impacts. Contribution analysis builds on the “Theory of Change” applied to co-operation efforts, through the assessment of the intervention logic and the analysis of external factors, the risks inherent in them, and their likely effects on the causal chain.

Contribution analysis is not a new approach, but it usefully formalises the methodology adopted in many development co-operation evaluations and reflects the methodological guidance set by the Terms of Reference for this evaluation. The analysis is structured in six steps accompanying the three phases of the evaluation process (desk, field and synthesis):

- 1. Definition of the Evaluation Questions** – the first stage defines the attribution problems to be addressed by the evaluation. Given the strategic nature of this evaluation, these questions do not attempt to quantify the causal relationship, but rather seek to identify contributions the EU efforts make to promote change and identify roles and responsibilities.

This step was carried out during the inception phase and refined in the desk report, with the definition of 9 Evaluation Questions and 43 Judgment Criteria

- 2. Develop the theory of change and risks** – this step consists of the analysis of the intervention logic and the external variables which affect expected changes, given the risk that these factors may influence the causal relationship of co-operation efforts. This part of the methodology is essential to building a sound contribution analysis and is intended to further consolidate the theory of change, assessing the cause-effect logic of the co-operation efforts (including the analysis of relevance, see below) and checking whether these have been implemented according to plan.

A original and reconstructed intervention logic was developed by the evaluation team during the Inception Phase (see Annex 10). External factors, and the risk that these may have affected contributions to goals, have been identified during the desk phase. Since the desk phase it appeared that achievement of goals of poverty reduction and State-building were affected by major and probable risks.

- 3. Collection and analysis of documentary evidence** – This work was developed largely during the desk phase and screened three categories of documents for documentary evidence of the effects of co-operation efforts.

The evaluation team gathered a large amount of relevant documents (over 200 documents – see Annex 2) and carried out a thorough review of key documentary evidence, viz.:

a) evidence on goal definition, strategy, programming and implementation (this includes analysis of strategic and programming documents as well as intervention documents)

b) evidence of external analysis and assessments of co-operation efforts (analysis of existing evaluations and ROMs); and

c) documentation on the wider context of co-operation efforts including a broad range of documents and studies on Timor-Leste, the New Deal, analysis of EU and EC internal processes, other international co-operation efforts with Timor-Leste, and the analysis of the regional and global contexts.

- 4. Analysis of the contribution story and challenges to it.** This is a product of the desk phase, where the evidence gathered through the previous step helps in identifying links between Co-operation efforts and Evaluation Questions. However, evidence in this phase may be partial or weak and the evaluation will identify challenges to the narrative being formulated which will in turn improve the team’s understanding of additional data requirements.

The contribution story was developed with the desk report, structured along the 9 EQs and 43 JCs. Hypotheses to be verified during the field work were outlined for each EQ by the desk report. Already at this stage the outline of the evaluation narrative was shaping up: ambitious

³² Mayne, J. (2008) Contribution Analysis: An approach to exploring cause and effect, ILAC

strategy, limited resources, fragmented efforts, lack of evidence of policy and political dialogue, and lack of engagement in sector reform processes. The analysis also revealed the unlikely increase in agricultural production based on interventions oriented to increasing farmers' organizations and know-how, as farmers would not have had market incentives to produce more.

5. **Additional evidence.** During the field phase the evaluation team conducted research in order to strengthen the credibility of the story of the effects of EU co-operation with Timor-Leste. *Additional evidence was gathered using different data collection tools, including interviews (individuals, focus groups, group meetings), additional documentary evidence found in Timor-Leste, field visits in three districts, a perception analysis survey, a case study on the New Deal and review of web pages for Timor-Leste.*
6. **Strengthening the contribution story.** *The additional evidence sought during the field work allowed the team to improve the plausibility of the analysis of the causal link from the contribution of EU Co-operation with Timor-Leste through to its outcomes and impacts. At this stage the Team developed the preliminary findings and submitted these to the Reference Group. The discussion allowed the Team to consolidate preliminary findings into evaluation findings and conclusions. Once more an iterative process allowed development of a first draft and then a second draft of the report, and at each step findings, conclusions and recommendations were discussed with stakeholders. This allowed strengthening of the story and removal of inconsistencies, increasing the consensus of stakeholders on key findings.*

Limits of contribution analysis in the context of the Timor-Leste Evaluation.

A key challenge to the contribution analysis, in the context of EU Co-operation with Timor-Leste, is the relative scale of the contributing factors (co-operation inputs and outputs in the intervention logic) and the expected changes:

- The Theory of Change suggests that the EU Co-operation with Timor Lest has very high ambitions given the fragile status of the country
- These ambitions are supported by financial inputs which are comparatively small when related to the scale of changes intended (i.e.: poverty reduction, improvement of socio-economic conditions in rural areas, peace and stabilization in Timor-Leste, reduced mortality)
- The importance and scale of other factors contributing to the same changes (including an increasing national budget supported by oil income, additional efforts by other international partners and the increasing stability effect created by multiple contributing factors)

The contribution analysis however provides meaningful answers in terms of appraising the effectiveness of the EU Co-operation with Timor-Leste, including:

- an understanding of whether expectations are realistic and matched by adequate resources
- which changes are more effectively supported by the EU Co-operation
- the factors and risks which need to be taken into account in contributing to the desired changes
- the plausibility of the view that the EU effectively contributes to long-term goals set for Timor-Leste.

In the next section a detailed description of the contribution analysis carried out during the evaluation process in the sustainable sector is provided as example of the process described above.

Contribution Analysis in the Sustainable Sector

Step 1 – definition of the Evaluation Questions: addressing attribution problems

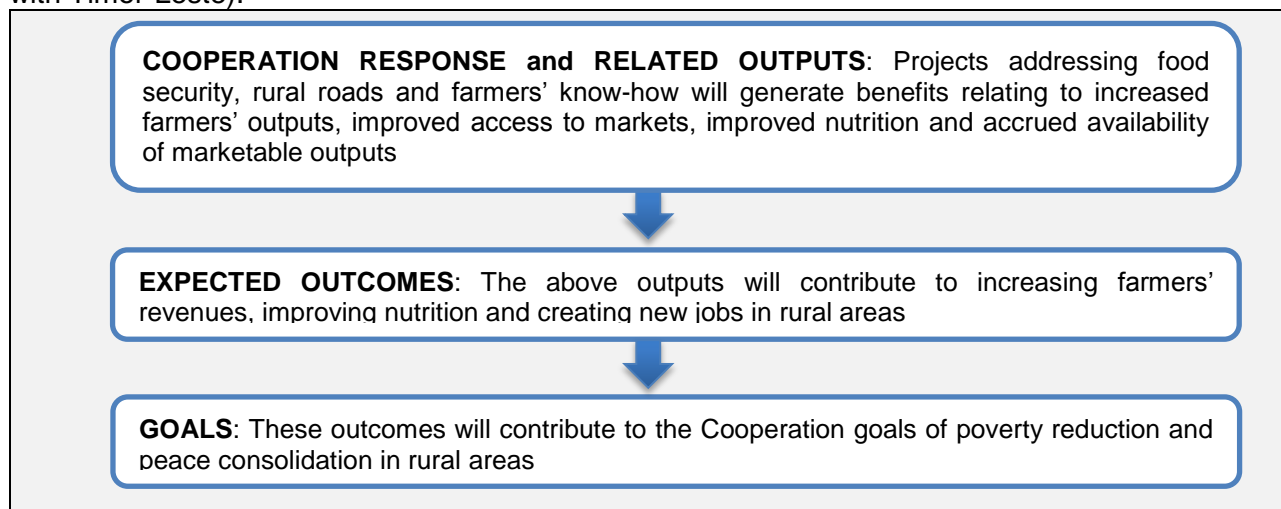
Evaluation Questions are formulated to identify (but NOT quantify) EU Co-operation support to 10th EDF and other co-operation goals. For instance EQ 6 reads as:

EQ 6 - To what extent has the EU Co-operation contributed to sustainable development, support to a non-oil economy and improved service delivery through the two focal sectors of rural development and health?

The EQs (and associated JCs), set the scope for the analysis, focusing evaluators attention on key issues to be addressed by the evaluators.

Step 2 – Develop the Theory of Change and Risks

The Inception and Desk reports set out the Theory of Change and the analysis of risks. Original and reconstructed intervention logics were developed, exploring causal pathways and risks. In the case of EQ 5 and sustainable rural development, the original logic underpinning the rural sector worked as follows (see Annex 10 for the complete original intervention logic of the EC co-operation with Timor-Leste):



Only a few assumptions and risks were developed by the CSP strategy for this results chain. The perfunctory summary of external factors and risks of the strategy is displayed in the table below

RESULTS CHAIN	ASSUMPTIONS AND RISKS
CSP objectives	
OVERALL OBJECTIVE	The new Government will be committed to political and macroeconomic stability; No major environmental disasters
SPECIFIC OBJECTIVE	Continued priority will be given by the Government to agriculture and rural development and health Governments at all levels will be willing to enhance a conducive environment for service delivery Political situation remains stable
Focal sector 1 (rural development)	
Improved MAF capacities:	No assumptions
Agricultural diversification and increased production:	No assumptions
improved access to markets	Farmers assume ownership of the programme, no major climatic disasters Sufficient linkages of supply and demand side
Improved access to services	Adequate maintenance by GoTL of rural infrastructure Adequate maintenance and management of community facilities
Focal sector 2 (Health)	NO ASSUMPTIONS
Focal sector 3 (Capacity Building)	Internal stability is maintained International co-operation is not reduced in the short term No natural disasters occur The Government is able to recruit and maintain managerial staff for vacant posts

Already during the Inception Phase of the evaluation, it appeared to the evaluation team that critical assumptions and risks were not considered by the EU strategy described in the CSP. Indeed, farmers' capacity and willingness to increase production was limited not only by their know-how, but also by a number of structural factors (external factors) which *de facto* undermined

the expected causal relationship. Critical assumptions not considered by the CSP were for instance: absence of markets for selling marketable outputs, uncompetitive prices, a system of subsidies and social transfers discouraging increased production, lack of access to land rights. Moreover, the simplistic intervention logic ignored the fact that the large majority of youth were not interested³³ in working in farms and thus EU Co-operation was unlikely to provide new significant opportunities for jobs in this sector.

Step 3 - Collection and analysis of documentary evidence

During the desk phase the evaluation team reviewed a broad range of documents on rural development interventions in Timor-Leste, including 16 Monitoring Reports³⁴, RDPs and ERAs, and evaluation and sector analyses by the World Bank, Seed Project and Australian Co-operation.

Step 4 – Analysis of the contribution story and challenges to it

The body of evidence (including ROMs and evaluation reports) pointed to several positive project-level outcomes, for example improved access to production packages for farmers (rice, coffee), strengthening of farmers' groups, home gardening, integrated crop management, access to agricultural inputs, and integration of nutrition and health for improved food security. The same documents consistently highlighted a number of important challenges not taken into account by the EU Co-operation' intervention logic, including: i) very weak institutional capacities (not addressed by EU efforts), ii) a constraining policy and regulatory framework (not addressed), iii) market constraints (not addressed, with the exception of rehabilitation of rural roads) and iv) farmers' system of incentives and disincentives for accrued production (very partially addressed with improved infrastructures and improved extension services).

It also appeared that sustainability of benefits was undermined by lack of national ownership for most interventions and lack of capacity of government institutions to meet recurrent costs by the conclusion of EU projects (including for instance the capacity to pay for extension staff fuel).

The initial hypothesis relating to critical constraining factors, limiting the capacity of EU projects to contribute significantly to Co-operation goals, was at this stage holding true and the desk work was planned out for the field phase in order specifically to investigate various aspects, including the following: market system of incentives and disincentives for accrued production; production costs and market prices; policy environment and incentives for accruing production; remuneration of agricultural labour; interest of youth in farming; farmers' acceptance of risks; farmers' interests and priorities, and the competitiveness of Timor-Leste production systems in the Region.

Step 5 – Field-work and additional evidence

During the two weeks of field work the evaluation team investigated specifically on whether and how projects for focal sector 1 (Rural Development) contributed to the expected changes. Five projects for agricultural production and rural development were visited in Manufai and Bobonaro Districts, out of a total of 28 interventions under focal sector 1. The team interviewed several stakeholders, among them EU staff, Ministry of Agriculture staff, NAO staff, international agricultural experts, FAO, GIZ, CICL, Australian Co-operation, Seed Project, NGOs and extension staff. Farmers were met in Manufai and Bobonaro Districts.

³³ Finding supported by focus group interviews, group discussions with Civil Society, individual interviews with youth, exchanges with agricultural sector key informants (development partners and MAF senior staff) and meetings with farmers' communities. All views converged to express a generalized lack of interest of youth in agricultural endeavors, related to the "low status" of farming, the low remuneration from work in the fields, interest in urban environment, and difficult living conditions in villages.

³⁴ 131850 Local Initiatives for Food Security Transformation (LIFT) Project; 131853 From Hunger To Health: Strengthening Community Capacity And Resilience For Food Security in Oecusse; 131870 Options for Food Security Transformation - Lautem and Manufahi (OFFSET); 131873 Attaining Food Security Through Improved Agricultural Production System Among Dry Upland and Coastal Communities in Timor Leste; 131940 Covalima-Oecusse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme; 214611 Baucau Food Security and Nutrition Project 1365; 214612 Building Food Security and Resilience among rural households in Timor Leste; 214613 SECURE Sustainable crop production, utilization, and resource management through capacity enhancement in two districts of Timor Leste; 214619 Hadia Agrikultura no Nutrisaun (HAN); 282350 Innovative approaches to food insecurity in Timor-Leste; 129285 Second Rural Development Programme for Timor Leste (RDP II 2005) 11 contracts; RURAL DEVELOPMENT PROGRAMME PHASE III

During field work, the team actively looked for evidence of tangible physical outputs and outcomes attributable to the implementation of EU Co-operation projects. Positive changes were observed for interventions in rural roads including improved access to market, education and health services; access to agricultural inputs; employment of villagers during construction; creation of micro-businesses along the roads; and increased passage of vehicles. Villagers in a community meeting pointed out that the improved road significantly enhanced their life. This statement matches with ILO monitoring system results on the outcomes and impacts of rural roads.

Very limited evidence was gathered on the increased agricultural production directly related to EU support. During field visits the evaluation team systematically looked out for evidence of increased yields and production. A few farmers' plots were visited on which improved practices were being applied to coffee, rice and vegetables, but evidence was episodic and very limited, and the plots visited only covered a few thousand square meters. Most statements by farmers, extension staff and villagers indicated that farmers are not inclined to increase production of coffee, rice and vegetables because of low farm gate prices. Several examples were cited of EU-supported improved irrigation areas being later abandoned by farmers because of low rice prices. Several farmers claimed that imports of rice and the subsidized sale price is decreasing production in many villages. Many farmers and MAF staff stated that Government social transfers do not give farmers incentives for hard work in the field; in fact during field visits very few farmers could be observed working in the fields, mostly older women, and the level of maintenance of crops (including weeding, a good indicator of the quality of farming practices) appeared low or very low. In the majority of the annual crop plots visited the land was ploughed by MAF. The lack of clear evidence of increased production, improved yields and higher farmer incomes as a result of EU interventions was also mentioned by several development partners, agricultural experts and MAF staff.

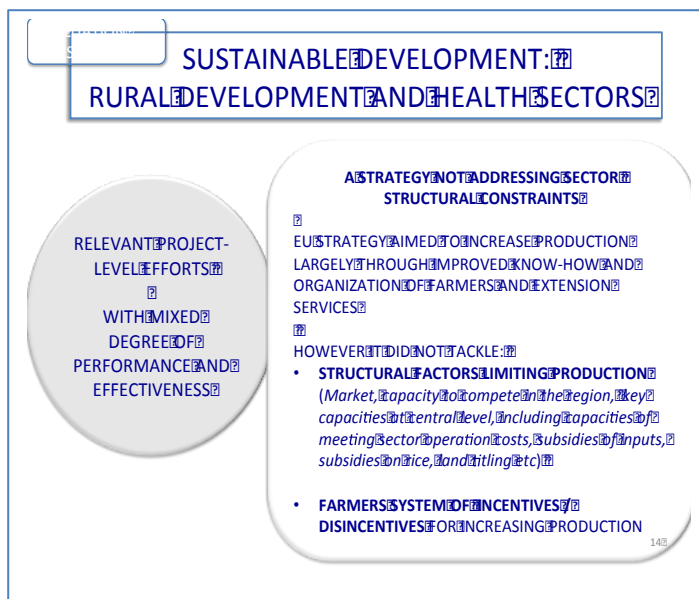
Most of the investigation work pointed to a limited (and often very limited) contributions to accrued production. Farmers recognized that they had no financial incentives to produce and sell more.

During the field visits interviews were organized with village Civil Society (two focus groups) and five farmers' groups. Individual exchanges were also held with farmers (about 20), including women selling agricultural products. Two coffee production and marketing associations were also visited. Two communities were visited in Bobonaro along a rehabilitated road. Interviews were also held with extension staff in Manufai and Bobonaro accompanying the field visits. The following key issues were raised during the visits and interviews:

- Positive changes were attributed to interventions on rural roads (see second paragraph of step 5).
- However, most of the investigation work pointed to limited - often very limited - contributions to increased production. Farmers recognized that they had no financial incentives to produce and sell more. For instance in a coffee farm farmers were asked why nobody was actually working on the field. Farmers replied that the price of coffee cherry was too low and that they had no interest in further work on coffee. Some farmers mentioned that they had access to Government money and that there was no incentive for hard field work. Several villagers complained that youth were not interested in work in the fields and that only older people were left to maintain the plots. One woman mentioned the fact that she could not secure her land title and had no incentive to plan new coffee.
- Farmers interviewed on four different sites explained how the lack of interest of youth in working in the fields is also related to very low field work remuneration - a daily rate of approximately \$4. At least ten young men and women, interviewed in rural areas and in Dili confirmed that remuneration for field work was not attractive and that they would prefer to live in Dili than in villages.
- A financial analysis by Australian Co-operation and the World Bank³⁵ pointed to a lack of profitability of rice production (production costs of \$600/ton and market price of \$400/ton)

³⁵ In both cases personal communications from senior economist and senior agricultural experts; relevant publications were not made available; GIZ agricultural experts also confirmed these values, which were discussed with several sector stakeholders (including MAF staff) and were never challenged.

- Several international experts highlighted the lack of competitiveness of agriculture in Timor-Leste.
- Several sources highlighted the constraining policy framework.³⁶
- The Ministry of Agriculture (Deputy Minister, Director of Plan) admitted to very low capacities and limited support from the EU Co-operation programme for increasing these capacities at central level.
- Informants (NAO staff, three ex-RDP staff, interviews with GIZ staff) consistently said that RDP4 did not impact significantly on rural development and poverty reduction.



The evaluation team actively sought EU Co-operation outputs and outcomes to establish evidence of EU contributions to expected changes. Evidence was found for rural roads and water and sanitation, but the evaluation did not gather physical evidence indicating significant changes related to increased production, higher yields and accrued revenues for farmers as a direct effect of EU interventions.

By the end of the field phase the evaluation team built a response to EQ 5 in terms of a preliminary finding indicating very limited contributions to sector goals (see figure)

Step 6 – Strengthening the contribution story

The contribution analysis was further developed during the synthesis phase, during which an additional layer of investigative work sought to compare EU efforts to the size of the problem, in an attempt to understand the opportunities to bring about changes.

The contribution story remained however weak owing to the absence of outcome data and a results framework, as EU interventions did not yield measurable changes. For EU agricultural production and food security projects the evaluation could find no evidence of production targets or baseline values. Project reports, ROMs and evaluations relating to these interventions did not attempt to quantify results relating to production, food security and revenues.

On the other hand a fully structured M&E system was developed by ILO for rural road rehabilitation including a baseline survey, output and outcome monitoring, and even attempts to appraise impacts (for instance assessing the increase in economic activities following road rehabilitation or construction).

The narrative contribution is also weakened by lack of data on poverty in rural areas.

Some instances of data available to relate EU effort to sector situation and changes:

- Evaluation estimate: about 10,000 farmers targeted by EU food security projects (about 1% of total population or 5% of total households). EU, NAO and MAF were unable to produce aggregated data on EU Co-operation beneficiaries
- Economic value of increased agricultural outputs is below \$100 per household (approximate average figure derived from discussions with farmers). It is important to note that critical issues of sustainability undermined the likelihood of these benefits being

³⁶ Including three senior experts by Australian Co-operation, Seed for Life manager, three senior GIZ agricultural experts and interviews with other development partners, including JICA, Portuguese Bilateral Co-operation, FAO and ILO. The policy framework was also discussed with the WB economist.

maintained after the end of EU support. For focal sector 1 interventions no data is available (by EU, NAO or MAF) on production and yields before and after EU project support.

- Value of social transfers for ex-combatants: over \$250 / month (showing financial incentive to work on fields).
- Percentage of rural roads rehabilitated: 6%.
- Rating of agricultural production as a priority for economic development in Timor-Leste by only 2% of respondents (IRI survey, 2013).
- Potential jobs created through coffee processing: quantity difficult to seize, probably below one hundred (evaluation team rough estimate). Number of youth entering the job market each year in the in Timor-Leste about 10,000.

This data validated the conclusion of a very limited capacity of EU efforts to significantly affect levels of poverty reduction and new jobs in rural areas.

ADJUSTING METHODOLOGY TO STRATEGIC NATURE OF THE EVALUATION AND THE FRAGILE CONTEXT

The following considerations, derived from the analysis developed during the Inception Phase, have guided the data collection process:

- **A strategic evaluation:** The strategic nature of the evaluation has significant implications for the data collection approach as the attention of the evaluators is more on the strategy, complementarities, processes and mechanisms – and their contributions to achieving desired changes for Timor-Leste –than on project and programme analysis and the impact of particular interventions *per se*. The analysis of intervention outcomes is instrumental to understanding whether co-operation strategies and approaches were effective in achieving desired goals. The strategic nature of the evaluation also implies a need for close analysis of both the results attained and the reasons for them, *and* of the dynamic interactions, both internal and external, that the EU Co-operation establishes to achieve its goals. The attention of the evaluators focuses on the broad institutional context (EEAS, DEVCO, thematic and geographic units within the Commission, Member States, strategic partners). This implies that an important part of the data collection has been carried out in Brussels.

In Timor-Leste the data collection captured the interactions with critical actors influencing development outcomes, including the Government of Timor-Leste, UN organizations, Australia, Portugal, the World Bank and other international financial institutions and selected Non-State Actors.

The analysis (and data collection) relating to Civil Society is focused on the process of policy dialogue engagement as well as actual delivery of services at project level.

- **The fragile context of Timor-Leste:** The evaluation approach needs to be adapted to this fragile context. Thus, the evaluation team understands the limited absorption capacity and stretched resources of national staff. Data collection methods and interviews are designed to avoid excessive time requirements from staff of national institutions.
- **Evaluation approach and data collection adapted to the New Deal:** The New Deal is not only an object of the assessment. It also inspires the evaluation approach taken, which is aimed at enhancing participation and building capacity and ownership of national counterparts in line with the spirit of the New Deal. To this effect a brainstorming session was organized in Dili with key co-operation actors to discuss how evaluation approaches may adjust to New Deal principles; see case study in Annex 14.
- **Understanding of the EU Co-operation's institutional context for Timor-Leste:** Issues which taken into account in the evaluation approach and data collection process include:
 - ✓ the relatively recent character of EU co-operation with Timor-Leste;

- ✓ the limited availability of human resources within the Delegation (with the implication that the evaluation will try to minimise the additional burden for EU Delegation staff);
- ✓ the limited historical memory, as several senior staff members have been recently redeployed elsewhere;
- ✓ the role and importance of PALOP in the context of the EU's co-operation;
- ✓ recent EU institutional changes (including the establishment of the EEAS, the implications of the application of the Lisbon Treaty to the management of Co-operation work, the development of a single support framework with EU Member States, and the shift of the EU's management of the Co-operation with Timor-Leste from DG RELEX to DG DEVCO (as of 2005).

This implies that a significant part of the data collection was undertaken in Brussels, both for the gathering of data on the Co-operation as well as for interviews with EU institutional players.

- **Start of a new cycle of co-operation (11th EDF):** The start of a new co-operation cycle (recent arrival of new staff, new Country Strategy Paper, new programming exercise) also has implications for the evaluation approach and for data collection, including:
 - ✓ the importance of supporting a learning process to feed back into the new cycle, with practical, constructive and implementable recommendations for future programming;
 - ✓ understanding of stakeholders' perceptions of EU Co-operation. This is a factor essential for developing further a partnership with relevant parties and increasing the future effectiveness of the co-operation. To meet this expectation, voiced by the RG, the evaluation team plans to carry out a light assessment of stakeholder perceptions..

DATA COLLECTION METHODS

The information sources, tools used, and outputs obtained are summarised in figure 3. Although a significant portion of data has been collected through two key tools (**documentation review** and **interviews** with stakeholders) the evaluation team deployed a number of complementary data collection tools adapted to the strategic nature and fragile context of Timor-Leste:

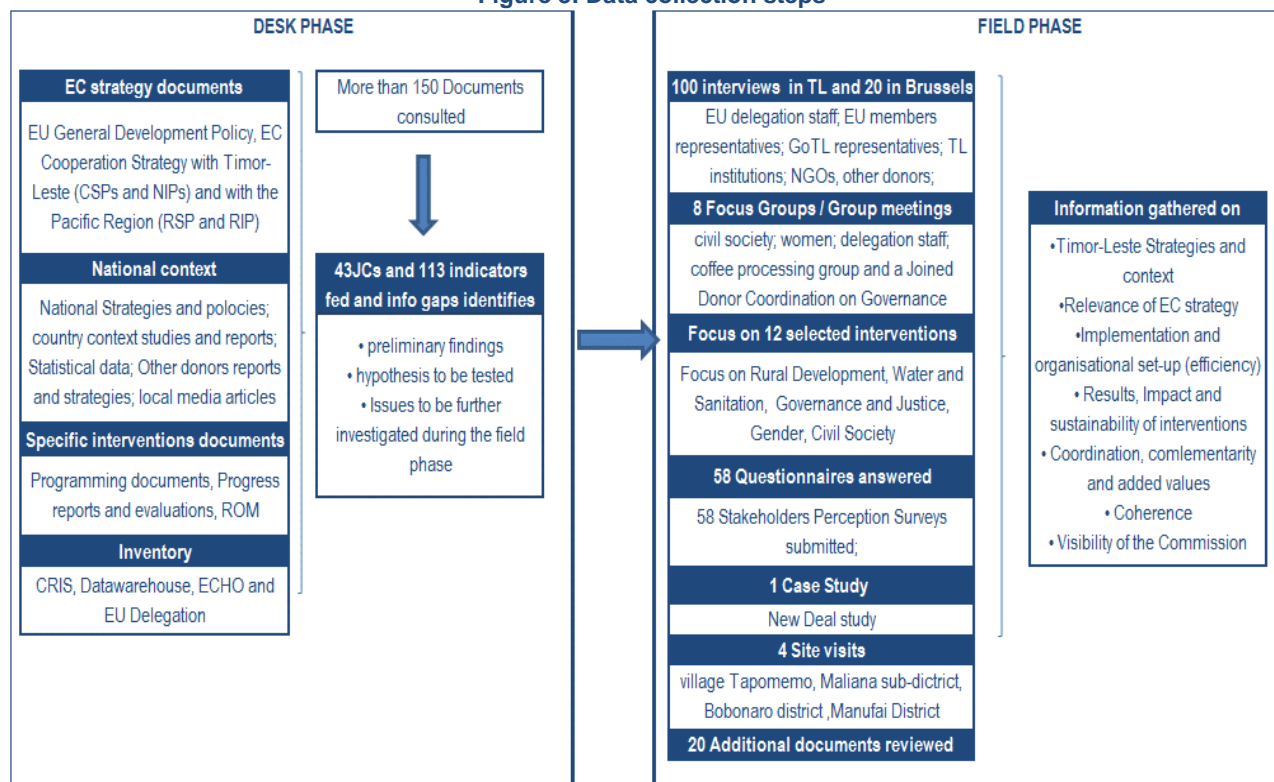
- **Analysis of relevance and contributions of Co-operation efforts to EU goals:** The analysis of the relevance and capacity of projects to contribute to Co-operation goals has been developed through a systematic assessment of co-operation interventions. Relevance was assessed through the review of project documents and of ROM assessments. The analysis was carried out through sorting projects and programmes by sector and subsector. This contributes to provide findings on:
 - overall relevance to poverty reduction, peace, security and State-building
 - relevance to national objectives
 - specific relevance to sector and subsector goals
 - relevance to crosscutting issues.

The combined analysis of parameters of relevance and volume of efforts (financial commitments) allowed linkage of contributions of Co-operation efforts to Co-operation goals.

- **Review of existing evaluation.** This method aims to capitalize on existing lessons drawn out by various external assessments of Co-operation efforts (EU as well as non-EU) in Timor-Leste. The method includes a comprehensive collection of relevant evaluations (already partially gathered during the Inception Phase; see bibliography in Annex 2 and a review of findings structured around the areas of interest of the evaluation as defined by the EQs, JCs and indicators. This analysis aims to compare different evaluation exercises and identify patterns on specific subjects of interest to the evaluation (for instance relating to "coordination capacities", "quality of design" or "national ownership"). This "comparative analysis" allows the emergence of "patterns" (or lack of them) in different areas of interest, relating to separate external assessments. This contributed either to formulation of new hypotheses or to proving or disproving hypotheses developed for the Evaluation Questions and Judgment Criteria.

- **Review of Results-Oriented Monitoring (ROM) reports.** A similar analysis has been carried out by reviewing ROM reports for Timor-Leste, see Annex 8. Although the analysis of ROM is typically at project and programme level, the comparative analysis of the full range of existing assessments helped to build evidence to support findings at strategic level. These findings may not be conclusive but will effectively confirm or otherwise triangulate with evidence gathered from other sources.

Figure 3: Data collection steps



- **Analysis of local media** on the country’s co-operation with the EU: the analysis was carried out in June 2014 and has reviewed several websites and articles distributed by NGO and local media in Timor-Leste with the aim of producing evidence of public awareness and knowledge of EU’s co-operation with Timor-Leste (see Annex 15 for details on the results of the analysis).
- **Case Study:** the evaluation team developed one area in greater depth “case study” to expand the investigation on specific aspects of the evaluation that during desk work suggested the need for additional analysis.
- **Selection of interventions:** a number of projects have been determined, see table 1, on the basis of preliminary information gathered during desk work, based on criteria of:
 - sector of intervention (selection of projects covering main co-operation sectors)
 - scope of the intervention (some projects, for instance RDPs, are selected for their importance)
 - issues of interest to the evaluation team

The limited time of the short visit and the broad scope of the evaluation do not allow measurement of intervention benefits. However the in-depth analysis of particular projects has allowed better focusing of the analysis and provision of more evidence when addressing the EQs
- **Field visits:** the work carried out during the Field Phase aimed to gather additional information that allowed: i) confirmation (or possibly repudiation) of preliminary findings; ii) validation (or otherwise) of the hypotheses; and iii) filling of remaining information gaps. With a view to ensuring comprehensive coverage of the Evaluation Questions and issues to be investigated, each team member focused on certain EQs / interventions as detailed in the table below.

Question	Paolo Scalia	Volker Hauck	Welmoed Koekebakker	Mike Atkinson ³⁷	Gabriela Soares
EQ1 STRATEGIC RELEVANCE OF EU CO-OPERATION	x x				
EQ2 STRATEGIC PARTNERSHIPS		x x			
EQ3 EU PROCESSES AND CAPACITIES		x x		x	
EQ4 AID MODALITIES AND INSTRUMENTS	x x			x	
EQ5 FOCAL SECTORS AND SUSTAINABLE DEVELOPMENT	x x		x		x
EQ6 SUPPORTING TL THROUGH CROSS-CUTTING ISSUES	x		x		x
EQ7 STATE BUILDING AND GOVERNANCE		x x			
EQ8 EU AND CIVIL SOCIETY ORGANISATIONS			x x		
EQ9 A CO-OPERATION CONTRIBUTING TO CHANGES	x	x	x		

The table below describes the five key steps of the Field Phase:

	Key Activities
Preparatory Work	<ul style="list-style-type: none"> - Finalisation of the list of sources of information (incl. list of key informants, key databases, etc.) that will help fill the information gaps identified during the Desk Phase. - each team member prepares a final programme for the mission. - key staff of the Delegations are contacted to provide feedback on the draft list of interviews; - preparation of interviews - contacts with key informants - preparation of logistical aspects of field work - preparatory meeting (evaluation team)
Briefing with EU Delegation in TL	<ul style="list-style-type: none"> - round-table discussion with key staff in Delegation.
Data Collection	<ul style="list-style-type: none"> - collection of any missing reports, programme documents etc. - final confirmation of key organisations and relevant staff to meet - interviews with relevant EU Representation officials addressing key sectors of Co-operation - interviews with officials addressing overall coordination of donor aid - interviews with EU MS, UN, IFIs and other donors - other relevant national stakeholders such as NSAs, or relevant Civil Society organisations engaged in areas relevant to the Evaluation - interviews with local stakeholders (incl. implementing partners and beneficiaries) - use of specific data collection tools (group discussions or other)
Debriefing	<ul style="list-style-type: none"> - elaboration and presentation of preliminary findings to EU Representation
Debriefing with RG	<ul style="list-style-type: none"> - elaboration and presentation of preliminary findings to Reference Group

During the field visit the below data collection tools have been applied:

Interviews	<p>Direct interviews were organized at four different levels:</p> <ul style="list-style-type: none"> - policy and strategic level: with national counterparts as well as EUD officials involved in policy definition - implementing bodies: interviews with the various Ministries, public institutions, and Non-State Actors, including social partners and specialized agencies in charge of implementation; the managers of the EU Representation also to be interviewed - beneficiary institutions: these interviews will be limited to the above-mentioned sample of programmes - other donors and Civil Society: interviews with key external actors (business sector,
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³⁷ The Private Sector Expert Mike Atkinson resigned from the project after the field mission. The EQs under his responsibilities have been answered by the rest of the team.

	<p>trade unions, academic world, think tanks etc.) who are not directly involved in the EC co-operation but who could provide valuable information</p> <p>EU Member States' and other donors' officials have been interviewed to complete the analytical policy framework of the main sectors of EC support.</p> <p>See full list of persons met in Annex 4</p>
Group meetings/focus groups	<p>Group interviews with a limited number of people from the same category (i.e. EU Representation staff, project staff) have been organised. Interviews aimed at:</p> <ul style="list-style-type: none"> - appreciating perceptions of the results and relevance of the EU Co-operation strategy, overall or by sector, and the efficiency of the implementation mechanisms; - understanding the internal and external mechanisms of coordination and communication; <i>and</i> - validating, reviewing, and completing the findings and hypotheses of the desk phase. <p>More specifically the following focus groups have been organised:</p> <ul style="list-style-type: none"> 1 Civil Society 2 Women FGD's (field visit to Manufai and Bobonaro) 1 Delegation staff 2 Farmers groups 1 Coffee processing group 1 Teacher at agricultural extension school (Bobonoro District) 1 Journalist (Media Project) 1 Joined Donor Coordination Group of Governance
Stakeholder Perception Survey	<p>The understanding of stakeholders' perceptions contributes to the appraisal of changes derived from EU Co-operation. A <i>light survey</i>, see Annex 15, was carried out through questionnaires sent to different groups of stakeholders, totalling 58 respondents. The evaluation team has also screened existing press documentation and also interviewed journalists to promote understanding, visibility and perceptions of Co-operation efforts</p>
Site visits	<p>Site visits were carried out in order to collect additional data and directly assess the status of particular projects, as follows:</p> <ul style="list-style-type: none"> - Manufai District (women group, Civil Society, extension staff, 3 farmers fields, 1 agro-processing for coffee) - Bobonaro District (roads, producers, extension school, Civil Society, farmers fields) - Tapomemo village (women) - Sub-district Maliana (women)
Additional Documentary review	<p>In addition to the interviews, the evaluation team has collected additional documentation that could not previously have been collected. Sources included the EU Representation, managers of the programmes, beneficiary institutions and organisations, other donors, EU Member States, and other Civil Society organisations and academic centres.</p>

Table1: Selected interventions

	Sector	Project	Information and data sought during visits
1.	Agriculture and Rural development	RDP (II, III and IV)	<ul style="list-style-type: none"> • Evidence of building capacities at central level • Evidence of engagement, support and leveraging policy reform for agricultural sector • Sustainability of mechanisms and processes established • Perception of MoA of EU support • Sector coordination mechanisms and outcomes
2.	Agriculture and Rural development	RDP (II, III and IV (extension component))	<ul style="list-style-type: none"> • Evidence of changes which could be attributed to RDPs • Perception of beneficiaries of RDPs • Coordination with local stakeholders; participation level (breadth, width), broad-base approach • Involvement of women and Civil Society • Sustainability mechanisms • Complementarities with other interventions • Capacity-building particularly for extension • Sustainability of extension systems • Partnership with GIZ • Farmers perceptions
3.	Rural roads	RDP, and other road building projects	<ul style="list-style-type: none"> • Quality of roads • Evidence of outcomes (improved access, improved marketing, improved movements of goods and people) • Relevance to needs

	Sector	Project	Information and data sought during visits
			<ul style="list-style-type: none"> • Sustainability mechanisms (operation and maintenance) • Local Ownership • Perceptions of users
4.	Agricultural production	Seeds for life	<ul style="list-style-type: none"> • Evidence of attributable outcomes on seed sector • Sustainability of mechanisms established • Public-private partnerships and involvement of Civil Society
5.	Food production	Bacau food security and nutrition project, implemented by World Vision	<ul style="list-style-type: none"> • Evidence of tangible outcomes attributable to the project • Evidence of linkages across sectors (agriculture, nutrition, health) • Evidence of establishing national capacities • Interactions with RDP • Evidence / perceptions of new jobs / businesses in Bacau • Partnership with INGO / World Vision
6.	Water and Sanitation	Improving access to water in rural schools through capacity development (UNICEF)	<ul style="list-style-type: none"> • Evidence of outcomes • Sustainability of watsan systems supported • Evidence of establishing national capacities for future watsan system development • Complementarities with RDPs • Perceptions of UNICEF as implementing partner • Beneficiaries perceptions of EU support, including local visibility
7.	Governance and Justice	Programa de apoio a governanca democratica / programa de Justiça (CAMOES)	<ul style="list-style-type: none"> • Evidence of sector outcomes • Efforts to support capacity-building on audit, justice and governance • Partnership with CAMOES: scope and effectiveness of partnership mechanisms • Alignment to New Deal • Sustainability mechanism and phasing out strategy for subsector • Subsector coordination and participation
8.	Capacity building and media and communication	Apoio à Governação Democrática em Timor-Leste - Componente de apoio à Comunicação Social (CAMOES)	<ul style="list-style-type: none"> • Evidence of sector outcomes • efforts to support capacity-building on media and communication • Partnership with CAMOES: scope and effectiveness of partnership mechanisms • Sustainability mechanism and phasing-out strategy for subsector • Subsector coordination and participation
9.	Civilian peace-building, conflict prevention and resolution	Security sector review in Timor-Leste - Capacity Development Facility (UNDP)	<ul style="list-style-type: none"> • Evidence of sector outcomes • Efforts to support capacity-building • Coordination and participation
10.	Health	Support to the Health Sector	<ul style="list-style-type: none"> • Evidence of sector outcomes • Efforts to support capacity-building • Sustainability mechanism and phasing out strategy for subsector • Subsector coordination and participation
11.	Inst. Support	NAO support	<ul style="list-style-type: none"> • Evidence of outcomes in establishing national capacities and ownership • Strengths and weaknesses of NAO shift to MoFA • Perceptions and views of NAO staff on strategy, effectiveness and efficiency • Discussion on aid modalities and their appropriateness to Timor-Leste context
12.	Governance, PFM	Capacity building for PFM PFMCB (NAO, WB, MoF)	<ul style="list-style-type: none"> • Important to understand support to PFM and opportunities to intervene in budget support • Coordination with other actors (including Australia and WB) on PFM • Evidence of outcomes related to capacity building • Evidence of capacity-building outcomes • National ownership and New Deal • Lessons for Budget Support
13.	Civil society / budget Monitoring	Participative budget monitoring in east Timor through enhanced civil society (Catholic Agency for Overseas Development)	<ul style="list-style-type: none"> • Evidence of support to CS oversight • Establishment of dialogue government CS and EU-CS, including scope and mechanisms • Outcomes in transparency and accountability • Perception of EU partnership with CS

	Sector	Project	Information and data sought during visits
14.	Civil Society	Projects implemented by Alola, Ba Futuru, Forum Tau Matan	<ul style="list-style-type: none"> • Nature of CSO involvement • Dialogue EU – CS • Capacities (evidence of EU support to capacity building, gaps) • Opportunities for strengthening partnerships • Evidence of outcomes and complementarities
15.	Gender	Raising women voices implemented by Catholic institute of international relations	<ul style="list-style-type: none"> • Reform on women laws • Women capacities and participation • Partnership with Catholic NGO: strengths and weaknesses • Perception of women (beneficiaries) • Complementarities established with other interventions

ANNEX 10: THE INTERVENTION LOGIC

Introduction

This section describes and analyses the intervention logic underlying the European Commission's co-operation with Timor-Leste during the evaluation period. It covers:

- **The 'faithful intervention logic and the 'intended effects' diagram** for the period 2008-2013; the narrative and the effects diagram describe the logic of the intervention logic and how the various forms of support to Timor-Leste should lead to achievement of the objectives. The analysis is drawn, explicitly or implicitly, from official EC overall policy and strategic documents.
- **A 'reconstructed' intervention logic and the 'reconstructed effects' diagram** also describe the period 2008-2013. It is based on the faithful intervention logic but is amended, i) to show the context which had an influence in drafting the original logic and on the choices made for the design; ii) to highlight the assumptions about the pathway to change made during the formulation of the 10th EDF CSP-NIP, insofar as these could be traced from interviews and documentary research; iii) to ensure the integrity of the intervention logic; and iv) to take account of complementary information on the support provided by the EU but not detailed in the 10th EDF CSP-NIP and not specified in the faithful intervention logic. This includes information on all financing instruments, and on the non-programmable interventions realised without any financing commitment or disbursement of funds, such as political and policy dialogue, trade agreement negotiations, and so forth.

The faithful as well as the reconstructed intervention logic takes account of the objectives and areas of intervention of the 9th EDF CSP-NIP that had been drawn up for the period 2006 to 2007.

THE FAITHFUL INTERVENTION LOGIC

Narrative

The EC's response strategy set out in the 10th EDF CSP-NIP is closely linked to the GoTL's National Development Plan and Stabilisation Plan developed in 2001, plus the GoTL's Vision 2020. The CSP's focal areas align with GoTL priorities. (These documents were later further developed into the Strategic Development Plan 2011-2030 which sets out the same priorities). It has been derived from an analysis of the contributory causes of the crisis in Timor-Leste in 2006; the local political, social and economic context; the interventions of other development co-operation partners; and the views of Civil Society. Based on this analysis, the EU's strategy takes account of the GoTL's development priorities, the failure of the previous Government to engage with the people, the need to address the unhealed wounds of the past, and demands for justice and a change in the poverty situation of the population. It also recognises the need to address the root causes of instability through a sustained pro-poor development approach by making use of the petroleum wealth.

The EC's response strategy in support of the overall development of Timor-Leste focuses on three focal sectors: i) sustainable rural development; ii) health and iii) institutional capacity-building. These foci are reinforced with a complementary supporting strategy operating through iv) Non-State Actors; v) a Technical Co-operation Facility; vi) PALOP/Timor-Leste governance-based initiatives; and vii) several cross-cutting issues relevant to all areas of co-operation.

The overall logic of this intervention is that Timor-Leste should be assisted in its efforts to reduce poverty and build a base for sustainable economic development, as it is a fragile country that emerged in 2002 as a sovereign state after a 24-year colonial period of underdevelopment and a struggle to gain independence from Indonesia. Reduced poverty and inclusive economic development that provides employment possibilities throughout the different economic sectors of the country, supported by a well-functioning State and an empowered Civil Society, will help stabilise society and consolidate peace.

To attain these long-term goals the EU co-operation provides support in three focal areas, namely health, sustainable rural development and institutional capacity-building. The aims of the EU's

investments in these areas were defined as *i) improving agricultural policy, production and services, ii) improving health services in the country and iii) improving institutional capacity in justice and parliament, and enhance efficient delivery of services*. Support to Non-State Actors, benefits from regional programmes, cross-cutting support activities through thematic instruments and non-financial support contribute to achievement of these long-term goals.

The support strategy is framed along these three focal areas and cross-cutting interventions which we explain in more detail in the following paragraphs.

In the area of sustainable rural development, the EC's aims are to support food security, unemployment reduction and poverty reduction, food production being the only sector of the economy outside the petroleum sector, which can contribute to economic growth. Beneficiaries are the rural poor, including farmers and unemployed youth, as well as Government officials of the ministries concerned with the rural sector who will benefit from capacity development support. Areas supported are the GoTL's inter-sectoral planning and coordination, the Ministry of Agriculture and Fishery's (MAF) decentralisation process, and measures to counter low rural productivity. The support in this area builds on the former EC-funded 'Rural Development Programmes' and the 'Nutrition and Food Security Programmes' that supported agriculture-related activities and the creation of an enabling environment, including improved access through rural roads, the supply of small-scale hydro-electric plants, and the implementation of rural water supply schemes. These interventions support the MAF's 'Policy and Strategic Framework' as well as the programme of the Ministry of Infrastructure.

In the area of health the EC supports delivery of health services throughout the country at district level and below, with a focus on women and children. The support feeds into implementation of the Health Sector Strategic Plan (HSSP) and the related Medium-Term Expenditure Framework that was funded from the ongoing EC-funded Health Sector Investment Programme, starting prior to the 10th EDF. The focus of this support is to improve availability, accessibility and affordability of health services and improve the participation of communities and other stakeholders in health-related decision-making. Primary intended beneficiaries are women and children throughout the country, those living in poor and rural areas being the principal target groups. Other beneficiaries are officials of the Ministry of Health who will benefit from capacity development support.

Concerning institutional development, the analysis has revealed that any assistance measure is difficult to implement without a substantial improvement in GoTL's own capacity. In this very broad area, the EC has aimed to further enhance the GoTL's administrative capacity by strengthening capacity in key areas such as State Administration and Justice, and the National Parliament. This includes measures to address the low level of education and professional experience of civil servants and the scarcity of skills in, for example, accounting, auditing, economics, legal drafting and communication. But the highly centralised administration is also addressed in the context of a wide-ranging reform policy on decentralisation and local government. Additionally the EC provides supports to the NAO office in mastering the administration of EDF-related programmes and addressing capacity needs in the MAF and the Ministry of Health. The support is aimed at enhancing the capacities of Timorese officials working in central government institutions, the National Parliament and the Judiciary. The NAO officials and consequently the department will also benefit as they are receiving targeted capacity development support.

The EC provides support to Non-State Actors with the aim of reducing the fragmentation among Civil Society organisations, enhancing their organisational capacity and supporting their participation in wider national development processes, through enhancing their policy dialogue capacities with the State and elected bodies. Support will also target capacity-building of NGO representatives. The EC also provides support to NGOs engaged in service delivery where gender equality, HIV and environmental awareness issues are taken into account. Finally, private sector associations are given support in order to enhance the capacity of the private sector as a whole.

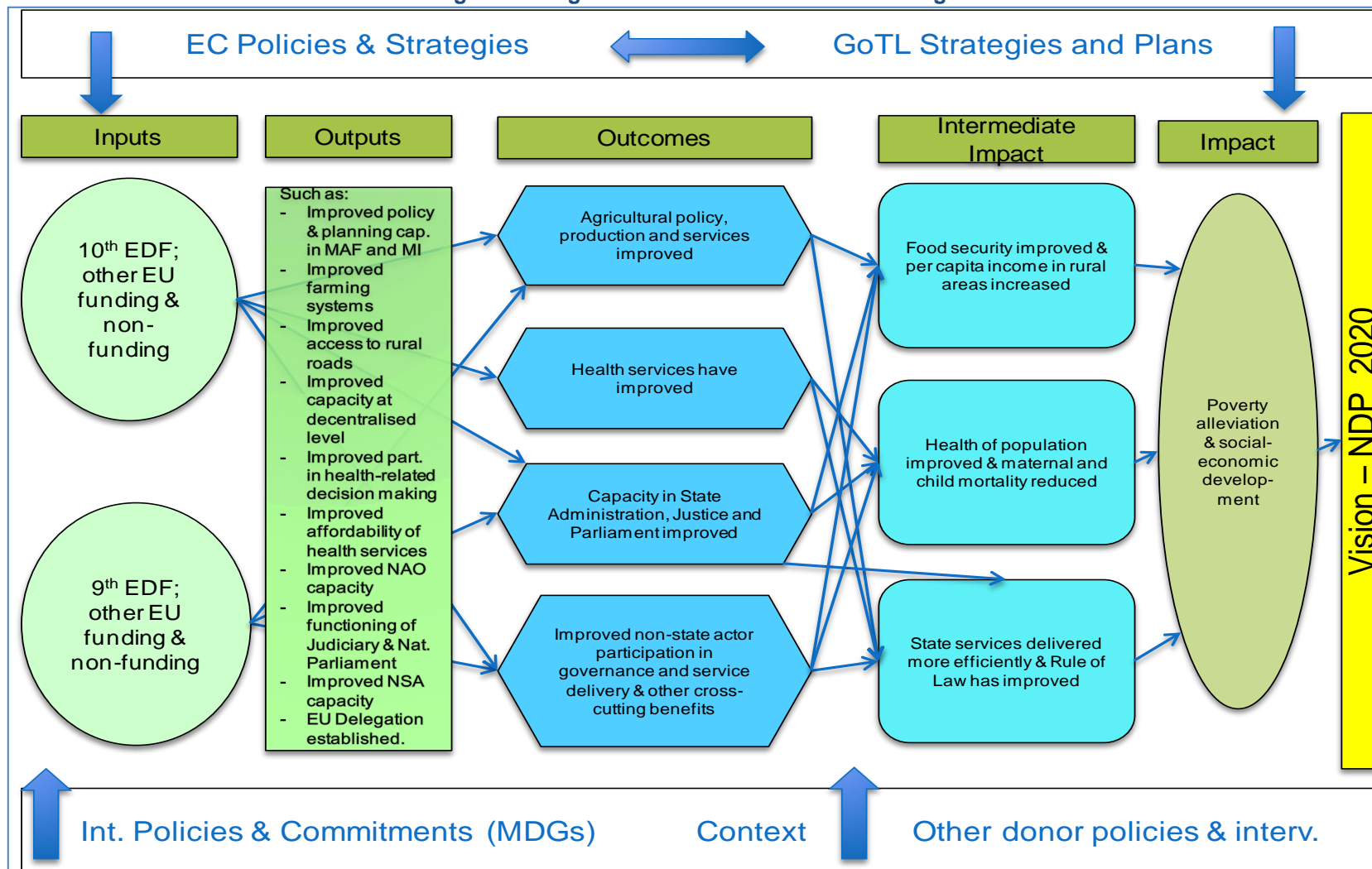
The EC funds a Technical Co-operation Facility, which helped mobilise technical expertise to strengthen the GoTL's capacity in crucial areas, including statistical reporting, and also provide capacity development for trade, knowledge of exporting, and support for the EC Delegation in preparing financing agreements.

The EC's PALOP/Timor-Leste funding aims to support governance-based initiatives throughout the country. This includes processes in support of the further democratic development of Timor-Leste and strengthening of the rule of law, as well as funding for enhancing the effectiveness of public service delivery, in particular services that benefit the poorer strata of the population.

The EC's response strategy also supports certain cross-cutting issues in support of the overall development of the country but also to further strengthen the interventions set out above. They include gender equality; promotion of human rights, children's rights and the rights of indigenous people; environmental sustainability; and combating HIV/AIDS. Special attention will be paid to deforestation and promotion of environmentally-sound techniques, awareness programmes on the spreading of HIV/AIDS, and integration of gender perspectives in the GoTL's food security policies as well as in the health sector support programme. Beneficiaries will be varied, comprising human rights activities and representatives of NGOs addressing environmental, peace or gender issues.

The EC's assumptions, as formulated in the 10th EDF CSP-NIP, envisage that the new Government (elected in May 2007) will be committed to political and macroeconomic stability of the country and that continued priority will be given to agriculture, rural development and health, in part through improved inter-sector planning and coordination. It further assumes that no natural disasters occur, that the political situation will remain stable and that the Government, at all levels, will be willing to create a conducive environment for service delivery. This includes a commitment to maintenance of the rural infrastructure along with adequate maintenance and management of community facilities. Finally, there are several implicit assumptions made in the 10th EDF CSP-NIP. Institutional capacity-building will be effective if donor support is better coordinated than in the past. The increasing recurrent costs in health and the need for more efficiency need to be addressed constructively by donors and the Ministry of Health alike. And it is assumed that effective implementation of the 10th EDF CSP-NIP will be enhanced if the capacity of the NAO's office is expanded, together with support from a fully functional EC Delegation which was about to open at the beginning of 2008.

Figure 1: Diagram of the faithful Intervention Logic



THE RECONSTRUCTED INTERVENTION LOGIC

The reconstructed intervention logic builds on the rationale of the faithful intervention as set out above. It describes how financial and non-financial inputs in support of the three focal areas of health, sustainable rural development and institutional capacity-building, plus benefits from cross-cutting areas, were intended to produce sustainable outcomes and impact in the three focal areas with a view to achieving – in the long term – poverty reduction and social-economic development. In the following narrative on the reconstructed intervention logic, we set out the contextual factors and assumptions influencing the formulation and implementation of the 10th EDF CSP-NIP. An analysis of the assumptions and related choices made for that CSP-NIP will help us construct part of a baseline to measure the changes and progress made in implementing the Co-operation strategy with Timor-Leste. We support this narrative with a diagram at the end of this section.

Narrative

Overall country and EU institutional context.

The 10th EDF CSP-NIP was prepared over the period 2006-2007 and signed in March 2008. This period featured the most turbulent political time in Timor-Leste since the country's independence in 2002. In 2006, sections of the Timorese armed forces went on strike. The government's response was to dismiss nearly 600 members of the armed forces. This resulted in violence and rioting in the capital followed by disintegration and fighting between sections of the armed forces and the police. The rapid deployment of international security forces through the UN, Australia, Portugal, New Zealand and Malaysia helped stabilise the situation and the UN approved reinforcement of its presence through UNMIT, the United Nation Integrated Mission for Timor-Leste. UNMIT completed its mandate at the end of 2012. These stabilisation efforts were successful and made possible staging of elections in May 2007 that took place relatively smoothly and peacefully.

Country instability. The unstable situation of 2006 strongly influenced the thinking of EU officials in Brussels and Dili on future co-operation with Timor-Leste. Among EU officials working in the country and representatives of EU Member States and other development partner organisations, there was a consensus that the country had to be further stabilised, assisted in its peace-building process and in its fight against extreme poverty, and supported in its efforts to strengthen substantially the institutional structures of the country, in particular the central State administration as well as national institutions such as the Parliament and Judiciary. The EU's thinking – similar to that of other development partners at that time – was that improved provision of service delivery, support for the rural development of the country, strengthening of Civil Society, and institutional strengthening would all lead in a directly towards peace-building and State-building and eventually help alleviate poverty and foster the social and economic development of Timor-Leste.

The EU's limited response capacity. One should question whether the EU was institutionally sufficiently resourced to support the formulation process of the 10th EDF CSP-NIP adequately. The EU presence in Dili consisted of a technical office with one representative, who had no political mandate, one assistant, a secretary and a driver. The EU Delegation in Jakarta, politically responsible for co-operation with Timor-Leste, was too far away to consult and conduct dialogue with other political actors. The mobilisation of a so-called floater by Brussels, an expert temporarily sent to the country to draft the 10th EDF CSP-NIP, reinforced the EU team concerned with Timor-Leste but did not result in the depth of understanding that would have provided a thorough preparatory process. On the Brussels side, a succession of different desk officers were responsible for Timor-Leste during the years 2005-2008, which equally did not aid an understanding of the situation in depth. The only EU person with thorough insights into the nature of the Timorese stabilisation and development process was the technical officer based in the EU's office in Dili, who

had been in the country since 2002, but he was on his own and overloaded with a huge amount of work, including preparation of EU President Barroso's visit following the elections in 2007.³⁸

Emerging contextual developments and institutional issues influencing the formulation of the 10th EDF CSP-NIP.

In addition to these two broad contextual influences, several other developments and issues were present or emerged in the context of the EU's work which influenced, or failed to influence, the choices made in the design of the 10th EDF CSP-NIP.

GoTL's growing international orientation: there was awareness within the international community that former leaders of the Timorese resistance had developed a wide range of international contacts during the 24 years of Indonesian occupation that helped organise international solidarity and support. Past leaders of this resistance hold high government positions up to the present day and follow a policy of maintaining and widening contacts, affiliations and memberships with the international community. The GoTL's thinking was that more international contacts would benefit a small country squeezed between the large neighbours Australia and Indonesia and contribute to strengthening Timor-Leste's independence and development. This policy priority was accepted by members of the international community and has also influenced the EU in its decision to support Timor-Leste in building more regional connections, in particular with the Pacific Island Forum and Lusophone countries (both through regional EDF funding). Timor-Leste formally applied for ASEAN membership only in 2011, a political development which was unclear at the time of formulating the 10th EDF CSP-NIP. Hence, no specific budget was made available to support this political process.

The EU's shift in focus towards development: The EU helped Timor-Leste sign up for the Cotonou Agreement in 2005 through which the country became eligible for EDF funding. This resulted in a move of the Timor-Leste dossier from DG RELEX to DG Development, shifting the focus of the Co-operation to development while giving the need for political engagement and assistance to the political process lower priority. This is reflected in the 10th EDF CSP-NIP which is very development-oriented and, as we will repeat below, highly poverty-reduction-oriented. There are very few references in the 10th EDF CSP-NIP on the need for policy and political dialogue or on the role which the EU could play in contributing politically to peace-building, despite the country context of 2006-2007 which called for both State-building *and* peace-building.

Increasing European Union interest in showing political presence: According to interviews held during the Inception Phase, there was a growing political interest within the EU and EU Member States, in particular Portugal, in strengthening ties with Timor-Leste and displaying a political presence in this part of the world. The decision to establish a fully-fledged EU Delegation as of 2008 needs to be seen in the light both of this political interest and of a wish to strengthen (historical) ties between Europe and Timor-Leste, including a general understanding within the EU of the need to show solidarity with a country which had fought for over two decades for its independence. The 2006 crisis also triggered a call by the international community to the EU to discharge its responsibilities to peace-building and scale up its assistance to a country that needed stabilisation. Moreover there were leaders of the Timor-Leste elite who expressed strong interest in strengthened ties with a politically like-minded continent. Some of these leaders had been in exile in Europe during the time of Indonesian annexation. This was a time during which they had established good political contacts with future European leaders.

GoTL's proactive position in leading the development process: Timorese leaders responded to the international policy discussions on aid effectiveness which unfolded prior to and after the signing of the Paris Declaration on aid effectiveness in 2005. The principle of ownership was translated by these leaders into increasing calls for taking the Timorese Government seriously in its desire to lead the development process and to inform development partners of locally-defined priorities.

³⁸ "The preparations for this visit generated more e-mail exchanges than the exchanges about the preparation of the 10th EDF CSP-NIP." – Interview conducted 26 Feb. 2014

These voices emerged at a time (2006-2007) when coordination processes between development partners and between development partners and the GoTL were well-structured overall. This was partially due to a strong UN presence which had a mandate to coordinate the stabilisation process on the security side as well as the development side. This situation led to an understanding among EU officials that coordination arrangements were well in place, that a committed and gradually strengthened GoTL would take these over smoothly and that existing coordination networks and co-operative structures could be built on without having to invest specifically in policy dialogue.

Perceptions of the EU's added value in selected sectors: there was a general perception that the EU provided added value in supporting the three focal areas of health, sustainable rural development, and institutional capacity-building. This perception stemmed from the EU's support for food security, health and rural development which it had increasingly provided from 1999, first through short-term emergency assistance, then through DCI funding and stabilisation support. Support for institutional development started gradually with the signing of the 9th EDF CSP-NIP. Given the many urgent needs of the country, the urgency of helping stabilise a conflict situation, and the comparatively few large development agencies on the ground, which could financially shoulder large components of the assistance, the EU was a very welcome partner in filling the gaps alongside other international actors. However an overall assessment of the extent to which this support had been effective was never undertaken, which left the perception of EU added value in these particular domains unproven.

Oil income will boost development: There was awareness among GoTL officials as well as development partners that oil revenues would fuel the national budget. At the time of the formulation of the 10th EDF CSP-NIP, oil revenues were not yet supporting the national budget. It was only as of 2008 that the effects of this income were felt. EU colleagues responsible for the formulation of the 10th EDF CSP-NIP discussed the relevance of this future income for the development of the country but this was not reflected in the choices made in the context of development and implementation of the 10th EDF CSP-NIP. The country was approached as a highly poverty-stricken country (as is certainly the case) without any means of helping itself and therefore in need of more funding. Given the considerable oil reserves at that time and the expected growth of oil revenues, the latter assumption was matched by reality. During the 10th EDF CSP-NIP €28 million of EDF funding was additionally channelled into Timor-Leste, €18 million at the end of 2008 and €10 million by mid-2012.

The EU is strengthening its capacities: as the ambitious nature of the 10th EDF CSP-NIP and the funding to be processed would suggest, EU officials were apparently confident that the EU could quickly set up a fully-functioning Delegation and find the right mix of instruments and aid modalities within a short time-frame to make the support effective. It appears that there was no thorough reflection on the efforts and investments that would be needed to establish an effective Co-operation with a highly fragile and capacity-weak partner country. Emerging international understanding within the development co-operation sector in respect of working in conflict and fragility situations, which was growing in the early 2000s and which pointed to the need for further steps in such an environment, was seemingly not taken into account, as far as we could analyse from preparatory papers informing formulation of the 10th EDF CSP-NIP.

Key assumptions and choices made for the formulation of the 10th EDF CSP-NIP

From our analysis, it appears that a number of contextual and programmatic assumptions were made which influenced the orientation of the 10th EDF CSP-NIP and the choices made.

Timor-Leste is poor and needs development support for further political and economic stabilisation: the successful efforts to stabilise the country over the period 2006-2007 which culminated in the overall positive elections in 2007 led to an assumption that this poverty-stricken and capacity-weak country could go ahead with developing the technical sectors while giving second-level priority to support for governance and further peace-building. Despite incoming oil revenues, more funding and enhanced capacity-building support would be required to create a peace dividend, in the rural

areas in particular, which would help the country further stabilise, rehabilitate and develop. This assumption was underpinned by earlier thinking and decisions within the EU to shift the attention from political co-operation towards development co-operation, which started with the GoTL signing the Cotonou Agreement in 2005 and the transfer of responsibilities for Co-operation with Timor-Leste within the EU from DG RELEX to DG Development.

This linear thinking on the transition from relief through stabilisation to rehabilitation and development informed the overall poverty-orientation of the 10th EDF CSP-NIP, resulting in a choice of enhanced support for sustainable rural development, the health sector and institutional capacity-building. It also informed the choice of increased funding over the course of the 10th EDF CSP-NIP, leading to discussions promoting the use of Budget Support to Timor-Leste.

The EU is perceived as a player valued for its “neutral” engagement: This message was repeatedly communicated to EU officials concerned with Timor-Leste since the early 2000s. It was seen as an actor without strong political and economic interests in the region *vis-à-vis* Indonesia and Australia, and not representing any cultural/lusophone language interests as promoted by Portugal. The EU’s office in Dili (2002-2008) had a technical mandate, which contributed to this perception. Nor did the EU play any role in stabilising the country through military or police forces.

This general perception, expressed by GoTL officials and development partner representatives alike, led to the assumption that the EU should continue playing this neutral role, focusing on social development and poverty-related issues (a choice already made in 2005 with the signing of the Cotonou Agreement, see above), helping the GoTL strengthen its ties with the EU and learning more about the values which the EU promotes (which was one of the factors in setting up the EU Delegation), and staying away from any (potentially sensitive) political issues such as tensions between Timor-Leste and Australia concerning the Sunrise oilfield or migration issues.

GoTL will be able to lead and coordinate the development process: this assumption was informed by the GoTL’s emerging strong voice in defining national policies, formulating the development priorities and orienting the development partners to supporting the country’s development process. (This positioning translated later into the GoTL’s convincing involvement in formulation and promotion of the New Deal). At the time of formulating the 10th EDF CSP-NIP, the UN had a strong mandate to coordinate external inputs to Timor-Leste and was in the process of handing over responsibilities to a Government that displayed ambition to lead, and ownership of, the development process. International development partners adjusted to this GoTL priority and refrained from any efforts to set up (sector) working groups or similar coordination mechanisms.

This contextual situation led to the assumption that the GoTL will need technical and capacity-building support to strengthen its State administration, including the NAO office that had weak capacity. With a strengthened administration in place, the GoTL would also be able to coordinate the development process effectively.

Regional embedding is relevant for Timor-Leste’s independence and further development: this assumption builds on the GoTL’s priorities in the domain of international relations to maintain existing regional and international contacts and affiliations, and to build new contacts with international fora, associations and networks. Growing international and regional connections are seen as a factor promoting further independence and shaping opportunities for economic and development co-operation beyond the two principal neighbours, Indonesia and Australia.

In the light of this assumption, provision was made in the 10th EDF CSP-NIP to support Timor-Leste through regional funding for PALOP countries, to support its connections with the Community of Portuguese Language Countries (CPLP), to help the country to connect further with the Pacific Region through its ACP membership, and to support the country through regional thematic and other funding.

The EU has an added value in selected development sectors: this assumption was informed by repeated messages from other development partners and the GoTL that the EU had done well since the early days of Timor-Leste's independence in supporting health, food security and sustainable rural development and that it should contribute to further stabilisation of the country through institutional capacity-building, strengthening of central State institutions and support for Civil Society. Given the strong presence of Australia and Portugal in supporting the education sector, no discussion took place on the extent to which the EU could possibly play a role in this crucial development sector, which the EU has successfully supported in other fragile contexts.

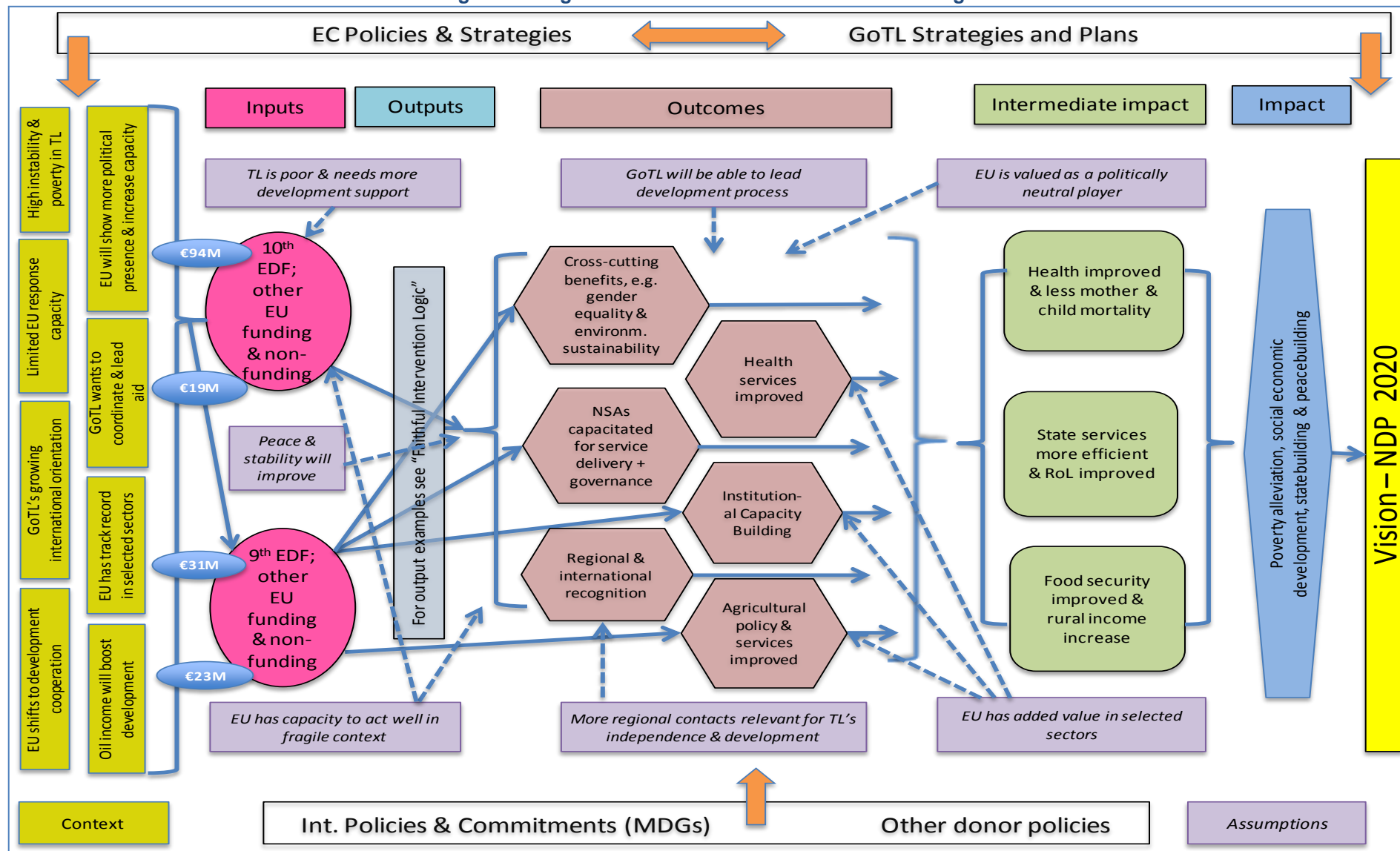
This assumption led to a choice of the three focal areas health, sustainable rural development and institutional capacity-building for the 10th EDF CSP-NIP, supported by a range of cross-cutting issues, including strong TA support and support for Non-State Actors. This package was seen as relevant to stabilisation of the country, establishment of functioning governance structures, poverty reduction, and contribution to sustainable socio-economic development.

The EU has the capacity to act effectively and efficiently in fragile contexts: this was an assumption made internally in the EU. With the establishment of a fully-fledged EU Delegation and its experience in working through various support instruments and aid modalities in (post-) conflict and fragile countries, the EU would have the institutional capacity to provide adequate support for Timor-Leste's development process. The EU Delegation would also promote the GoTL's understanding of the values and functioning of the EU and allow a more active (political) presence to facilitate strengthened interactions at the political and technical levels.

This assumption led to the establishment of an EU Delegation in Dili at the beginning of 2008 and the formulation of a highly ambitious and thematically wide-ranging 10th EDF CSP-NIP. However, it appears that this did not take fully into account the challenges, time and energy needed to establish effective co-operation in a fragile and highly capacity-weak environment.

These contextual and programmatic assumptions underpinned the formulation and implementation of the 10th EDF CSP-NIP and led to a set of choices, as explained above, with a view to making the Co-operation with Timor-Leste as effective as possible. These assumptions form one part of the baseline against which to measure progress and change in implementation of the Co-operation strategy over the period 2008-2013.

Figure 2: Diagram of the reconstructed Intervention Logic



ANNEX 11: NATIONAL AND INTERNATIONAL CONTEXT

Introduction

The following provides a concise analysis of the national context of Timor-Leste in terms of its political, economic and social situation and of the key regional and international dimensions, including the Co-operation with the EU, all of which influence the development process of the country. It also highlights the involvement of international development partners and sets out the EU's institutional and policy context as well as the international policy frameworks that have influenced the EU's Co-operation with Timor-Leste. This analysis will aid an understanding of the key issues relating to the EU intervention to be taken into account during the evaluation. It will also aid better understanding of the background and thinking of Timorese partners, and their expectations from co-operation with the EU.³⁹

Historic and cultural background and its influence on contemporary Timor-Leste

Timor-Leste has a difficult historic background, which strongly influences its contemporary nature. After many decennia of Portuguese colonisation starting in the 16th century, it tried to become independent in the wake of the Portuguese military coup in April 1974. Political parties were then established in Timor-Leste and political options were announced, but hopes of establishing an autonomous State were dashed by the invasion by the Indonesian army in December 1975. This invasion was motivated by the wish to secure control over a territory which the Indonesian military saw as part of their own. There were also fears that an independent country could develop into a socialist stronghold in its backyard, possibly leading to political destabilisation of the military regime in Indonesia.⁴⁰ The brutal Indonesian annexation lasted 24 years during which one-third of the population died due to conflict and starvation. After a referendum in 1999 and a transition period supported by the United Nations, the country regained independence in 2002.

During the independence struggle the resistance of Timor-Leste was strengthened and it maintained strong links with a range of international organisations and solidarity movements. These linkages became an important factor in international publicity for the resistance and in its survival. According to various interviews conducted during the Inception Phase, this historical experience explains why the GoTL today attributes such high importance to building an intense network of international relations. It sees these relations as a safeguard for maintaining the independence of the small island State, which is geographically squeezed between two large neighbours, Indonesia to the North and West and Australia to the South.

Until today, the leaders of Timor-Leste have had strong ties with Portugal, its political leaders and its culture, which resulted in the adoption of Portuguese as one of the two official languages of the country. The second official language is Tetum, which is a Malayo-Polynesian language influenced by Portuguese and spoken throughout the island but with no written tradition or grammar. Portuguese is spoken only by a minority trained during Portuguese rule or by current leaders who spent exile or study time in a Portuguese-speaking country. Bahasa-Indonesia was the official language during the 24 years of occupation of the country and is still widely spoken. English is spoken by the elite and by young professionals who were trained in an Anglophone country. It has become the *lingua franca* in many parts of the GoTL administration.

International development experts see the fragmented language situation as a key obstacle to the further development of Timor-Leste. This fragmentation starts at school, where Portuguese is the official teaching language but is not systematically used to educate the upcoming generations. The education system is characterised as fragmented and low-performing, resulting in many young people leaving school unfit for the tasks that a developing society needs. According to a survey carried out by the World Bank in 2011, 80% of children in grade 1 could not recognise a

³⁹ The analysis is based on the evaluation team's inception work and contains information and analysis, which was gathered until the production of the Desk Report. More analysis will be done during the course of the evaluation and captured in the Final Evaluation Report.

⁴⁰ Information gathered during inception mission during visit of National Museum, Dili – 15 March 2014

single word, while in grade 3 the percentage of students who could read with adequate fluency was only 28 % in Portuguese and 43 % in Tetum.⁴¹

Despite the problems caused by the language situation, the GoTL declares maintenance of Portuguese as an official language as an essential factor in the overall development and survival of the country. According to a high-ranking official of the GoTL interviewed during the evaluation, the country would lose its identity if it adopted English or Bahasa-Indonesia as its official language. The interview underlined how the recent history of being suppressed by Indonesia has imposed a strong footprint on GoTL's policy choices up to the present day.

This wish to maintain its own cultural profile and identity, linked to neither Indonesia nor Australia, also explains the strong interest of the GoTL in maintaining close ties with Europe, Portugal and the EU in particular. The Portuguese welcomed this open attitude and built strong ties with the new Timorese Government immediately following independence, including the opening of an Embassy. It sent police forces to help stabilise the country and provided support to the education sector – mostly for Portuguese language training. The EU started to provide relief support as of 1999 and widened its support for other sectors as following independence, notably health and food security. Senior officials of DG DEVCO see the appointment of Mr. Barroso as the European Commission's President in 2004 as the start of an intensification of relations between the EU and Timor-Leste, leading to the opening of a EU Delegation in 2008. As the former Portuguese Secretary of State for Foreign Affairs and Co-operation (1987-1992) and Portuguese Minister of Foreign Affairs (1992-1995) he strongly supported the independence of Timor-Leste and built close ties with its present political leadership.

Key issues relevant to EU intervention and taken into account during the evaluation:

- GoTL's language policy needs to be understood in the relation to the country's wish to maintain its own identity
- The maintenance of a wide international network (see also last section) is seen by GoTL as a priority for maintaining its independence
- Relations with Portugal are of high importance for GoTL in further strengthening of its policy of independence and of maintaining a cultural identity different from its Basa-Indonesia and English-speaking neighbours.
- Good personal relations with the EU leadership have contributed to intensification of co-operation between the EU and Timor-Leste. The commitment of the EU to remaining engaged will be reconfirmed by the forthcoming second visit of President Barroso to Timor-Leste, planned for the second half of 2014.

Political situation and stability

After 2002, when President Xanana Gusmão won the first presidential elections, the country remained fragile as a result of several demonstrations and violent riots. The situation escalated in 2006 when hundreds of soldiers went on strike to complain about regional discrimination and problems relating to promotion which allegedly disproportionately benefitted soldiers from the Eastern part of the island. Nearly 600 soldiers were dismissed, resulting in disintegration of the army, rioting, arson and violence in the capital. Fighting between parts of the army and the police broke out but descent into civil war was averted by the rapid deployment of international security forces from the UN, Portugal, Australia, New Zealand and Malaysia. The conflict left behind some 100,000 internally displaced people (IDPs), the majority of them housed in shelters in and around the capital. In August 2006, the UN Security Council approved a reinforced presence in Timor-Leste, through the United Nations Integrated Mission of Timor-Leste (UNMIT), until December 2012. Following the largely peaceful, free and fair presidential and parliamentary elections in 2007, José Ramos-Horta became President and Xanana Gusmão Prime Minister. Despite this successful leadership transition, insecurity continued until February 2008, culminating in the attempted assassinations of the then President José Ramos-Horta and Prime Minister Xanana Gusmão during which Alfredo Reinado, a former military and leader of the revolt who had been expelled from the army in 2006, was killed.

⁴¹ World Bank (2011), Timor-Leste early grade reading assessment: survey analysis, draft and unpublished.

These political developments formed the background against which the 9th EDF CSP-NIP was implemented and the 10th EDF CSP-NIP was formulated. Formulation of the latter started in 2006 and was influenced by concerns among the Timorese population, its leadership and the international community that the country could slide into full-scale civil war. The priorities set for the 10th EDF-CSP-NIP aimed at creation of a peace dividend through investments in food security, sustainable rural development, health and institutional capacity-building.⁴²

The growing stability of the country as of 2008 is attributed by national and international observers to the charismatic and widely-accepted leadership of Xanana Gusmão. His legitimacy reaches into the different parts of Timorese society which comprise strong veteran groups, police forces, the military, former beneficiaries of the Indonesian occupation and the political opposition under the lead of the former ruling party FRETILIN. Xanana Gusmão, in addition to being the Prime Minister, is Minister for Defence and Security which includes coordination between the police and military forces. The country has one vice-prime minister, 15 ministers, 12 vice-ministers and 26 state-secretaries held by representatives of three political parties. A factor, which according to international analysts contributing to the stability in the country, is the Government's ability to "purchase peace" with income from the oil sector, according to a recent analysis⁴³ or, to "invest in peace" as the GoTL defines it.⁴⁴ Moreover high levels of social payments go to the veterans, while lucrative construction contracts are allocated to different strands of society, including representatives of the pro-Indonesia community and political opponents.

There are fears that insecurity will grow as of the end of 2014. Xanana Gusmão announced in January 2014 his retirement from office as of September 2014 while staying politically active in the background. How he will remain active is not yet determined. Occasional violent encounters between the armed forces of Timor-Leste and rioting armed gangs in the country continue. Another potentially destabilising factor is youth unemployment (53% of the population is under 19 years old)⁴⁵ which fuels an expansion of gangs and martial arts groups who reject the legitimacy of the Government. Finally, there are uncertainties about the level of income from oil revenues. The current exploration of the Bayu-Undan and Conoco-Phillips oil-fields will end within the next seven years or so owing as resources become exhausted. New oil revenues from the Sunrise oilfield can only materialize once the tensions between Timor-Leste and Australia on its exploration and sharing of resources have been solved.⁴⁶

Key issues relevant to EU intervention and taken into account during the evaluation:

- This looming insecurity needs to be taken into account in the design of the 11th EDF CSP-NIP interventions. The transition from fragility to development has progressed significantly up until today and is showing encouraging signs of stability, but has not yet reached a situation of sufficient 'resilience', as the GoTL's Fragility Assessment confirmed.⁴⁷
- Uncertainties will mount with the retirement of Xanana Gusmão as of September 2014 and with the way in which his announced further involvement in governing the country is institutionally shaped.
- The unsolved Sunrise dispute with Australia raises concerns as to whether the country can benefit from further oil revenues as of the early 2020s.

Social-economic situation

Timor-Leste has a population of 1,210,233, which has increased by an average of 2.9% per year during the last decade, doubling the population in less than 29 years⁴⁸. In 2012 the population

⁴² The details of this logic are analysed in more detail in the section dealing with the Intervention Logic of the EU's support strategy.

⁴³ "Timor-Leste. Stability at What Cost?", International Crisis Group Report 246, may 2013

⁴⁴ Internal EU briefing note

⁴⁵ EU internal report – stats to be verified

⁴⁶ The issue is more fully discussed in the last section.

⁴⁷ g7+, New Deal & Fragility Assessment in Timor-Leste – Update to the Informal Donors Meeting – 1 Feb. 2013, Dili (Power Point Presentation)

⁴⁸ World Bank estimates, databank.worldbank.org. The total population in 1973 was 637,367.

under 14 years old was 46%⁴⁹ of the total, which is a major concern in the context of current and future employment. There are also considerable income inequalities in the population and in particular between urban and rural areas. In 2012 70.4% of Timorese citizens were classed as rural dwellers; they include a majority of the vulnerable 50% of the population living on less than US\$2 per day. By contrast, 92.2% of urbanites in Dili occupy the highest wealth quintiles.⁵⁰ There are only limited signs that the economic growth in the urban centres is benefiting rural communities.⁵¹ Rural poverty affects more than 50% of the population⁵² while urban poverty is below 45%.⁵³

On education, some progress is being made but it is unlikely that the MDG for education will be achieved by 2015. Of the population over 15 years old, 40% have not had any education at all. The adult literacy rate was 50% in 2008 and increased by 8 points in 2011 (53% of women aged 15-60 years were literate, compared to less than 64% for men).⁵⁴ The net primary school enrolment ratio increased to more than 91% in 2011 but the level of education remains low and the quality of teaching (and teachers) is poor, as highlighted above. The net school enrolment ratio at secondary school level remains very low and stood at 37% in 2011.

Health indicators for Timor-Leste are among the lowest in the region.⁵⁵ Children living in rural areas are among the most malnourished in the world. Nearly 45% of children are underweight and 15% severely underweight⁵⁶. Rates of maternal mortality, 300 per 100 000 live births in 2010, and under-five child mortality, 56.7 per 1,000 in 2012, are the highest in the region. Access to essential health services among the poor and those from remote areas is limited. Moreover nutrition is a problem. Despite most of the rural population being involved in agriculture, Timor-Leste is a food deficit country.⁵⁷ Currently 64% of the population suffers from food insecurity. Based on indicators which measure access to food and dietary diversity, 20% of households are considered food-insecure, 23% highly vulnerable and 21% moderately vulnerable.⁵⁸

Rural Development is a major challenge for the country due to several structural as well as cultural bottlenecks. Two-thirds of the population live in rural areas and at least one-third of the population is engaged in subsistence farming. The road network is in a very bad condition outside the main urban areas. There are no real opportunities for young people in rural communities to find employment, except in farming; moreover rural communities are often isolated and lack a culture of market production and competitiveness. Besides, farming work has no high social status, which contributes to young people having no interest in becoming agriculturalists rather than moving to urban areas where, however, there are no jobs either. Low productivity, subsistence orientation, insufficient diversification, unpredictable weather conditions and a lack of micro-credit availability characterize the sector. Coffee beans are the only agricultural products which are marketable for export. They constitute the major non-oil export product but overall production is very low.

Key issues relevant to EU intervention and taken into account during the evaluation:

- Timor-Leste has strong population growth, limited employment opportunities, high poverty rates and growing inequalities between urban centres and rural areas. This situation justifies the EU's efforts to reduce poverty through its current and future support strategy.
- Youth unemployment constitutes a serious threat for the future stability of the country. Investments in the rural sector, and the development of a non-oil and agriculture-based

⁴⁹ World Bank estimates, databank.worldbank.org

⁵⁰ Timor-Leste National Statistics Directorate (NSD) and Ministry of Finance, and ICF Macro 2010. Demographic and Health Survey 2009–10. Dili: NSD and ICF Macro.

⁵¹ Republica Democratica de Timor-Leste Annual Program Performance Report 2011, June 2012, AusAID

⁵² Poverty rate of 60% - figure to be checked

⁵³ IMF 2013 Article IV Consultation, December 2013

⁵⁴ Source: World Bank website

⁵⁵ Maternal and Child mortality in the region, 2005 – 2012 – World Bank database

⁵⁶ UNDP website, data are from 2010

⁵⁷ WFP Country Portfolio Evaluation WFP's Portfolio, May 2013

⁵⁸ Food Security and Vulnerability Assessment (CFSSVA) conducted in 2006 (WFP 2006c) which is still the most recent document for such analysis.

economy, are relevant to countering current trends in rural-urban migration and shaping employment opportunities.

GoTL development priorities and institutional development

GoTL policy on development of Timor-Leste is guided by the Strategic Development Plan 2011 - 2030 (SDP 2011 – 2030). In parallel, a Strategic Plan was launched by the Ministry of Finance (2011 – 2030). The SDP 2011-2030 defines four broad sectors (social; infrastructure; economic; governance/GoTL institutional framework) and the GoTL recognises it as “one vision, one plan” as described in the New Deal’s FOCUS pillar.⁵⁹ It builds on the 2001-formulated Strategic Plan for Economic Development, Timor-Leste’s National Development Plan (NDP) and the Stability Programme (SP), as well as the Vision 2020, a document formulated alongside the NDP. The NDP, SP and road map for its implementation have been considered by the Boards of the World Bank and the International Monetary Fund (IMF) as a poverty reduction strategy.⁶⁰ Priority areas in the NDP were development of an effective administrative and governance structure in support of poverty reduction. Prime areas to be addressed were the social sectors, with priority to health and education, the productive sectors including agriculture and the building of infrastructure in different areas – water and sanitation, roads, ports, electricity and communications. The EU’s 9th and 10th EDF CSP-NIP were formulated against this priority-setting background.

Government expenditures (see Table below) nearly doubled between 2008 and 2014 while budget execution remained significantly below 100% throughout the period. Expenses for the Prime Minister’s office, the Presidency and for Infrastructure grew almost proportionally with the overall budget. Health and Education grew proportionally slightly more than the overall budget but – in view of the high poverty rates – were allocated comparatively limited amounts. Worth noting is the Social Solidarity for payments to the veterans, which grew exponentially from \$27.2m in 2008 to \$147.1m in 2014, that is from 3.5% of the overall budget in 2008 to 9.8% of the overall budget in 2014. In contrast, agriculture saw a budget decline from \$30.6m (2008) to \$27.9m (2014), that is from 3.8% of the overall budget in 2008 to only 1.86 % of the overall budget in 2014.

Table 1: GoTL budget and execution for selected years and selected areas, US\$ Millions

	2008	2011	2013	2014
Total	788.3	1,306	1,647.5	1,500
Office of Prime Minister & President	70.9	48.6	112.9	131.6
Defence	53.8	56.4	68.2	70.9
Health	30.7	42.1	64.2	76.2
Education+Culture	51.3	74.6	92	116.5
Social Solidarity	27.2	118.7	149.9	147.1
Infrastructure	90	115.8	203.1	175.6
Agriculture	30.6	14.8	25.1	27.9
Budget execution	61.4%	85.3%	75.7	ongoing

Source Timor-Leste Budget Transparency Portal (<http://www.budgettransparency.gov.tl/>)

A key characteristic of the institutional landscape is the large number of mostly foreign advisers in several ministries, with a particularly high number in the Ministry of Finance.⁶¹ Land laws do not exist and the rate of execution of the national budget is low. Salaries in the public sector are rising and the risks of corruption are increasing. A recently-conducted integrity survey by the Anti-Corruption Commission (CAC) found that public servants care about serving the public but an overwhelming majority recognises that standards need to improve if the citizens of Timor-Leste are to receive the services they deserve.⁶² State institutions are still centralised at national level and vulnerable groups, especially those from districts and rural areas, do not have adequate representation at national level. The quotas established in the electoral legislation resulted in women assuming some 38% of Parliament’s seats (25), the highest in the Asia-Pacific region.⁶³

⁵⁹ EU internal document, that monitors the implementation of the New Deal

⁶⁰ Democratic Republic of Timor-Leste – Joint Staff Advisory Note on the Poverty Reduction Strategy Paper – April 29, 2005

⁶¹ World Bank – Independent Evaluation Group. 2011. Timor-Leste Country Program Evaluation, 2000-2010, p. 57 and Annex 4

⁶² GoTL Anti-Corruption Commission (CAC) – Integrity Survey of Public Servants in Timor-Leste. 2013. Dili, p. 62

⁶³ EU internal report – stats to be verified

NGOs are active in monitoring the GoTL's behaviour and participate in public discussions on budget expenditure.⁶⁴

Key issues relevant to EU intervention and to be taken into account during the evaluation:

- The comparatively low GoTL funding for agriculture should be of concern to the EU because of the apparently little attention given to this sector by the Government, whereas the EU has singled out rural development as one of its focal areas.
- Given high poverty rates, budget allocations for social sectors appear low when compared to other budget lines.
- The high dependence on (foreign) technical expertise in the public sector is a concern, raising questions about the extent to which reforms and changes are fully owned by the GoTL.
- National institutions to ensure good governance of the country are in place but there are signs that they cannot cope effectively with rising risks of corruption and other challenges.
- NGOs monitoring GoTL action exist and are a potentially relevant group of actors in further strengthening the governance situation in Timor-Leste.

The economy of Timor-Leste

The economy of Timor-Leste is highly dependent on exploitation of oil and gas reserves (directly, as well as indirectly given high GoTL spending on infrastructure, thanks to oil revenues). More than three-quarters of GDP was derived from the oil sector in 2011 (see Figure). The economy has shown 12% average GDP growth as from 2007 due to the rapid growth of the oil sector and related exports.⁶⁵ But this growth is not reflected in equity of distribution throughout the country.

The exploitation of oil and gas reserves has become the main source of national income. Surplus income is channelled into the Petroleum Fund.⁶⁶ Projected State revenues in 2014 will be US\$2,380 m of which 93% will be from oil (including returns on investments) and 7% from non-petroleum sources. The 2014 State budget of US\$1,500 m will be 89% oil-funded. 11% will come from other sources, mostly taxes.⁶⁷

Development partners are becoming less important today as compared to the last 12 years. In 2002 they financed 80% of the national budget. This declined to some 30% in 2008 and 20% in 2011. In 2014 their contribution has fallen to a level of some 11% of GoTL spending.⁶⁸

Notwithstanding the increase in GDP, Timor-Leste is one of the least developed economies in the region. Its non-oil economy, which accounts for 21% of GDP⁶⁹, appears diverse (see Figure) but official statistics do not reveal the high reliance on subsistence farming of the rural population which accounts for 80% of the total population.

⁶⁴ La'o Hamutuk. The 2014 State Budget and how it relates to Timor-Leste's economy. Presentation to the Asia Foundation. 18-02-2014

⁶⁵ IMF online database for Timor-Leste, WB for Esat Asia

⁶⁶ The Petroleum Fund of Timor-Leste was formed by the enactment of the Petroleum Fund Law Number 9/2005 promulgated in August 2005. The objective of the Petroleum Fund is to contribute to the wise management of the petroleum resources for the benefit of both current and future generations. The Government of Timor-Leste, represented by the Minister of Finance, is responsible for the overall management and investment strategy of the Petroleum Fund. Timor-Leste has been praised internationally for the transparent management of the Fund.

⁶⁷ La'o Hamutuk. The 2014 State Budget and how it relates to Timor-Leste's economy. Presentation to the Asia Foundation. 18-02-14

⁶⁸ La'o Hamutuk. The 2014 State Budget and how it relates to Timor-Leste's economy. Presentation to the Asia Foundation. 18-02-14

⁶⁹ Data taken from "IMF 2013 Article IV Consultation, December 2013"

Figure 1: TL GDP composition, 2003-2011

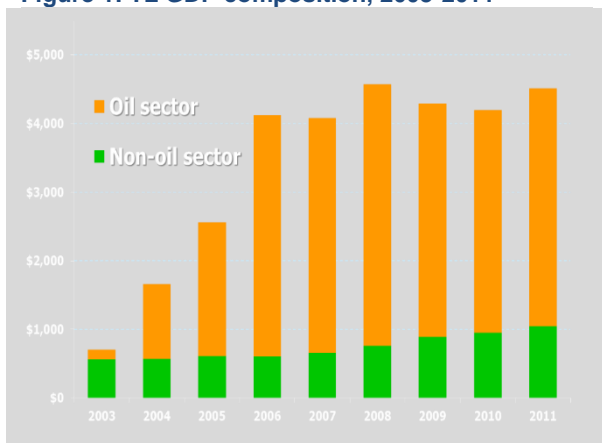
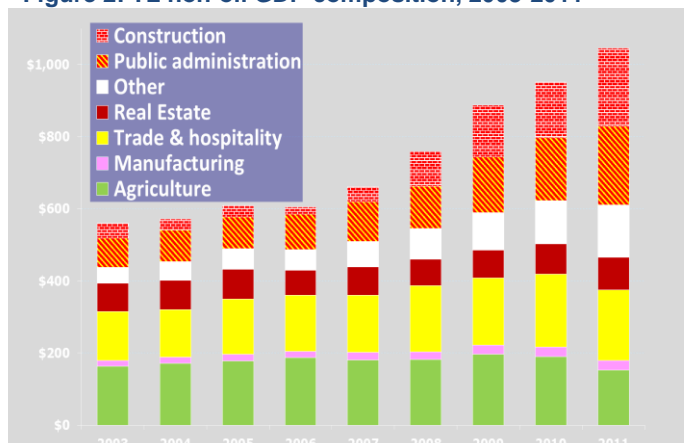
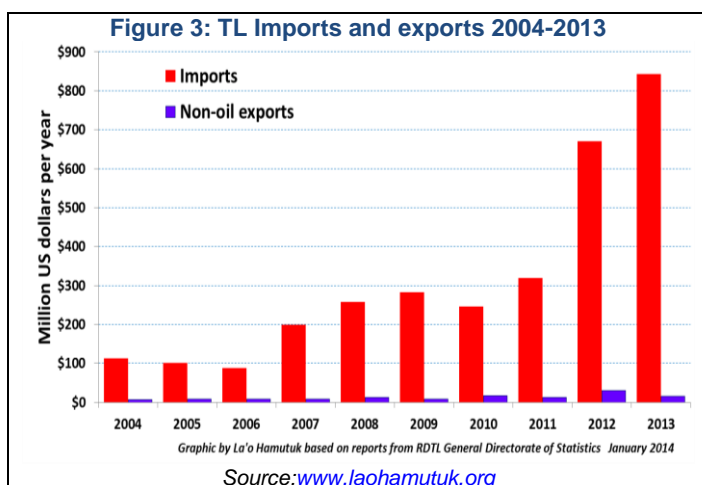


Figure 2: TL non-oil GDP composition, 2003-2011



Source: www.laohamutuk.org

Current oil reserves will likely last until 2021⁷⁰, raising serious concerns about the country's ability to compensate for the loss of oil incomes once the resources have been exhausted. The import of

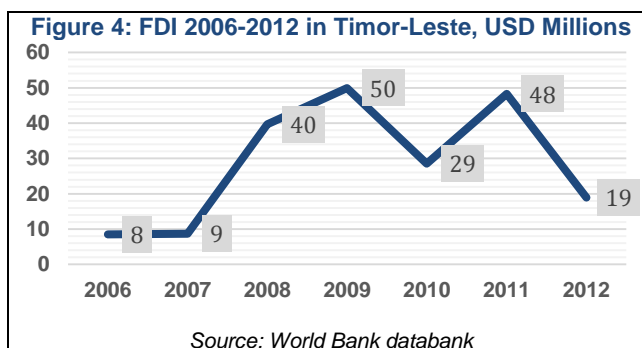


goods has increased massively from some US\$100 m in 2004 to over US\$800 m in 2013.⁷¹ Oil revenues accounted for nearly US\$700 m in 2012 while non-oil exports were at US\$33 m in the same year, of which green coffee beans accounted for US\$26 m.⁷² Whether the Sunrise oil field dispute with Australia can be solved in time to compensate for the drying up of current oil reserves is not clear (see next section).

Huge infrastructure projects (ports, highways, airport) are currently planned but there are serious doubts whether these

will provide a reasonable return on investment. Nearly all the money spent will go to specialized foreign companies, providing hardly any local jobs. Lending to finance these projects is rising, making the country even more dependent on oil revenues. Comparatively few investments go into the development of SMEs, tourism or, as mentioned above, agriculture.

Foreign Direct Investment (FDI) is extremely low and concentrated on the oil and gas sector. FDI had a positive trend throughout the 2006-2012 period, reaching peaks in 2009 and 2011 of up to \$50M, which accounted for 1,5% of GDP⁷³ in 2009 and 0,9% in 2011, then falling in 2012 (see figure 4). Work is on-going to further open up the economy and to improve the investment climate by substantially decreasing taxes and custom duties.



Source: World Bank databank

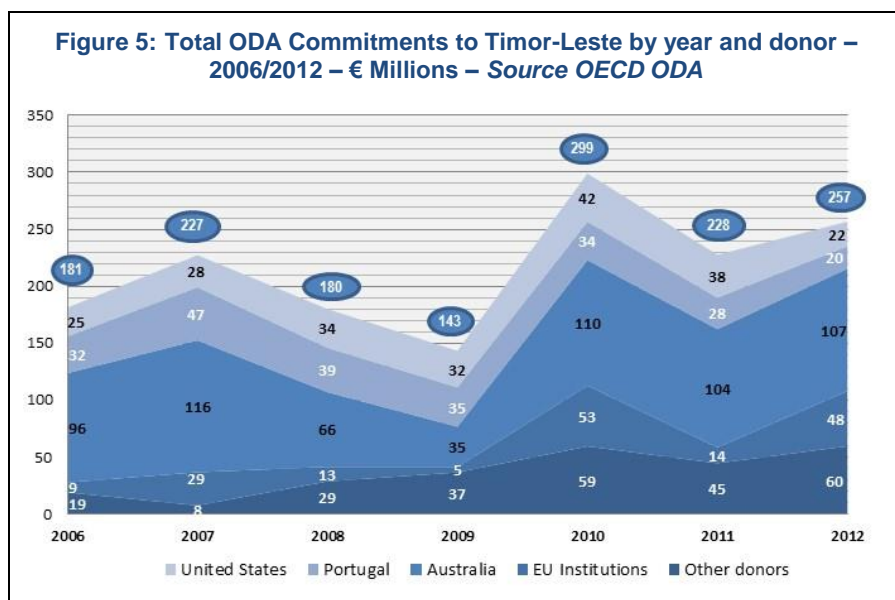
⁷⁰ La'o Hamutuk. The 2014 State Budget and how it relates to Timor-Leste's economy. Presentation to the Asia Foundation. 18-02-14

⁷¹ La'o Hamutuk. The 2014 State Budget and how it relates to Timor-Leste's economy. Presentation to the Asia Foundation. 18-02-14

⁷² Data taken from "IMF 2013 Article IV Consultation, December 2013

⁷³ The percentage has been calculated using GDP provided by IMF statistics and FDI provided by WB databank.

While ODA increased over the period 2006-2012, the relevance of development partner contributions to Timor-Leste's development has significantly decreased over the past 12 years due to rising oil income (as mentioned above). As highlighted in Annex 5 (figure 5, reproduced below), the main donors in the period 2006-2012 were the USA, Australia, EU and Portugal with a slightly growing ODA increase due to the increased funding from Australia and new donors. From the early 2000s Timor-Leste was crowded with international donors but the number of



international agencies has fallen considerably over recent years. Most notable was the departure of the UN mission at the end of 2012, but other European aid agencies also departed, notably Ireland, Spain, Sweden and France, while aid co-operation with the USA also fell sharply. The most prominent development partners in addition to the four countries mentioned above are the World Bank, the Asian Development Bank and Japan. China, Brazil, Indonesia, Malaysia and South Korea also show their presence, although overall their portfolios are small.

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Key issues relevant to EU intervention and taken into account during the evaluation:

- The relevance of development partner contributions to the development of Timor-Leste has significantly decreased over the past 12 years. This has an impact on the extent to which policy dialogue between the partners and the GoTL will lead to effective reforms.
- ODA slightly increased over the period 2006-2012. But with the departure of the UN mission to Timor-Leste in 2012, the relevance international assistance to the country has further declined.
- There are questions as to whether the GoTL pays enough attention to the creation of SMEs, to emergence of a tourism sector, and to development of agriculture for economic activities.
- The high dependence on oil revenues and the prospect of oil reserves drying up in the early 2020s without new oil fields being explored give rise to concerns as to how the growing costs of development of the country (mainly for infrastructure development and payment for consumer-related imports) and social payments to invest in peace can be paid for in the future. These concerns confirm the need for investments in the non-oil economy.

International and regional context

International relations: Timor-Leste became a member of the United Nations in 2002 and has meanwhile built strong contacts with a range of other international fora. Timor-Leste has been an observer in the Pacific Islands Forum (PIF)⁷⁴ since 2002. In 2005 the Timor-Leste Parliament ratified the Cotonou Partnership Agreement to become of member of the ACP group of countries. Timor-Leste is also a member of the Community of Portuguese Language Countries (CPLP) which it is chairing for the period 2014-2016. As a Lusophone country and despite its geographic location, it also gained access to EDF funding for PALOP countries (African countries which use Portuguese as their official language).

⁷⁴ The Pacific Islands Forum is a political group of 16 independent and self-governing states. Members include Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Timor-Leste is eager to become a member of the Association of South-East Asian Nations (ASEAN). It submitted a formal request for membership in March 2011 after having signed the ASEAN Treaty of Amity and Co-operation (TAC)⁷⁵ in 2007. Moreover, the GoTL has been an active contributor to the international aid effectiveness discussion on fragile states which evolved following the Accra High-Level Forum on Aid Effectiveness in 2008. Timor-Leste is a founding member and was chair of the group of Fragile States until June 2014 (g7+)⁷⁶. The GoTL signed up for the *New Deal for Engagement in Fragile States* in Busan, South Korea, and has made efforts to elaborate each component of the New Deal. Finally, the GoTL Minister of Petroleum and Mineral Resources is a board member of the international Extractive Industries Transparency Initiative (EITI), a global coalition of governments, companies and Civil Society working together to improve openness and accountable management of revenues from natural resources. The priorities given to these international fora and associations need to be seen in the light of the GoTL's policy of remaining independent and maintaining strong relationships beyond its immediate neighbourhood (see above).

Current relations with **Indonesia** have been controversial since the Indonesian Government endorsed the report compiled by the Commission for Truth and Friendship (CFT)⁷⁷ in 2008. It documented the massacres committed in Timor-Leste by the Indonesian military during the Indonesian annexation, which resulted in systematic killing of about 180,000 people throughout the country. But no legal process has so far been pursued either in Indonesia or in Timor-Leste. Timor-Leste's leaders are keen to avoid any rise in tensions with the Indonesian government and continue to promote reconciliation. The reason underpinning this approach by the GoTL might be related to the fear that Indonesia will stop supporting Timor-Leste's application for membership of ASEAN. So far Indonesia has pledged full support for Timor-Leste's ambitions and its application, which was formally submitted during the period of Indonesia's chairmanship of ASEAN in 2011. There is a threat that this ongoing impunity is continuing to undermine efforts towards further stabilization and peace. There are non-governmental organisations and representatives from Civil Society calling for respect for human rights and for adherence to international standards on prosecuting crimes against humanity.⁷⁸ This non-action by the GoTL was also condemned by the United Nations.

Current relations with **Australia** are mainly determined by Australia's development co-operation and the exploitation of the oil and gas resources. Ongoing tensions exist over exploration of the Sunrise Oil Field (see box below) which have so far blocked preparations to drill for oil from this disputed area. It will take several years of preparation before oil can be effectively pumped up and transported for export. If an agreement is not reached within the next two years, Timor-Leste might be without any oil income because the present oil field, Bayu Undan, will be exhausted after some seven years.

Tensions around the Sunrise Oil Field

Australian companies began exploring the Sunrise Field in the early 1970s, after Australia and Indonesia signed a treaty (1972) on maritime boundaries, which divided Timor-Leste's maritime resources without involving the Government of Portugal. Portugal did not agree to the method used to determine the boundary, which falls well north of the median line between Timor-Leste and Australia (see Figure 5). The un-demarcated area became known as the Timor "Gap". In 1989, Indonesia and Australia negotiated an agreement to exploit resources in the "Timor Gap" through the so-called Timor Gap Treaty

In 2002 the GoTL began bilateral negotiations with Australia on exploration of the Sunrise field and agreed to establish a Joint Petroleum Development Area (JPDA). In 2006 the GoTL and the Government of Australia signed the Certain Maritime Arrangements in the Timor Sea Treaty (CMATS), which

⁷⁵ The Treaty of Amity and Co-operation in Southeast Asia is a treaty among Southeast Asian countries established by the founding members of the ASEAN, with the purpose of promoting perpetual peace, everlasting amity and co-operation among the people of Southeast Asia which would contribute to their strength, solidarity, and closer relationship.

⁷⁶ The g7+ comprises of 19 States, the aim is to learn from each other, to speak with one voice and to influence the global debate.

⁷⁷ In 2008 the Indonesian Governments fully endorsed the report handed by the Indonesia-Timor-Leste Commission on Truth and Friendship (CFT) providing the first acknowledgement by the government of Indonesia of the human rights violations committed by state institutions in Timor. The Commission was established jointly by the governments of Indonesia and Timor-Leste in August 2005. The commission was officially created to investigate acts of violence that occurred around the independence referendum held in Timor-Leste in 1999.

⁷⁸ Insert quote from Lao-Hamtok ...

provides for equal distribution of revenue from the Greater Sunrise oil and gas field between Australia and Timor-Leste.⁷⁹ This agreement, however, commits Timor-Leste to recognising full Australian ownership of two key areas to the west and east of the JPDA and to suspend maritime boundary negotiations for 50 years. Today the GoTL disputes this agreement, claiming that it was reached through biased negotiations, with Australia using modern intelligence techniques to monitor related internal discussions within the GoTL and then misusing this information to its advantage. In consequence preparations for exploration of the Sunrise field are on hold.

Relations with **Portugal** are, as described above, strong and regarded as highly relevant. These relations along with the EU funding for PALOP activities help reinforce Timor-Leste's contacts with other Lusophone countries, which are organised in the CPLP. Political relations with **other EU Member States** are conducted principally through their embassies in Indonesia, some EU Member States provided welcome support for the country's transition from fragility to development and, in the case of Germany and Portugal, are still doing so.

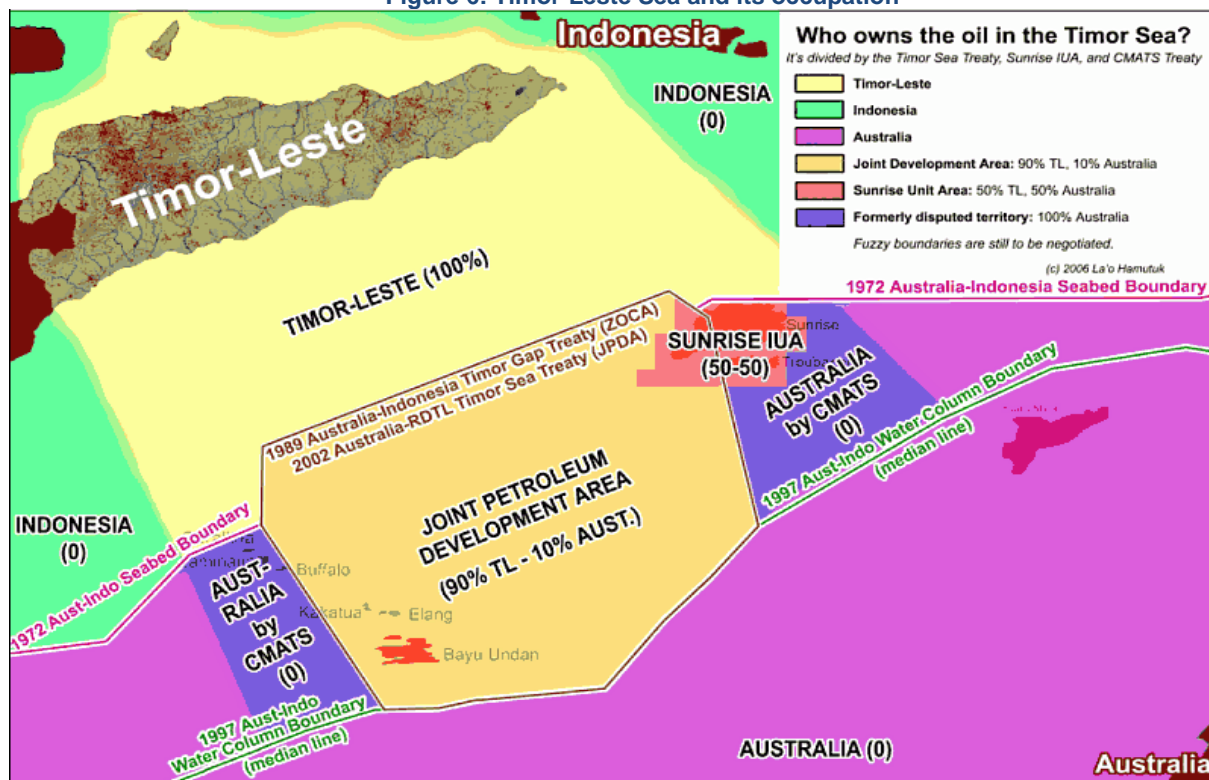
The political leadership of Timor-Leste cherishes relations with the EU on account of the shared political values and interests, the connection with an economically relevant international player, and the EU's understanding of Timor-Leste's determination to stay independent and of its need of support to pursue its path from fragility to development. Moreover the EU is perceived as politically neutral with no immediate geo-political interests in the region and known for its good relationships with ASEAN, which Timor-Leste hopes to join. The EU is also seen as a source of relevant support for maintaining the country's contacts with the Pacific region.

Key issues relevant to EU intervention and taken into account during the evaluation:

- The heavy demands made by international relations place a heavy burden on the GoTL's capacities. The country lacks qualified personnel. Questions may arise as to whether all these contacts are relevant and will eventually add value to the further political and economic development of the country. The GoTL's position of prioritising international relations, however, is consistent with its policy of maintaining an independent small State in need of many international partners..
- The lack of an agreed maritime boundary with Australia and a lack of agreement on exploration procedures in the Sunrise field are key political issues in the further development of Timor-Leste.
- Relations with different actors in Europe are highly valued. It provides the GoTL with strong connections to another block of countries which have no strong geo-political interests in the region but which have so far been very supportive in guaranteeing the independence of the country and supporting its development policies.
- Because of its good relations in South-East Asia, the EU is seen as a potential ally in supporting Timor-Leste's ambitions to become an ASEAN member.
- Relationships with Indonesia present challenges. Timor-Leste benefits from good economic relationships with its large neighbour but the Government has also agreed to pursue the recommendations on human rights of the Commission for Truth and Friendship (CFT). At present, however, progress on pursuing the CFT recommendations is slow.

⁷⁹ The field is located in the Timor Gap where Australia and East Timor have overlapping claims over the continental shelf for seabed. Prior to the treaty, East Timor would only have received about 18% of the revenue from the field. The Certain Maritime Arrangements in the Timor Sea Treaty (CMATS) puts on hold the right by both countries to claim sovereign rights, discuss maritime boundaries or engage in any legal process in relation to maritime boundaries or territorial jurisdiction for 50 years which is the duration the treaty is in effect. CMATS was signed in Sydney on January 12, 2006 by Australian Foreign Affairs Minister Alexander Downer and his East Timorese counterpart Jose Ramos-Horta. It came into force on February 23, 2007 with the exchange of notes in Dili. The East Timor parliament had ratified the treaty while Alexander Downer invoked the national interest exemption to fast-track ratification at the Australian Parliament.

Figure 6: Timor-Leste Sea and its occupation



Source: www.laohamutuk.org

EU institutional and policy context, informed by international aid effectiveness frameworks

The following EU legal agreements and international aid effectiveness policy frameworks need to be highlighted in order to understand the institutional and policy context against which the EU's co-operation with Timor-Leste has been implemented.

Primary Legal framework - The Treaties

The legal basis of the EU Co-operation Development policy is set out in *Article 177* of the *Treaty establishing the European Community*, which defines development policy priorities. It stresses that EC policy in the sphere of development co-operation shall foster:

- sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them
- smooth and gradual integration of the developing countries into the world economy
- the campaign against poverty in the developing countries.

Article 177 also states that the policy shall contribute to the general objectives of (i) developing and consolidating democracy and the rule of law, and (ii) respecting human rights and fundamental freedoms.

The Treaty objectives are confirmed in Article 1 of the *ACP-EU Partnership Agreement*, signed in Cotonou on 23 June 2000 and revised in Luxembourg on 25 June 2005. The overarching objective of the *Cotonou Agreement* is to promote development of a common strategic approach to poverty reduction, consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy. Co-operation between the Community and Timor-Leste pursues these objectives, taking into account the fundamental principles set out in Article 2, in particular the encouragement of "ownership" of the strategy by the countries and populations concerned, and the essential elements and fundamental element as defined in articles 9 and 11b of the Agreement.

In the recently ratified *Lisbon Treaty*, *Article 21 (1,2)* spells out the principles that guide "the Union's action on the international scene that have inspired its own creation, development and enlargement, and which seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human

dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law”.

Secondary Legal framework on Overall Development Policy

The overall objectives of development co-operation have been further defined by other policy statements over the years.

The Commission's Communication to the Council and Parliament *The European Community's Development Policy* (COM(2000) 212 final) outlines a new framework for the Community's development policy: Sustainable development is considered as a *multidimensional process that covers broad-based equitable growth, social services, environment, gender issues, capacity and institutional building, private sector development, human rights and good governance*.

At the turn of the millennium, a new consensus on global development goals emerged around the *Millennium Development Declaration* (2000). In response to the world's main development challenges and to the calls from Civil Society, the MDGs promote poverty reduction, education, maternal health, gender equality, and combating of child mortality, AIDS and other diseases. The Millennium Declaration and the MDGs provide a legislative framework for partnership in terms of working towards compliance with international Conventions and Agreements.

In 2005, the Communication *Policy Coherence for Development - Accelerating progress towards attaining the Millennium Development Goals* (COM (2005) 134) focused on non-aid policies that can help developing countries achieve the MDGs. The same year a Commission Communication set out the *European Union's contribution to speeding up progress towards the Millennium Development Goals* (COM(2005) 132 final) as part of the EU contribution to the UN Summit of September 2005. To that end the Commission's proposals are to i) increase financial allocations and enhance the quality of aid, ii) continue exploring the concept of policy coherence for development in order to find additional ways of contributing to development and iii) focus on Africa.

The *European Consensus on Development* (2006/C46/01), which aims to define the framework of common principles within which the EU and its Member States will each implement their development policies in a spirit of complementarity, further sets out development policy: *The primary and overarching objective of EU development co-operation is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals*. Human rights and good governance are recognised as other important objectives. It also introduces a new step towards ensuring complementarity: that is, a response to partner countries' priorities at country and regional levels, thus putting special emphasis on alignment and ownership. It also recalls the relevance of the coherence check on policies that may affect developing countries in areas such as trade, environment, energy, research, conflict prevention, competition, and others.

The *Agenda for Change* (COM/2011) seeks to give the EU a leading role in setting a comprehensive international development agenda up to and beyond 2015 and was formulated to support the changes needed in partner countries to bring about faster progress towards poverty reduction and achievement of the MDGs. Following a consultation on EU development policy in 2010, the relevance of existing policy frameworks and the EU's overarching objective of poverty elimination in the context of sustainable development, as set out in the *European Consensus on Development*, were confirmed. But it was concluded that the impact of the EU's development policy had to be increased by focusing its co-operation with partner countries wherever it can have the greatest impact, notably through its support for *human rights, democracy and other key elements of good governance*, and for *inclusive and sustainable growth for human development*. This should be accompanied by *enhanced coordination of EU action*, improved *coherence among EU policies* and a *differentiation of development partnerships* to target the resources to contexts where they are most needed.

In May 2006, the European Commission issued a Communication that was adopted by the Council in July 2006 on *EU Relations with the Pacific Islands – A Strategy for a Strengthened Partnership*. The Strategy consists of three components: i) a strengthened relationship between the EU and the Pacific region to allow a broad political dialogue, ii) more focused development co-operation with a central theme relating to sustainable management of natural resources, and iii) more efficient aid delivery.

International Aid Effectiveness Frameworks

In 2005 the Paris Declaration on Aid Effectiveness was formulated and agreed upon by development partners and aid recipient countries with the aim of changing aid practice for the better. The Paris Declaration and the 2008 Accra Agenda for Action are founded on five core principles born of many years of experience of what works for development and what does not. These principles have gained support across the development community and are now the norm by which (i) aid recipients forge their own national development strategies with their parliaments and electorates (**ownership**); (ii) donors support these strategies (**alignment**) and work to streamline their efforts in-country (**harmonisation**); (iii) development policies are directed to achieving clear goals and progress towards these goals is monitored (**results**); and (iv) donors and recipients alike are jointly responsible for achieving these goals (**mutual accountability**). These frameworks form the base from which the New Deal for Engagement with Fragile States was formulated. It was presented and endorsed by a broad range of countries on 30 November 2011 at the 4th High Level Forum on Aid Effectiveness in Busan, South Korea.

Timor-Leste is a member of the g7+, a self-selected group of fragile states that first started to come together in 2010. Its secretariat is hosted by the Ministry of Finance of Timor-Leste. The g7+ aims to be an overarching forum representing fragile and conflict-affected States to enable them to negotiate with development partners on the parameters for a new approach to engaging with fragile states. These discussions were held under the umbrella of the International Dialogue for Peacebuilding and State-building (IDPS), which was established during the international aid effectiveness meeting in Accra in 2008. Between 2008 and 2011 this policy dialogue led to the formulation of the above mentioned *New Deal for Engagement with Fragile States*.⁸⁰

Under the New Deal, three components exist:

1. The Peacebuilding and State-building Goals, aimed at defining and measuring progress in **peacebuilding and State-building processes**. These are composed of goals for Legitimate Politics, Security, Justice, Economic Foundations, and Revenues & Services.
2. The FOCUS pillar, aimed at clarifying the process of the country in its way out of fragility and its development partners' supportive actions. It includes a Fragility assessment, One vision, one plan, Compact, Use PSGs to monitor, Support political dialogue and leadership.
3. The TRUST pillar for mutual trust, aimed at holding development partners accountable to a new way of engaging with fragile states. These include Risk-sharing, Use and strengthen country systems, Strengthen capacities, Timely and predictable aid.

EU is one of the development partners which endorsed the New Deal. The EU's new approach to fragility draws on the overall vision of the Agenda for Change and the New Deal for engagement with fragile states. It also builds on existing European Commission guidance on programming and implementation in fragile or crisis situations and on policy dialogue with international partners such as the United Nations and World Bank, both strong supporters of the g7+ and the PSGs.⁸¹

The "New Deal" will be implemented between 2012 and 2015 as a trial period. Timor-Leste is one of the countries testing the New Deal. It has conducted its fragility assessment⁸² and there are plans to preparing the Compact that **provides a framework for donor coordination in terms of time and priorities**.⁸³ Given the advanced status of Timor-Leste's implementation of the New

⁸⁰ Insert URL to New Deal ...

⁸¹ See for instance: <http://capacity4dev.ec.europa.eu/article/fragility-and-conflict-programming-planning-and-management-eu-aid>
⁸² http://www.g7plus.org/storage/Final_version_Fragility_assesment_ENGLISH_Final.pdf

⁸³ Detailed information concerning the implementation of the New Deal will be collected during the field mission in July 2014.

Deal, the country's strong support for this framework and the importance the EU attaches to it, the evaluation pays special attention to the relevance of the New Deal for the co-operation between the EU and Timor-Leste.

Key issues relevant to EU intervention and to be taken into account during the evaluation:

- The entering into force of the Lisbon Treaty in 2009 marked an important moment for the further development of the EU's foreign policy. It laid the foundation for creating the European External Action Service (EEAS) with coordinating powers *vis-à-vis* the EU's external action. This happened at a time when the Co-operation with Timor-Leste was implemented, introducing several changes in institutional relations between the Government of Timor-Leste and the EU family.
- The Agenda for Change was adopted by the EU Council in 2011 and confirmed the EU's commitment to poverty reduction.
- The New Deal on Peacebuilding and State-building was endorsed during the 4th High-Level Meeting on Aid Effectiveness in Busan and became an important policy framework for orienting the international community's assistance to fragile states or states in transition from conflict to development.

ANNEX 12: EU APPROACH TO CIVIL SOCIETY AS A DEVELOPMENT PARTNER

This section presents an overview of the EC approach to civil society organisations and of the DEVCO projects implemented in the country with the NSA. This section also supports the answer to EQ8 on EU and Civil Society Organisation “*To what extent has the EU Co-operation managed to provide strategic support to Civil Society, mainstreaming Civil Society as a key development partner, effectively contributing to co-operation outcomes?*”

EU approach to civil society organisations

EU sees Civil Society Organisations⁸⁴ as strategic partners in development. The pivotal role of Non-State Actors, civil society and CSOs has been recognized in all major international landmark agreements to which EU is a party. Cotonou acknowledges that Non-State Actors including civil society organisations should be involved in co-operation policies and strategies and in the political dialogue⁸⁵. The Paris Declaration, the Accra Agenda for Action on Aid Effectiveness, and the Busan Declaration⁸⁶ acknowledge Non-State Actors as key determinants of democratisation, good governance and overall development, alongside democratic institutions such as Parliaments and Local Authorities. They also acknowledge that CSOs can play a vital role in enabling people to claim their rights, promoting rights-based approaches to social and economic policies, and promoting partnerships with State and private sector in service delivery. The Busan Agreement implies that a vibrant civil society is in itself a development end, not only a tool for helping to advance development. This confirms the intrinsic value of civil society, rather than, or in addition to, its instrumental value.

In recent years, EU has strengthened its commitment to Civil Society as a strategic partner. In 2012 the EU issued a renewed and more ambitious policy⁸⁷ on support to Civil Society: “The roots of democracy and sustainable development: Europe’s engagement with Civil Society in external relations”.⁸⁸ The new policy lines are the outcome of a range of evaluations and the “Structured Dialogue” (2010-2011)⁸⁹, in response to the critical conclusions of 2 reports: the “Special Report of the Court of Auditors”⁹⁰, and the “Evaluation of EC-aid channelled through civil society organizations”⁹¹.

The new EU policy guidelines in support of Civil Society acknowledge a wider role of Civil Society Organisations, in particular in democratic governance and accountability and in participating in

84 EU definition of CSOs: see “The roots of democracy and sustainable development: Europe’s engagement with Civil Society in external relations”, Communication from the European Parliament, The Council, the European Economic and Social Committee and the Committee of the Regions. Brussels, 2012, page 3. “CSOs include all non-State, not-for-profit structures, non-partisan and non-violent, through which people organise to pursue shared objectives and ideals, whether political, cultural, social or economic”. See the overview, page 3. On the inherent difficulties in conceptualising and operationalising the Civil Society concept see CIVICUS 2004. There are many typologies of CSOs (distinguishing legal status, organizational characteristics, constituencies, roles). For the purpose of this evaluation: to be decided.

85 The Cotonou Agreement - the partnership agreement between the African, Caribbean and Pacific Group of States (ACP) and the European Union. Signed in 2000 in Cotonou, Benin, and revised in 2005 and 2010. The ACP includes 80 countries. <http://ec.europa.eu/europeaid/where/acp/overview/cotonou-agreement/>

86 Agreement, Paris High Level Forum on Aid Effectiveness, 2005; Accra Agenda for Action, Agreement, Third High Level Forum on Aid Effectiveness, 2008; Fourth High Level Forum on Aid Effectiveness, Busan, 2011.

87 Council Conclusions, 15 October, 2012: “The Council welcomes the renewed and more ambitious policy in support of civil society.” <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2014535%202012%20INIT>

88 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF>

The Communication was followed by the Council Conclusions, 15 October, 2012. <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2014535%202012%20INIT>

89 http://ec.europa.eu/europeaid/who/partners/civil-society/structured-dialogue_en.htm

90 The Court of Auditors, Special Report “The Commission’s management of non-state actors’ involvement in EC development co-operation” (2009/C 152/04). Both the Evaluation of EC Aid and the Court of Auditors Report emphasized the need for the Commission to be more *strategic* in involving Civil Society. See: Communication on the engagement with civil society and local authorities in development, Roadmap, DEVCO.D2, 18.10.2011. http://ec.europa.eu/governance/impact/planned_ia/docs/2012_devco_003_civil_society_communication_en.pdf

91 Evaluation of the EC aid channeled through civil society organisations (CSOs) – ref. 1259. In the period 2002-2006, the total amount channeled through CSOs amounts to 5.3 billion €; 76% through Northern CSOs, 24% through Southern CSOs. The evaluation concludes that the EC has not yet developed a consistent strategy on how to use the CSO channel in line with its stated policy objectives. “*The prevailing culture within EC is not conducive to co-operation with CSOs*”. The report identifies various factors discouraging civil society participation in EC development co-operation. http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/evinfo/2008/1259_ev_en.pdf; http://ec.europa.eu/europeaid/what/civil-society/index_en.htm

external assistance including the EU programming cycle.⁹²

The new policy on Civil Society defines 3 priorities for EU support:

- to promote a conducive environment for CSOs,
- to promote a (...) structured participation of CSOs in domestic policies, in the EU programming cycle, and in international processes,
- to increase CSOs' capacity to perform their roles as independent development actors.

“EU support to CSOs should feature more prominently in all partnerships and a more *strategic engagement with CSOs should be mainstreamed in all external instruments and programmes and in all areas of co-operation.*”⁹³

The elaboration of EU Roadmaps for engagement with CSOs⁹⁴ at country level should ensure structured dialogue and strategic co-operation, increasing consistency and impact of EU actions.

Quantitative assessment of EU TL support to Civil Society Organisations

EU support to Timor-Leste involved 120 contracts (see Inventory of Contracts⁹⁵).

- Of these, 36 are contracts with “NGOs or Associations” (contractor type),
- of which 14 under NSA programme and 2 IfS with local NSA (DAC sectors Democratic Participation - 11, Civilian Peace Building, Conflict Prevention and Resolution – 2, Technical Assistance – 2, and Health – 1; see annex). Of these 16, an overview of available documents was produced with support of EUD.
- These 16 cover a broad spectrum of key CS concerns: Dialogue, Human Rights, Gender and Service Delivery⁹⁶.
- The remaining 20 were assessed in detail through interviews during field visits and analysis of available project documents. Information was verified and triangulated. It was concluded that
- 14 projects can be qualified as including a major component of support to CSOs, whereas
- 6 projects have no focus on support to CSOs, no partnership with CSOs (See below: Inventory of 30 EU TL contracts with major CSO component).

It is concluded that 30 out of 120 EU interventions, or 25% of EU interventions, contain a major component of support to NGOs⁹⁷. They amount to € 24.267.500 committed funds, or 21 % of total DEVCO committed funds.

⁹² The Communication mentions a wide range of roles for CS including democratic governance, accountability, Human Rights and Women's rights, service delivery, complementary to local and national authorities, external assistance including EU programming cycle, dialogue; as development actors CSOs are subject to the same standards of transparency, effectiveness and accountability.

⁹³ Council Conclusions, <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2014535%202012%20INIT>

“The principles contained in these Conclusions will guide the design and implementation of external action instruments under the Multiannual Financial Framework 2014-2020, including the successor to the 10th EDF. The EU will support the implementation of these Conclusions also through its political and policy dialogues with partner countries”.

⁹⁴ The roots of democracy (...), section 4.5: EU roadmaps for engagement with CSOs. The EU and the Member States should develop country roadmaps for engagement with CSOs, to improve the impact, predictability and visibility of EU actions, ensuring consistency and synergy throughout the various sectors covered by EU external relations. These roadmaps are also meant to trigger coordination and sharing of best practices with the Member States and other international actors, including for simplification and harmonisation of funding requirements. Roadmaps should be based on a sound understanding of the CSOs arena and the wider socio- economic context in which they operate. This is a *prerequisite for a more strategic engagement of the EU at country level*, particularly if relevant stakeholders have to be identified in order to establish or facilitate effective and meaningful dialogue schemes. The roadmaps should identify long-term objectives of EU co-operation with CSOs and encompass dialogue as well as operational support, identifying appropriate working modalities. This exercise should be linked to the programming of EU external assistance, namely bilateral, regional and thematic co-operation. The human rights country strategies currently being developed by the EU will be an important reference. The roadmaps should be developed taking into account the views of civil society, be regularly updated and where appropriate, made publicly available and shared with national authorities.

⁹⁵ Please note: this figure is not including the UN WOMEN, UNDP and EU Joint Programme on Women, Peace and Security: Enhancing Women's Participation in Peace Building and Post-Conflict Planning in Liberia, Timor-Leste, and Kosovo (UNSCR 1244), December 2011 – December 2013 (extended). EC contribution: EUR 1,500,000. Locations: Liberia, Timor-Leste, Kosovo (under UNSCR 1244/99) and Global.

⁹⁶ Contracts may pertain to multiple JCs.

⁹⁷ (This is in line with the preliminary desk study calculations assessing 20%-30% of EU interventions as pertaining to Civil Society support).

	Contract Number	Contract Title	Sector	Contractor Name	Total Contracted
1.	229226	Promoting Accountability to Strengthen Peace in Timor-Leste	Civilian peace-building, conflict prevention and resolution	CENTRE INTERNATIONAL POUR LA JUSTICE TRANSITIONNELLE INTERNATIONAL CENTER FOR TRANSITIONAL JUSTICE ASBL	546,760.00
2.	276398	Learning from our past, preventing conflict in our future	Civilian peace-building, conflict prevention and resolution	YAYASAN PUSAT KEADILAN TRANSISI INTERNASIONAL	260,643.00
3.	276400	Toward Enhanced Security and Community Resilience in Timor-Leste through the Expansion and Consolidation of the Early Warning and Response System	Civilian peace-building, conflict prevention and resolution	BELUN FUNDACAO	400,000.00
4.	200285	Raising women's voices: Advocating for women's rights in East Timor	Democratic participation and civil society	CATHOLIC INSTITUTE FOR INTERNATIONAL RELATIONS LBG	106,175.00
5.	200353	Ahimatan ba futuru Reducao da pobreza em Timor-Leste atraves do turismo de base comunitaria	Democratic participation and civil society	CENTRO DE INFORMACAO E DOCUMENTACAO MILCAR CABRAL ASSOCIACAO	474,204.00
6.	200361	Participative and effective Budget Monitoring in East Timor through an enhanced Civil Society	Democratic participation and civil society	CATHOLIC AGENCY FOR OVERSEAS DEVELOPMENT TRUST	260,893.00
7.	200450	Inclusion of People with Physical Disabilities in the Social and Economic Life of East Timor.	Democratic participation and civil society	CHRISTOFFEL-BLINDENMISSION DEUTSCHLAND EV	342,321.00
8.	200524	Projecto Comunidade Saudável	Democratic participation and civil society	MEDICOS DO MUNDO ASSOCIACAO	809,808.75
9.	253057	Empowering women and establishing grassroots protection networks	Democratic participation and civil society	BA FUTURU ASSOCIACAO	299,141.00
10.	253068	Mais cidadania, mais desenvolvimento distrito de Liquica	Democratic participation and civil society	INSTITUTO MARQUES DE VALLE FLOR FUNDACAO	287,934.00
11.	277972	Baseline organisational capacity assessment of FONGTIL Secretariat and Member-Organisations: ensuring active civil society participation in the development processes in Timor-Leste	Democratic participation and civil society	FORUM ONG TIMOR-LESTE ASSOCIACAO DE FACTO	173,644.45
12.	306930	Land and housing justice action	Democratic participation and civil society	HABURAS FOUNDATION	799,892.59
13.	306933	Towards a strengthened civil society for a better protection of children and women victims of violence	Democratic participation and civil society	TRIANGLE GENERATION HUMANITAIRE ASSOCIATION	598,432.00
14.	306935	Empowerment and inclusion of marginalised youth in the economic and political development of Timor-Leste	Democratic participation and civil society	PLAN INTERNATIONAL DEUTSCHLAND EV	479,000.00
15.	264697	Energy for All (E4A) - Alternative Energy Solutions for Rural and Peri-urban Timor-Leste	Energy	MERCY CORPS SCOTLAND LBG	1,078,255.00
16.	131850	Local Initiatives for Food Security Transformation (LIFT) Project	Food security	CARE OSTERREICH VEREIN FUR ENTWICKLUNGSZUSAMMENARBEIT UND HUMANITARE HILFE	1,304,155.62
17.	131853	From Hunger To Health: Strengthening Community Capacity And Resilience For Food Security in Oecusse. Timor Leste	Food security	WORLD NEIGHBORS INC	973,580.84

18.	131870	Options for Food Security Transformation - Lautem and Manufahi (OFFSET)	Food security	CONCERN WORLDWIDE LBG	1,065,856.91
19.	131873	Attaining Food Security Through Improved Agricultural Production System Among Dry Upland and Coastal Communities in Timor Leste	Food security	CHILDFUND INTERNATIONAL USA CORP	736,423.68
20.	131940	Covalima-Oecusse Participation and Empowerment for Livelihood Improvement and Food Security Enhancement Programme	Food security	OXFAM AUSTRALIA PUBLIC COMPANY LIMITED BY GUARANTEE	1,271,258.22
21.	214611	Baucau Food Security and Nutrition Project 1365	Food security	WORLD VISION DEUTSCHLAND EV	1,091,607.76
22.	214612	Building Food Security and Resilience among rural households in Timor Leste	Food security	STICHTING HIVOS (HUMANISTISCH INSTITUUT VOOR ONTWIKKELINGS SAMENWERKING)	1,289,786.00
23.	214613	SECURE Sustainable crop production, utilization, and resource management through capacity enhancement in two districts of Timor Leste	Food security	MERCY CORPS SCOTLAND LBG	1,039,876.00
24.	214619	Hadia Agrikultura no Nutrisaun (HAN)	Food security	CARE INTERNATIONAL UK LBG	1,200,000.00
25.	149535	REACHING OUT: Extending the reach of comprehensive sexual and reproductive health care to vulnerable communities in rural Timor Leste	Health	MARIE STOPES INTERNATIONAL LBG	907,120.00
26.	131936	Timor Radio Connect	Media and communication	INTERNEWS EUROPE ASSOCIATION	168,766.92
27.	284340	Technical Assistance and Capacity Building Programme to strengthen HASATIL Network and CSOs with decentralized actions in the field of Rural Development	Technical assistance	INSTITUTO MARQUES DE VALLE FLOR FUNDACAO	1,500,000.00
28.	284404	Democracy and Development in Action through Media and Empowerment (DAME)	Technical assistance	SEARCH FOR COMMON GROUND VZW	1,600,000.00
29.	266148	Towards improved water and sanitation services delivery in rural areas of Timor-Leste	Water and Sanitation	TRIANGLE GENERATION HUMANITAIRE ASSOCIATION	1,344,871.00
30.	270630	Creating a healthy environment for children in rural communities	Water and Sanitation	PLAN INTERNATIONAL (UK) LBG	1,857,091.00

ANNEX 13: STAKEHOLDER PERCEPTION SURVEY

This annex presents the data collected during the country field visit through the perception survey submitted to several categories of stakeholders (Civil Society Organisations, International Development Partners, Government Institutions, Other). The total responses were 58 as follows:

Category:	Respondents
Civil Society Organisations	25 including 2 CSO-Focus Group (Manufahe, Maliana, 30+8 participants)
International Development Partners	16
Government	9
Other	8
TOTAL	58

The aim of this Survey was the understanding of stakeholders' perceptions contributes to the appraisal of changes derived from EU Co-operation. The results of the analysis of the survey support several findings included in the main report.

Key observations of the results of the survey:

- EU Co-operation is appreciated positively by co-operation stakeholders and is considered a valuable partner in particular for the financial support and the support to CSOs
- The overall perception is of a neutral, distant and reliable partner, sharing historic ties and values and without local interests and hidden agendas
- EU solidarity and support for achieving independence is a key factor contributing to strong ties and a solid partnership.
- There appears to be little knowledge about the work of the EU, what it stands for and what it tries to achieve
- Procedures appear to be perceived as time consuming and complicated
- The international development partners have an overall positive perception of the EU however in general suggest more communication about EU work, procedures and internal members
- Civil Society Organisations maintain an overall positive perception of EU as a valuable partner, but they expect more than project level financial support
- The government other than having a good perception of the EU would appreciate a simplified approach of the co-operation procedures and more efforts on budget support as aid modality

	Questions	International Development Partner (16)	CSOs (25)	TL Government (9)	TA and Other (8)
1	EU is a valuable partner for Timor-Leste:				
	Yes	13	24	5	8
	No			1	
	don't know	3	1	3	
	Why	<ul style="list-style-type: none"> - EU has resources that TL needs - EU could serve as important checks & balances to the large donors - Some useful and highly visible activities - Don't know what EU does in TL - Unique support among donors to CSO and parliament. 	<ul style="list-style-type: none"> - because TL needs more support - The EU has experience in coordinating and compromising (the amazing fact of bringing the member states together) this is relevant for Timor-Leste - TL has implemented some programs for EU - Because EU supports CSOs in TL - budget support - because it helps building a democratic culture in TL - because TL is still poor - because the nation is young democracy country 	<ul style="list-style-type: none"> - New Deal, budget support, country systems 	<ul style="list-style-type: none"> - EU plays important role in the development of the country - Focusing on critical sectors
2	Timor-Leste is a valuable partner for EU				
	Yes	13	21	2	6
	No			4	
	Don't know	3	4	3	2
	Why?	<ul style="list-style-type: none"> - (1 unreadable) - When working with Fragile States (New Deal, g7+), TL is an interesting case study. 	<ul style="list-style-type: none"> - The EU has strategic interests in a Timor-Leste that is strong, stable, productive and conflict-free - Yes, because we are a new country. As friends maybe EU can learn something from TL, like fighting and resisting (TL 3x resisted foreign occupation: Japanese, Portuguese, Indonesian) - Ties with Portugal, post-conflict state, could provide lessons learned and develop a model, - Because TL helps EU to promote universal values, especially on Human Rights. - We can give information about our experiences with Peace Building and Security. - Europa also needs us because if we want to establish world peace we need each other. - Because TL produces oil. 		<ul style="list-style-type: none"> - TL is developing and is part of CPLP that has big contribution to EU policies - Depends on how EU sees the country as a valuable partner or not - As a new development actor EU becomes very important partner in its development
3	EU Procedures for development co-operation are				
	Good to work with	4	7	2	5
	Time consuming and complicated	12	16	4	3
	Don't know		2	3	
4	The EU's visibility in Timor-Leste is				
	High	5	9	4	2

	Medium	9	16	2	5
	Low	2			1
	Don't know			3	
5	EU Support is valuable in the following areas:				
	Financial Assistance:				
	Yes	12	19	5	7
	No	1			
	don't know/n.a	3	6	4	1
	Technical Assistance:				
	Yes	11	9	6	6
	No	1	2		
	don't know/n.a	4	14	3	2
	Policy Dialogue:				
	Yes	6	6	5	5
	No	4	6	1	
	don't know/n.a	6	13	3	3
	Support to Civil Society:				
	Yes	9	18	6	3
	No	1	3		
	don't know/n.a	6	4	3	5
6	In Timor-Leste the EU helps to				
	Build respect for the rule of law:				
	Yes	6	17	4	3
	No	2	1		
	don't know/n.a	8	7	5	5
	Consolidate democratic governance:				
	Yes	12	20	6	7
	No				
	don't know/n.a	4	5	3	1
	Support human rights:				
	Yes	7	19	5	6
	No	1	6		
	don't know/n.a	8		4	2
	Promote gender equality: (... as mentioned in the Government's Strategic Development Plan 2015-2030)				
	Yes	8	18	3	3
	No	2	3	2	
	don't know/n.a	6	4	4	5
7	The EU supports the "New Deal for Fragile States" – are you aware of the New Deal?				
	Yes	16	13	5	6
	No		3		1
	Have not heard about New Deal		9	4	1
8	Recommendations on Future EU Co-operation with Timor-Leste				

		<ul style="list-style-type: none"> - build ownership and sustainability - more activities with Members of Parliament - more on rural development - more on institutional development - EU-WHO Universal Health Coverage Partnership in TL (2013-2015) has worked well and has been appreciated by the MoH. The funds for this support are channelled through WHO Country Office TL which makes the process simpler as we already have procedures with MoH - To get to know more about the partners - Empowerment; Communication for Integration; Accountability; Capacity building; Civic participation; Social mobilization; Global development; Gender equity; Communication for development; Bottom-up strategies/projects - Be careful to stick to EU principles on budget support. - NAO being located at MoFA it weakens EU capacity to engage in Policy Dialogue in TL. Change location of NAO. - Become more strategic. Engage strongly with the remaining member states in the political dialogue. Topics to be addressed: safeguarding peace and stability, especially issues related Good Governance and promotion of human rights; concerted approach to promote employment opportunities for the youth and in this context address conflicting policies which hinder development. The EU delegation and its member states should promote proper donor co-ordination which goes beyond mutual information and take the lead in one of the sectors. - Be more communicative on EU program/project/funding - Think more on the visibility on EU members than wanting to have only the EU visibility - In our understanding, EU has made significant financial contribution in certain key areas of development in Timor-Leste. These include health, rural development and nutrition. EU have recently played important role in policy 	<ul style="list-style-type: none"> - <u>Partnership approach / support other than funding:</u> - Not only donor approach but partner approach - Far majority of EU support goes to INGOs, not Timorese CSOs. - Coordination: Anything that the EU can do to facilitate better coordination and co-operation across public and private stakeholders – who have the same goals and objectives but are not currently working together as effectively and efficiently as they could be – would have a significant positive impact in Timor-Leste - Be forthright in publicly sharing of your observations, analysis, and conclusions - A real partner approach (to guarantee sustainability and impact) - <u>Procedures:</u> - Complicated. This is discriminating between INGOs and Timorese CSOs. Far majority of EU support goes to INGOs. Support has to be directly with Timorese CSOs. - EU should make processes and procedures of working with EU more user-friendly and easier to understand, especially to get more meaningful involvement with national NGOs in Timor-Leste - Flexibility in procedures - 20% own funding is hard. Can EU change this policy - produce documents in Tetum language - reduce bureaucracies, simplify procedures (7x): EU procedures are more difficult than other donors; simplify requirements to apply for funding; simplify requirements – to reflect the context of TL; Simplify procedures for working with national organisations - classify organisations to support and fund. Local NGOs are different from INGOs. - We never see information about the Calls for Proposals (lack of visibility). - Lack of transparency. Be more transparent. - General support / financial: - Give more support to Govt and Civil Society in TL with good monitoring so the result will give impact for the population of TL in particular for rural areas an vulnerable people - Direct funds for CSOs - More support Civil Society (3x) - continue EU support in our country (6x), in different areas and programs in TL - continue support - EU is filling a gap in terms of the 	<ul style="list-style-type: none"> - no more PMY - more budget support 2x - more New Deal - flexibility on procedures 3x - simplifying procedures 2x - more support on gender equality 	<ul style="list-style-type: none"> - Continue support to agricultural / farmers - Support technical training for us - (<i>unreadable</i>) sector - still need to be supported – particularly after project closing - sustainability of critical on-going activities - to improve the visibility in the country, EU needs to improve its support approaches to target / agreed sector support, but at the same time should align with the strengthening of control mechanisms for explicit development. - More flexibility in methods of financing - strengthening democratic institutions such as national parliament. - More pragmatic to improve the programme - It is necessary to have policy decision near the people who works on the field!
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		<p>dialogue, particularly in health and nutrition. We suggest EU increase its engagement in policy dialogue around this sector and tangible monitoring for results in the areas</p> <ul style="list-style-type: none"> - We are only working closely with EU on health program and think that EU has recently boosted up its support to health services delivery and nutrition. On another note, EU might need to engage more closely in policy dialogue in this sector. 	<p>Government's limited capacity and resources</p> <ul style="list-style-type: none"> - <u>Support to specific areas:</u> <ul style="list-style-type: none"> - strengthening EU-TL co-operation to develop TL and continue support to women's organisations as well as women economically specially women in rural areas - Co-operation with Government of TL to support gender mainstreaming and gender budgeting - Support for training for women's organisations on women's rights with UNW and APSC TL - Fill gaps in sectors neglected by Govt - Training on how Government and Civil Society Organisations can work together - Increase co-operation in human resource capacity building - More focus on reducing / eliminating corruption in government - More focus on government de-concentration - More focus on rights and governance - more technical support to CSOs and strengthen capacity of NGOs institutionally - to strengthen civil society with better skills and knowledge for the promotion of democratic culture, human rights, and sustainable development, - more focus on needs of the TL people, such as supporting the creation of agricultural products, health education and water and sanitation - support especially to women farmer groups in rural areas in order to establish small entrepreneurship in TL; men should also be involved. - support at village level for vegetable gardens, modern agricultural techniques, access to markets - consider for NGOs brief reports on topics like land issues, elders, veterans, social housing, conflict&religion and help to follow up with government - consistency in support to CB of CSOs - EU should strengthen Christian values - More support to remote areas. <p>OTHER ISSUES</p> <p>Together with Triangle and other partners we applied for a concept note, which was approved then we went to the proposal stage; eventually we pulled out of the proposal due to them not wanting to equitably share resources. However, they were granted the contract anyway. Later I found out that the other partners had not actually been told about their co-operation in the "partnership" and had not signed the document necessary for the proposal (SJ-BF)</p>		
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ANNEX 14: CASE STUDY – THE NEW DEAL

1. Introduction

The ToR for this evaluation asks to what extent the EU Co-operation has supported Timor-Leste in following up the OECD commitments to engage with Fragile States and subsequent New Deal principles, and whether this has helped in the transition from fragility to development. The evaluation should help the evaluation users understand the extent to which the EU has followed up on these principles and aligned itself with Timor-Leste’s own country systems and whether this has contributed to strengthening the core functions of the State and better service provision for Timorese citizens.

In reply to the above questions, this Annex explores the case of the New Deal in Timor-Leste and provides in the first instance the background to the evaluation findings for JC 2.3 and JC 9.1 of the evaluation.⁹⁸ Beyond that, it helps to better understand other findings and discussions of this evaluation. The New Deal constitutes an overarching umbrella to shape the partnership between development partners and the host government. The discussion on the New Deal connects with several aspects, which are relevant to other parts of this evaluation, including the evaluation’s findings on aid modalities and instruments, international relations, State-building and governance.

To fully understand the New Deal, the text starts with a short overview of what the New Deal is, its origins and what it aims to achieve in addition to the aid commitments of the Paris Declaration. It then highlights the interest of the Government of Timor-Leste (hereafter “the Government”) in working with the New Deal at international level, followed by a summary of findings on how the New Deal is pursued by the Government and international development partners in Timor-Leste. It also includes the results achieved so far but also the challenges in making this an effective overall instrument for enhanced co-operation. The annex will then sum up key findings on the EU’s engagement with the New Deal in Timor-Leste and will provide – in the final section – an assessment to help answer the questions set out in the ToR.

2. Origins, objectives and progress of the New Deal – the international picture

In the run-up to the 4th High Level Forum on Aid Effectiveness in Busan (South Korea) a self-selected group of seven Fragile States, the “g7+”, discussed with development partners the parameters for a new approach to engaging with Fragile States. These discussions were held under the umbrella of the International Dialogue for Peacebuilding and State-building (International Dialogue), which had been established in Accra in 2008 as an international forum for political dialogue between countries affected by conflict and fragility, their international partners and Civil Society.⁹⁹

Analysing the critique on the Paris Declaration and its implementation, this Dialogue was meant to do more than establish a new aid effectiveness tool. Building on the “Principles for Good International Engagement in Fragile States & Situations”, formulated by the OECD in 2007 (see box 1), it aimed at some fundamental shifts in relationships at several levels: between international partners and fragile and conflict-affected countries, and between State and society within these countries as an entrance point for lasting peace.

Box 1. Principles for Good International Engagement in Fragile States & Situations

<ol style="list-style-type: none"> 1. Take context as the starting point 2. Do no harm 3. Focus on State-building as the central objective 4. Prioritise prevention 5. Recognise the links between political, security and development objectives 6. Promote non-discrimination as a basis for inclusive and stable societies 	<ol style="list-style-type: none"> 7. Align with local priorities in different ways in different contexts 8. Agree on practical mechanisms between international actors 9. Act fast but stay engaged long enough to give success a chance 10. Avoid pockets of exclusion (to address the problem of ‘aid orphans’)
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⁹⁸ JC 2.3: As of 2011, EU co-operation supported the Government’s efforts to implement the FOCUS and TRUS pillars of the New Deal; JC 9.1: The New Deal provides an overall framework for EU co-operation with Timor-Leste adjusted to fragility and capacities, conducive to deliver long-term impacts

⁹⁹ The secretariat of the International Dialogue is at the OECD.

The g7+ first started to come together in 2010. It is today a voluntary association of 20 countries, which are or have been affected by conflict and are now in transition to the next stage of development.¹⁰⁰ The g7+ group served until today as the country-owned and country-led global mechanism to monitor, report and draw attention to the specific challenges faced by Fragile States. It has evolved into the most reputable global Southern voice on issues relating to Fragile States and has come to influence global policy processes, such as the post-2015 discussion. The g7+ secretariat is hosted by the Ministry of Finance of Timor-Leste. The country is a driving force behind the g7+. The Timorese Minister of Finance chaired the g7+ from its beginning until mid-2014 and was a co-chair of the International Dialogue during the same period..

In Monrovia (Summer 2011) a set of five Peacebuilding and State-building Goals was agreed on, and further discussions under the umbrella of the International Dialogue culminated in a New Deal for Engagement with Fragile States.¹⁰¹ This New Deal was presented and endorsed by a broad range of countries on 30 November 2011 at the 4th High Level Forum on Aid Effectiveness in Busan. Currently the New Deal has been endorsed by over 40 countries and six key development partners, with South Korea as the latest addition.

Under the New Deal three components exist:

4. The Peacebuilding and State-building Goals (PSGs), intended to define and measure progress in peacebuilding. These are composed of goals for Legitimate Politics, Justice, Economic Foundations, and Revenues & Services.
5. The FOCUS principles, intended to clarify the process a country and its development partners will undertake. These constitute of a fragility assessment; one vision, one plan; compact; use PSGs to monitor; support political dialogue and leadership.
6. The TRUST principles for mutual trust, intended to hold the development partners accountable to a new way of engaging with Fragile States. These constitute risk-sharing, use and strengthening of country systems, strengthening of capacities, timely and predictable aid.

Box 2: The FOCUS pillars and the TRUST PILLARS of the New Deal

FOCUS pillar: <i>“To focus on new ways of engaging, to support inclusive country-led and country-owned transitions out of fragility”</i>	TRUST pillar: <i>“Building mutual trust by providing aid and managing resources more effectively and aligning these resources for results”</i>
F: A country-led <i>fragility assessment</i> as the basis for developing One vision, one plan	T: <i>Transparency</i> – to ensure more transparent use of aid (ODA and non-ODA)
O: <i>One vision, one plan</i> – to develop and support one national vision and one plan to transition out of fragility	R: <i>Risk-sharing</i> – acceptance of the risk of engaging during transition
C: <i>Compact</i> – a key mechanism to implement one vision, one plan	U: <i>Use and strengthen country systems</i> , combined with a strengthening of public financial management systems
U: <i>Use PSGs</i> targets and indicators to monitor country-level progress	S: <i>Strengthen capacities</i> – to ensure efficient support to build capacities of institutions or the state and civil society in a balanced way
S: <i>Support political dialogue and leadership</i> for credible and inclusive processes of political dialogue	T: <i>Timely and predictable aid</i> – through simplified, accountable fast-track financial management and procurement procedures

With this focus it builds on the principles of the Paris Declaration (2005) but goes further as it puts an emphasis on the specific characteristics of Fragile and conflict-affected States, the need to provide specific mechanisms for Fragile States to work in partnership with development partners and to base this partnership on a paradigm shift, stressing the need for shaping trust and the willingness for donors to take more risks. Moreover, a much stronger emphasis is put on political dialogue and the need to include Civil Society in the process of peacebuilding and State-building.

Under the umbrella of the International Dialogue three Working Groups were established to further the work. The International Dialogue Working Group on Indicators has embarked on a

¹⁰⁰ www.g7plus.org

¹⁰¹ <http://www.g7plus.org/storage/New%20Deal%20English.pdf>

process of piloting and learning around the development of indicators for Peacebuilding and State-building. A list of common indicators for the PSGs has been agreed.

3. First findings from the international monitoring of New Deal implementation

The New Deal is being implemented between 2012 and 15 as a trial period. The countries, which have volunteered to start piloting the New Deal, are South Sudan, Timor-Leste, Liberia, Sierra Leone and the DRC. These countries have all conducted their fragility assessment consultations and are in different stages of finalizing the reports and preparing the Compacts.¹⁰² **A first report by the International Dialogue** to monitor and document progress and challenges on the implementation was drafted by the International Dialogue and discussed during the International Dialogue Working meeting on New Deal Implementation in Sierra Leone in June 2014. Key messages from this report are:

- The New Deal was designed to deliver change in “what” is done and “how” things are done – it has helped to improve dialogue between government officials, donors and Civil Society at global and country levels
- But progress on the ground has to accelerate – this refers in particular to the need for the New Deal to reach out beyond Ministries of Planning/ Finance and bilateral agencies to bring all parts of governments into a partnership underscored by dialogue and mutual accountability
- Progress was made on aid transparency, such as in setting-up and updating of local aid information management systems, but there is also a need to embed them into national planning and budgeting processes, matched by efforts to improve public finance management
- All New Deal partners need to put the PSGs at front and centre of their dialogue, planning, monitoring, and therefore mutual accountability – Compacts have so far shown their value, although not yet fully
- Governments need to collaborate with other national stakeholders to forge a consensus on a few core priorities to be achieved over the short term – donors need to do more to translate important shifts in risk policy at headquarters into behavioural changes on the ground.

The report acknowledges that it is based on an incomplete set of information, as the surveys have not yielded the necessary information from partners although, as the reports states, the information is elaborate enough to promote dialogue at international level and can be used for enhanced dialogue at national level. Overall, the report concludes that work on the New Deal needs furtherance, as the potential of this policy framework remains untapped.

A recently published **report by the Brookings Institution** is more outspoken¹⁰³. It states that:

- Modest progress has been made but implementation to date is characterized by unmet conditions, unrealistic expectations about timeframes, and a lack of sustained dialogue on the cause of conflict and fragility
- Donors and Civil Society expressed concerns about the g7+ pilot country government commitments to use these goals as the basis for an inclusive and sustained dialogue on the causes of conflict and fragility
- g7+ pilot country governments have concerns about donors’ commitments to share risk and increase the use of country systems
- Progress has been made in implementation of the FOCUS elements (number of fragility assessments conducted, Compact and mutual accountability frameworks established)
- There has been an overemphasis on the technical exercises and insufficient effort into political dialogue at country level.

The report lists several conclusions and recommendations, including: (i) more emphasis is needed on the role of Civil Society in shaping peacebuilding and State-building; (ii) the fact that transition processes are deeply political needs to be acknowledged during dialogue and implementation; (iii) development partners and g7+ countries need to provide more guidance on

¹⁰² A summary report of the fragility assessment for Timor-Leste can be accessed at http://www.g7plus.org/storage/Final_version_Fragility_assesment_ENGLISH_Final.pdf

¹⁰³ Huges, J. et al. 2014. Implementing the New Deal for Fragile States. Policy Paper 2014-02. The Brookings Institution, Washington DC

the New Deal and the roles to be played by the different actors, clarifying roles and responsibilities and ways of implementing it.

4. The Government of Timor-Leste's international engagement through the New Deal

From the beginning Timor-Leste was an active supporter of the process leading to formulation of the New Deal. The Timorese Minister of Finance acted as the first chair of the g7+ and was the first co-chair of the International Dialogue on behalf of the Fragile States. Timor-Leste also volunteered as a test case informing the consultations on the International Dialogue on Peacebuilding and State-building in 2010 in April 2010 in the Timorese capital¹⁰⁴, which resulted in the "Dili Declaration" setting out a vision for Peacebuilding and State-building.¹⁰⁵ The firm commitment to pursuing the New Deal was underlined by the willingness of the Government to set up and run the g7+ secretariat within the premises of their Ministry of Finance. According to the 2013 Annual Report of the g7+, presented at the 3rd Ministerial Meeting of the g7+ held on 29 and 30 May 2014 in Lomé, Togo, the Government is the only member country which currently provides financial resources to the g7+ secretariat to cover its running costs. It approved funding of US\$ 1.5 million for the g7+ in 2013.¹⁰⁶ In 2013, the g7+, under the lead of Timor-Leste, also started the piloting of 'Fragile to Fragile' (or "F to F") co-operation. Timor-Leste supported the electoral process in Guinea-Bissau and has pledged up to US\$ 6 million to support the government of Guinea-Bissau in holding these elections. Also, in the spirit of "F to F" support, the Prime Minister of Timor-Leste visited South Sudan from 2-5 December 2013, and met with the President of South Sudan to support its Compact and development efforts. Other recent "F to F" activities have included the disbursement of US\$1 Million to Haiti (in November 2012) by the Government of Timor-Leste.¹⁰⁷ In 2013 a team from Timor-Leste supported preparations for the Guinea-Bissau elections. A team of 22 Timorese nationals helped to register voters for a period of 3 months, and offered registration kits and cars.¹⁰⁸ In early 2014 another Timorese team arrived in Guinea-Bissau to assist the country with possible oil exploration and advising on the use of funds, building on Timorese experience with its Petroleum Fund (a fund to save money from oil revenues for national investments once oil reserves dry up).¹⁰⁹

This international engagement through the New Deal might come as a surprise to outsiders but is coherent with the Government's policy of staying independent as a small island State between two large neighbours and maintaining good relations with many nations beyond its immediate neighbourhood (see also Annex 11 of the Desk Report). Aside from the New Deal, this policy is consistent with the Government's decision to grant financial aid to other international partners, for example to Portugal as a result of fires in 2013 (US\$ 500,000), assistance to victims of natural disasters in Indonesia (US\$ 500,000) and financial aid to victims of the Ian Cyclone in Tonga (US\$ 250,000).¹¹⁰ This policy was further confirmed during interviews of the evaluation team with the Minister of Foreign Affairs and the Ambassador of Timor-Leste to Brussels.¹¹¹

5. Implementation of the New Deal in Timor-Leste – an overall sketch

According to the New Deal Monitoring Report of 2014, which provides information from the country survey filled out by the Government, Timor-Leste has made the following progress in implementing the New Deal:¹¹²

- A Fragility Assessment was carried out in 2012, revealing that more attention was needed in the future to improve the situation in the area of 'justice' and in relation to the 'economic foundations'. It confirmed that there had been some delays in translating the Fragility Assessment's findings into change on the ground.

¹⁰⁴ <http://www.pbsbdialogue.org/documentupload/45454619.pdf>

¹⁰⁵ http://timor-leste.gov.tl/wp-content/uploads/2010/04/Dili_Declaration_FINAL_12.04.20101.pdf

¹⁰⁶ Annual Report 2013 of the g7+, p. 10

¹⁰⁷ Annual Report 2013 of the g7+, p. 12

¹⁰⁸ g7+ Newsletter May 2014; the work was developed in collaboration with the United Nations Integrated Peace-Building Office in Guinea-Bissau (Press Release Government – Meeting of the Council of Ministers of Jan. 28, 2014)

¹⁰⁹ Personal communication of international expert working in Guinea-Bissau, 22 May 2014

¹¹⁰ Press Release Government – Meeting of the Council of Ministers of Feb. 3, 2014

¹¹¹ Interviews with Ambassador Nelson Santos in Brussels (5 May 2014) and with Minister of Foreign Affairs José Luis Guterres in Dili (3 July 2014)

¹¹² New Deal Monitoring Report of 2014, pp. 31-33

- PSG indicators have been developed but have not yet been embedded in existing national mechanisms for planning and coordination.
- The Government recognises the Strategic Development Plan (SDP 2011-2030) as the country's 'One Vision, One Plan' under the New Deal, although it was formulated before the New Deal was launched. The SDP currently plays a prominent role in the exchange between Government and development partners (see below, Timor-Leste Development Partner Meeting [TLDPM]).
- The Government has not yet established a Compact between Government and development partners.
- There are two main mechanisms for dialogue between Government and development partners, namely annual and quarterly development partners meetings (TLDPM) and the Development Policy Coordination Mechanism for operationalizing the SDP. The first TLDPM took place in 2013, a second in July 2014. Development partners interviewed by the evaluation prior to the 2014 event expressed their disappointment about these mechanisms, criticising them as inadequate and not allowing any intense policy dialogue on sector-specific issues.¹¹³
- To increase transparency and trust, the Government has established the Transparency Portal comprising a budget transparency portal (which publishes information such as budget execution reports and financial statements), an e-procurement portal, a results portal and an aid transparency portal. Representatives of development agencies interviewed for this evaluation were very positive about this Portal, although it appears that this information has to date not been used for policy dialogue between the development partners and the Government.¹¹⁴
- In terms of using and strengthening country systems, the survey highlights the start of budget support to the Ministry of Finance by Australia.¹¹⁵ To strengthen capacities, the Ministry of Finance and Australia conducted a review of advisers to the aid programme in Timor-Leste, and drafted a Technical Assistance Policy Note which was discussed with development partners. However, it has not been finalised as policy or guidance for the whole of Government. There is no Government strategy for reducing PIUs.
- The level of predictability of ODA for Timor-Leste stands at 88.3%; 10 out of 12 donors could provide estimates for 2014 but only eight can provide estimates for 2015, and five for 2016, which hampers the Government's forward planning.

The Government uses the New Deal as the overarching architecture for its development partnerships and – in the words of its Minister of Finance – sees it as a very useful framework as it puts Government and donors around the table to address on-going development problems.¹¹⁶ To operationalize the principal of enhancing political dialogue and leadership, it has created the TLDPM to channel the exchange between partners and the Government. Representatives of development agencies widely judged the first meeting in 2013 as a useless exercise in clustering of development policies and activities into four domains (economic, social, infrastructure, institutional) while not allowing more detailed dialogue on sector policies. Working group mechanisms, which brought partners together at sector level, were mostly non-existent or – where they had been set up – largely ineffective (focusing on technical issues, not on policy reform). Discussions on policy were further compounded by the absence of a hierarchy linking overall objectives with results and activities in a logical manner. This latter deficiency was addressed ahead of the 2014 TLDPM for which a matrix with a clearer structure was formulated providing more information on priorities and better linking of the SDP (which originally was seen as a vision rather than as a plan) with the implementation level.¹¹⁷

¹¹³ Various interviews with representatives of development organisations during inception mission (March 2014) and field mission (July 2014).

¹¹⁴ Same as footnote before.

¹¹⁵ At the time of submitting the survey form by Timor-Leste, the negotiations between the EU and the Government about the provision of budget support to the Ministry of Finance had not yet been concluded.

¹¹⁶ Quoted from a transcript of a panel organized by the Brookings Institution, Washington D.C., 11 Oct. 2013 – Supporting Fragile States, the role of inclusive growth (p. 8)

¹¹⁷ Information on progress made during the 2014 TLDPM can be downloaded from:

<http://www.laohamutuk.org/econ/14TLDPM/14TLDPMindex.htm>

This detailed information might show that there is progress in pursuing the forward commitments of the New Deal, but only very slowly. Building up momentum in moving and setting direction depends on the Government's structures. This is not easy in an environment where the Minister of Finance is criticised in public for not doing her job well and accused of being too often outside the country to fulfil her tasks as the chair of the g7+.¹¹⁸ The environment is further determined by a decision structure within Government whereby a disproportional amount of decisions are taken by the Prime Minister and not delegated to lower levels.¹¹⁹ Beyond that, contacts between the Ministry of Finance and sector ministries are weak, making it difficult to roll out the New Deal at sector level.¹²⁰ This experience is similar to that of many g7+ countries, which has been listed in the key messages from the New Deal Implementation Monitoring Report 2014, see above. Finally, competent human capacities within Government to drive the New Deal process are scarce. The Government had established a New Deal Working Group but, while this met three times in 2013, it stopped working thereafter owing to the absence of the coordinating government official for further studies abroad.¹²¹

A useful donor perspective on implementation of the New Deal up to mid-2014 was delivered during the TLDPM by the Minister Counsellor of the Australian Embassy in Dili (Australia is the lead donor on implementation of the New Deal in Timor-Leste). Summarising progress so far, the Minister Counsellor judged that *"... there has been less progress at an implementation level than there could have been. ... The Government is leading at a strategic level, but capacity and resources are not always there to drive through changes that deliver results. Donors agree to align their programs at a strategic level with the Government's priorities, but often still bring our own priorities to the table. This is not to say that there has not been progress, or that there is no trust between the partners, there has been some big improvements in the way donors and Government engage, there is just more to do."* Further extracts of his speech, highlighting successes and challenges, are captured in Box 3 below.

Box 3: Progress on New Deal Implementation in Timor-Leste¹²²

"Progress on implementation of the New Deal in Timor-Leste has been steady. ... First, the New Deal emphasises country ownership and leadership of the development agenda. There is no doubt for anyone who works in Timor-Leste who is in charge. The SDP has set out a vision for the future and the Government has taken clear ownership over those goals.

One of the criticisms of the SDP when it was first released was that it was a vision not a plan. Over the last year and a half or so since the election in 2012, the Government has been putting in place a Development Policy Coordination Mechanism. We are all familiar with this beast, and we all know the challenges that coordination has presented. There is still a very long way to go, with the framework this year refined so that there is now a clearer hierarchy of goals from the SDP down to the annual action plan of the Ministry. The DCPM matrices that have been presented here at the TLDPM will be part of the budget review process for this year's budget, giving this process a practical anchor.

Successes - The Direct Funding Agreement (DFA) with the Ministry of Finance (MoF): As a development partner this program has had all of the attributes that you dream of. The MoF has developed a comprehensive strategic plan of their own and has set about putting in place a performance management system and culture within the Ministry. ... Australia along with the EU and the World Bank has agreed to support the implementation of the MOF Strategic Plan, but not through the more traditional means of providing technical assistance. [Payments] will be in the form of a transfer directly to the MoF. In other words the entire program, planning, execution, monitoring, budgeting and auditing is carried out using the Government's own systems. The process has been a fantastic collaboration from Australia's point of view with the partners now talking to the MoF about progress on its strategic goals, rather than what kind of TA they want and how much it is going to cost. MoF has been able to bring the EU in with a focus on customs

¹¹⁸ The Daily Newspaper – Independents reported on 2 July 2014 (page 1): "The members of national parliament asked Prime Minister, Xanana Gusmao to replace the Finance Minister, Emila Pires from per position because she was more focused on international affairs than set the priority for her jobs in the country."

¹¹⁹ Interview with international advisor to a central state institution, 12 March 2014

¹²⁰ Interviews with EU Delegation staff, various representatives of development agencies and international experts working at sector level (July 2014). In April 2014, the Government announced the appointment of the former Minister of Health as the new New Deal Coordinator to prepare the TLDPM for July 2014.

¹²¹ Interview with EU Delegation staff (11 March 2014) and international expert associated with the g7+ secretariat (22 April 2014)

¹²² Vincent Ashcroft, Minister Counsellor, Australian Embassy, Dili – Timor-Leste Development Partners Meeting 2014 – New Deal Implementation (<http://www.laohamutuk.org/econ/14TLDPM/14TLDPMindex.htm>)

and revenue strategic goals and the World Bank is now providing advice and conducting policy analysis to support the program. ... This framework definitely provides a blueprint for how donors and government might work together in other ministries.¹²³

The National Program for Suco Development (PNDS - decentralisation programme at the community level): ... by the end of this year every village in Timor-Leste will have received a grant and used it for much needed local infrastructure. ... Similar to the DFA with the MoF, the Government of Timor-Leste has led from the beginning. Once the Government decided on the concept for PNDS it established a Ministerial Working Group supported by a cross ministry Secretariat. ... While we are not yet using Government budget and treasury systems for the support we provide, the DG and his team (including our support team) use a joint budget planning process that divides up the work using a one budget one plan approach. ... The achievements of the PNDS are already considerable.¹²⁴

Challenges – Basic Services: Donors (including Australia) have still been a little too slow at times to realise that we need to be less focused on what we think needs to be done and more focused on helping these ministries on what they can do. - As the New Deal points out trust is really important. Often we can agree on what needs to be done, but we can't agree on how to do it. Donors have to be mindful of the importance of building trust and taking the time to agree on support that is meaningful to the Timorese institution that is responsible. - Our own experience of our engagement with the Ministry of Education in developing a program of support has been that we did not take enough time to fully understand the Ministries priorities and had not earned their trust sufficiently to push forward with a big integrated program. - ... a quick comment about Nutrition. This is another clear example of a complex issue, of huge importance, that can only be addressed by everyone rowing the boat in the same direction. The Government has taken up the baton and has launched the Zero Hunger Challenge. ... There are the organisations that work on food security while others work on health and sanitation and family planning. ... The Government has chosen a platform to address the very serious nutrition issues in Timor-Leste and this must be the vehicle through which all efforts are applied. We cannot have separate complicated plans in multiple ministries supported by rival donor partners. We must all rally to the Government's call putting aside individual priorities. That to me is the New Deal in action."

This assessment of New Deal implementation matches the evaluation team's findings in different sectors. Progress is ongoing, the Government increasingly sets the direction, and donors follow suit as soon as the direction given is clear. Progress in sector ministries and across sectors is lagging considerably behind, although a successful example is the support provided to the Ministry of Finance (MoF), referred to in the box above. The support for mobilising technical assistance for this Ministry was formerly channelled through a World Bank trust fund. The EU and Australia contributed to this fund. In 2012, the Government expressed the wish to stop the practice of trust funding and convert it into a fund run by the Government using its own country systems and procedures. Australia is now funding the Ministry directly, the EU channels its support through the Treasury (with an agreement that these funds are used for PFM reform) while the World Bank provides advice.¹²⁵ As of early 2014, all three partners have been invited to the regular internal meetings of the MoF, which allow them to share in strategic discussions and stay away from day-to-day management processes. First experiences with this arrangement show that the MoF is assuming more ownership of this agreement as compared to the Trust Fund arrangement – disbursement figures are higher today as compared to disbursements under the Trust Fund in the past and local staff are relieved from having to work with two different systems within their ministry, thereby generating efficiency gains.¹²⁶ At the time of the field mission in July 2014, discussions were taking place between the Ministry of Health and AustraliaAID to move towards a similar arrangement.

There is more evidence of a gradual change progress, which takes the principles of the New Deal on board. The Portuguese co-operation, which is intensely involved in the education sector,

¹²³ This perspective was shared during interviews with EU Delegation staff, AustraliaAID staff and government officials from the Ministry of Finance and the Foreign Ministry (March 2014 and June/July 2014)

¹²⁴ This information was confirmed through additional interviews, AustraliaAID expert (3 July 2014) and Government Official from the Ministry of Agriculture in the District of Bobonaro (8 July 2014), and during the Informal Donor Meeting on Governance (4 July 2014) which the evaluation team could attend.

¹²⁵ This Australian funding is commonly described as a provision of budget support, while – in reality – it is the direct funding into a MoF account under the management of the MoF. These funds are not part of the overall national budget and are not controlled by Parliament, though Parliament is aware of the funding.

¹²⁶ Interview with staff of AustraliaAID (3 July 2014) and with EUD staff (11 March and 25 August 2014)

ceased formulating a separate Portuguese Co-operation Programme. The Government asked Portugal to programme and provide their support in line with the plan set by the Ministry of Education instead of a plan formulated in Lisbon.¹²⁷ As mentioned above, the World Bank has stepped out of a Trust Fund arrangement following the Government's call to align with country systems. This decision was also taken following the independent World Bank evaluation of 2010 which recommended that new forms of engagement with the Government had to be found to counter aid fatigue.¹²⁸

There is also growing recognition within government offices that better linkages need to be established between overall strategic planning, sector policy concerns and implementation. While this awareness is principally evident among the higher-level technical staff, the political level - sometimes detached from the realities of their respective ministries, as the evaluation team was able to witness during interviews¹²⁹ - is not as informed on the need for improved strategic collaboration between the Government and development partners.

The 2014 TLDPM highlighted the fact that there is concern across the development partner community about the absence of effective policy dialogue, for example in the form of sector-related government-development partner platforms or working groups to discuss strategic issues. As regards the New Deal, which puts effective dialogue high on its agenda, this has resulted in strong calls by development partners for operationalizing institutional coordination mechanisms at sector and sub-sector levels.¹³⁰ Interviews and minutes from development partner meetings also reveal concerns that Civil Society has not been sufficiently involved and given its place in the national peacebuilding and State-building dialogue - a further element of the New Deal.

6. The EU and the New Deal in Timor-Leste

Among the principal international donors in Timor-Leste, the EU is perceived as a rather late supporter of the Government's efforts to implement the New Deal.¹³¹ According to the Summary Report Fragility Assessment in Timor-Leste, the EU is not mentioned as one of the stakeholders involved in the Fragility Assessment (which is one element of the FOCUS pillar)¹³². Australia is the lead donor in piloting the New Deal in Timor-Leste and in February 2013 was a recognised partner in implementation of the New Deal - mainly because of its provision of budget support and inherent use of country systems (see figure 1 below).¹³³ The EU is not mentioned as a partner in the New Deal in this presentation.¹³⁴

A change can be noted in the statement by Commissioner Piebalgs during the Third Ministerial Meeting of the International Dialogue on Peacebuilding and State-building (7 May 2013) in which he expressed the EU's commitment to enhancing coordination and co-operation in implementation of the New Deal in Timor-Leste, thereby joining the support which Australia offers. As of then, preparations started for the first-ever provision of budget support (direct funding) to Timor-Leste, worth €4 million, with the aim of supporting the Government's PFM reform agenda under the lead of the MoF. The focus is on customs revenues. While this support is provided in addition to the ordinary budget, channelled into an account of the Ministry of Finance and so not controlled by Parliament¹³⁵, it will provide funding for a Government-managed

¹²⁷ Interview with staff of Portuguese co-operation (11 March 2014)

¹²⁸ World Bank. 2010. Evaluation of World Bank Group Programme, Timor-Leste Country Programme Evaluation 2000-2010, p. XV, 99 and 146

¹²⁹ Several interviews with high-level government officials during field mission (June/July 2014)

¹³⁰ See matrix of Key Challenges and Way Forward compiled by development partners for the TLDPM (<http://www.laohamutuk.org/econ/14TLDPM/14TLDPMindex.htm>)

¹³¹ Interview with Government officials from Min. of Finance and Min. of Foreign Affairs (March 2014 and June/July 2014)

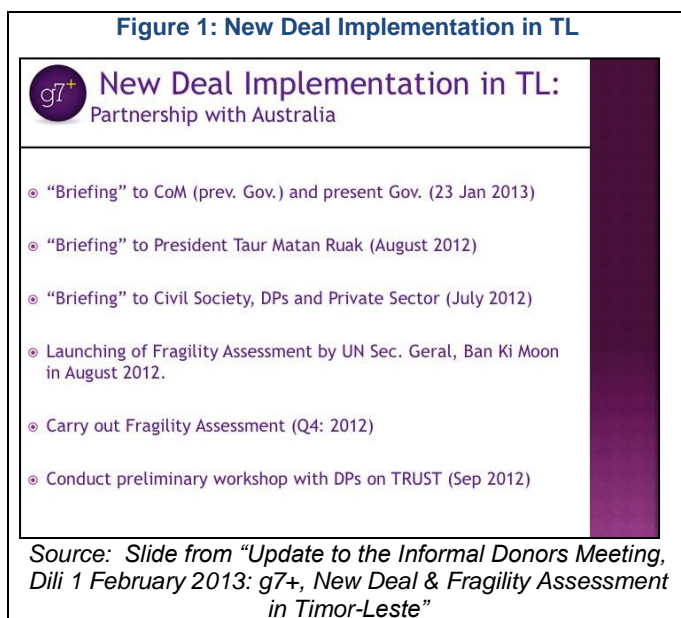
¹³² Government. 2012. Summary Report Fragility Assessment in Timor-Leste (Produced by Fragility Assessment Team at Ministry of Finance, Dili, Feb. 2013 (Annex 2). The EU states that a colleague from the EU Delegation participated in the fragility assessment workshop.

¹³³ Source: Slide from "Update to the Informal Donors Meeting, Dili 1 February 2013: g7+, New Deal & Fragility Assessment in Timor-Leste"

¹³⁴ Interviews with Government officials conducted during the inception mission (March 2014) revealed that the EU is since recently seen as a partner to the New Deal, mainly because of the decision taken to provide budget support. Delays in delivery, mainly on infrastructure, were also mentioned as a negative characteristic of the EU co-operation. This goes against the New Deal principle of timely and predictable aid.

¹³⁵ Interview with donor representative conducted during the inception mission, stressing that this assistance should therefore not called budget support but direct funding of the Min. of Finance (13 March 2014)

fund while using and thereby strengthening national country systems and procedures. The EU's approach is harmonised with similar budget support provided by Australia for PFM support.



Interviews with Government officials as well as development agency representatives conducted during the Inception Phase confirmed that the EU is now seen as a more active partner in support of the New Deal.¹³⁶ Several elements of the TRUST pillar of the New Deal are indeed addressed through this change. The EU accepts the need to take more risks, supporting the use and strengthening of partner country systems and thereby helping strengthen endogenous capacities in the use of these systems. Its support to the PFM reform has been on schedule and – if there are no further bottlenecks to be addressed – will lead to timely and predictable aid. Finally, it is closely coordinated with the Australian co-operation and the World Bank under the lead of the Government and has resulted in

enhanced policy dialogue, the EU now being one of the three partners with a seat at internal Ministry of Finance meetings during which strategic issues can be discussed.

These findings underline that in the area of Public Finance Management, the EU has taken important steps in support of New Deal implementation. Beyond this area of support there is very little evidence that the EU is supporting New Deal implementation. The EU has taken renewed efforts to strengthen informal development partner dialogue and to reach out to the Government, suggesting more intense policy dialogue in different areas of engagement – notably in agriculture and on governance. As of 2013/2014 it is also supporting efforts to set up joint government – development partner working group meetings in different sectors, with mixed results. Development partners referred to this renewed engagement positively during interviews.¹³⁷ However little can be done in an environment which depends on a Government that insists on taking the lead in line with the New Deal principles, but which has insufficient capacity to translate this ownership and commitment at the highest political levels into concrete implementation on the ground. The information provided above on TLDPM 2014, shows that all development partners are confronted with this problem.

7. Assessment

This assessment will focus on the questions in the ToR, although some reflection on the progress of the Government in pursuing the New Deal at home is needed to answer these questions.

The New Deal in Timor-Leste is clearly more than an initiative carried forward by one person as several interviewees within the EU system and other international observers expressed their views on the major involvement of the Minister of Finance.¹³⁸ The information provided in this annex shows that the New Deal has broad support within the top leadership of the Government. Key stakeholders are the Ministry of Finance, the Ministry of Foreign Affairs and the Presidency. As for international relations, the New Deal has helped promote Timor-Leste internationally and to ensure that the Government enhances its international relations beyond the South Asian region. This is not an objective of the New Deal but the Government has used the mechanisms and international fora created in the context of the International Dialogue to pursue its national policy objective of remaining independent (see also Annex 11 to Desk Report).

¹³⁶ Interviews with donor representatives of principal development agencies in Timor-Leste (World Bank; AustralianAid; Portuguese co-operation) and with Government officials and international experts from Min. of Finance, Min. of Foreign Affairs and Min. of Health (March & June/July 2014) and with Ambassador of Timor-Leste in Brussels (5 May 2014)

¹³⁷ Interviews with development partner representatives, conducted during the field mission (June/July 2014)

¹³⁸ Several interviews in Brussels and in Timor-Leste (February to July 2014)

Problems exist in translating this high-level commitment into operational follow-up at sector level. But this is work in progress and views on where the journey should go were clearly expressed by the development partner community during the TLDPM 2014. As an event, this meeting was better prepared by Government and donors (compared to 2013) and follow-up was stressed. For example the TLDPM 2014 Communiqué envisages a mid-term review of the SDP 2011-2030 in 2015 to take account of change, progress and changing circumstances and present it to next year's TLDPM.

While these are positive developments, the information collected during interviews also show that little progress is made without the engagement of the Minister of Finance, who was driving – for example – the linking of the SDP 2011-2030 to the budgetary process (as presented during the recent TLDPM in July 2014). The criticism expressed by Parliament on 2 July 2014 on the functioning of this Minister (see above) suggests that more engagement by the Ministry of Finance, which plays also in important role in New Deal implementation, would be beneficial.

1. *Has the EU co-operation supported Timor-Leste in following up on the OECD commitments to engage with Fragile States and subsequent New Deal principles?*
2. *Has this helped in the transition from fragility to development?*
3. *Has this contributed to strengthening the core functions of the State and better service provision for Timorese citizens?*

The answer to the first question from the evaluation ToR is that the EU has taken initial steps in this regard but that much more needs to be done. One might add that the EU made a comparatively late start with this support and that it is only gradually taking shape. The major area in which this happens so far is PFM and the EU's support to the Ministry of Finance which has resulted in provision of budget support, combined with an opening to more strategic dialogue in the Ministry of Finance (together with the World Bank and Australia). Other areas of support, or sectors, are still far from following a similar process. This is caused by a low level of awareness within Government on the New Deal in these sectors, reduced donor coordination following the departure of the UN mission in 2011/2012, and mixed functioning of the EU Delegation in the period 2011-2013 during which the Delegation had several human resources problems.

As to the second question, it is too early to say whether the New Deal is helping in the transition from fragility to development. Government officials, as mentioned above, are highly positive about the steps being taken by Australia, the World Bank and the EU to find a new support arrangement to the Ministry of Finance, although evidence on the ground is scarce - for example there appears to be more ownership in the use of the Direct Funding Arrangement (Budget Support) to the Ministry of Finance, disbursement levels so far being higher than at the time when funding took place through the World Bank Trust Fund arrangement.

The EU has overall given little attention to the role of Civil Society (see EQ 8) in peacebuilding and State-building. This issue was observed throughout the evaluation period but was not given a more prominent place following the EU's announcement of support for New Deal implementation in Timor-Leste. The reason for this is probably insufficient analysis of the country situation and lack of attention to governance in the EU's assessment of the stability and political situation of Timor-Leste. This is discussed in EQ 9 of the evaluation report.

The forthcoming political dialogue under Art. 8 between the Government and the EU is a positive development, although the extent to which broader issues pertaining to peace and security in Timor-Leste will be seriously addressed is still open. There is a risk that the support for the New Deal will be narrowed down to the strengthening of country systems (interpreted as provision of budget support during several interviews with Government officials and staff from the EU¹³⁹). This would allow the two sides to hold cordial meetings but at the same time risk paying no attention to the wider complexities which the transition from fragility to development entails.

¹³⁹ Interviews in Dili (March and July 2014) and in Brussels (February and May 2014)

Concerning the last question, there is scope for strengthening the core functions of the State and for realising better service provision through the principles of the New Deal. With the current ownership by the Ministry of Finance of reforms in the domain of PFM, there exists a good foundation to allow for further strengthening of the State. This is worth pursuing and indeed will be pursued in areas beyond PFM (see the comments made by the Australian Minister Counsellor during the TLDPM 2014, above). An area in which Australia will further promote this reform is health. Australia recently withdrew from the World Bank Trust Fund arrangement in support of the Ministry of Health and has started preliminary discussions which might result in support similar to that provided to the Ministry of Finance.¹⁴⁰

The EU is far from discussing similar arrangements with the Ministry of Agriculture, for example, in which it is one of the most important international donors. Given its current capacity at Delegation level, there is little scope for a new way of working within this sector and for motivating other donors to follow. Moreover the EU has withdrawn from the Ministry of Health (no continuation of the focal sector in the 11th EDF CSP/NIP) and there will be no prospects for joining AustraliaAid in a new funding arrangement to be crafted along the principles of the support provided to the Ministry of Finance. That said, the EU will need to give careful thought to how to further strengthen the core functions of the State with the limited human resources at its disposal and thereby shape the preconditions for better service delivery to Timorese citizens.

To conclude the assessment of implementation of the New Deal and support provided by the EU, the answer should be similar to that of the conclusion of the Minister Counsellor of the Australian embassy in his contribution to the TLDPM 2014, namely that good steps in bringing the New Deal forward have been made but there has overall been much less progress at implementation level than there could have been (see above).

8. Final reflections on the New Deal and the provision of budget support

Reflections on these questions should not be confused with the issue of whether the EU should provide budget support to Timor-Leste. In relation to the New Deal, budget support can be one element in promoting the use and strengthening of country systems and contributing to the five peacebuilding and State-building goals of the New Deal. Provision of budget support – as mentioned above – should therefore not be equated with promotion of the New Deal, although discussion of the New Deal triggers wider reflection on whether the EU should support Timor-Leste at all - including provision of budget support - given the apparent abundance of financial resources realised through its oil income and how the Government uses this income.

“Fragile-to-fragile” support

As highlighted above in section 4 , oil resources allow the Government of Timor-Leste to undertake “fragile-to-fragile” (f2f) support, which has also been mentioned in the 2013 Annual Report of the g7+ and described above. A national policy on f2f does not exist and a policy or guidance developed under the umbrella of the g7+ Secretariat, is still under discussion. To the question of whether the EU should provide financial and technical assistance in support of Timor-Leste, while the country – short of its own human resources – engages with financial resources and human expertise outside its own borders, the answer of the evaluation team is affirmative for the following two reasons, although with a reservation as subsequently indicated:

- first the f2f support helps the Timorese Government strengthen its international relations, which is an important element in staying independent, reinforcing diplomatic, economic and cultural ties with different parts of the world, and maintaining a sense of solidarity with this young State; these are Government priorities and the EU – working in support of Government policy – should take this into account;
- second, other countries can benefit from the positive experience gathered in Timor-Leste, for example how the country has set up and is managing its oil fund, or has used national elections to help stabilise the country, this experience having been shared more recently with Guinea-Bissau, thereby reinforcing on-going EU support to this country in a rather

¹⁴⁰ Health Steering Committee ; interview with international experts working in the Ministry of Health (11 July 2014)

unorthodox and indirect manner; while not coordinated with the EU, the Government of Timor-Leste functioned as a small and like-minded partner of the EU.

That said, tax-payers in Europe might not immediately see how support for a small country such as Timor-Leste might support the aims of the EU Co-operation with other fragile countries. Understanding this relationship is possible as long as the EU can show that the actions undertaken by Timor-Leste are indeed 'like-minded' and in support of the wider co-operation efforts of the EU with other parts of the world. Currently, however, the f2f approach is still problematic as there is no clear concept and shared understanding of what this term means or of the principles guiding such support, nor does there exist any operational guidance as to the circumstances under which it should be provided or to the risks it entails. Overall it is the evaluator's view that:

- the Government of Timor-Leste should be encouraged to help formulate this f2f-approach, otherwise the allocation of resources to different countries and situations by Timor-Leste might be perceived as very arbitrary;
- a review is undertaken by the EU, Timor-Leste and Guinea-Bissau to assess the benefits of this f2f-support provided by Timor-Leste and whether this approach to South-South support could be of value in the context of wider EU Co-operation goals;
- the 11th EDF Mid-Term Review should take a close look at the Timorese Government's practice of f2f-support and assess to what extent this has a) helped strengthen the further independence of the country and b) impacted negatively on internal capacity development, peacebuilding and State-building owing to allocation of scarce human resources to tasks outside its own territory.

Provision of budget support

The answers to the above questions raise also the question of the extent to which provision of budget support can be seen as a tool for strengthening the core functions of the State or as a tool for helping fight poverty.

From the findings of this evaluation, there is evidence of potential for further strengthening of the institutional functioning of the State through sector budget support (in addition to other aid modalities). The largest part of budget support provided to the Ministry of Finance is used to mobilise technical assistance. As a State with very few technically-qualified people at different levels of administration in the various sectors, it will benefit from approaches which target the strengthening of local systems and human capacities. Budget support can function as a useful tool in this regard. Will budget support help fight poverty? This might be the case in future - although on this the jury is largely still out – depending also on the willingness of the Government to prioritise the poverty sectors and take seriously calls for effective collaboration between the Ministry of Finance and the sector ministries.

To summarise the foregoing, from a perspective of strengthening State capacities the provision of sector-related budget support in combination with other aid modalities should not be disregarded; highly-required technical expertise is mobilised while at the same time country systems are strengthened, and as such provision of budget support fulfils two development objectives.

Could the country afford to pay for the technical assistance by itself and not depend on budget support, as well as other financial support, from donors? This question goes clearly beyond the issue of budget support provision on its own, but is often raised in the context of budget support discussions. Given the current oil income, the answer should be affirmative from a rational, technical standpoint, although there is a political and capacity dimension to this issue. Interviews with international experts working within Government institutions indicate that Members of Parliament and the public are increasingly critical of paying expensive salaries to international experts, while unemployment at home is high.¹⁴¹ This is one of the reasons why the government-managed fund under the Ministry of Finance for mobilising technical expertise (which Australia

¹⁴¹ Interviews with experts working in central Government institutions in Dili (12 March, 9 July and 11 July 2014)

and Europe are financing) is not part of the overall government budget controlled by the Parliament. The Parliament is aware of this fund, but sees it as donor money being spent on international co-operation priorities. An awareness that this funding is essential to building and maintaining Government capacity in a strategic area does not yet exist within the Parliament.

The EU, together with other international partners, should focus its dialogue with national stakeholders – in the parliament as well as central government institutions – on resolving this issue. A radical step, such as cancelling the EU's support to this Government-managed fund for the Ministry of Finance should not be pursued. It might risk disrupting an important and time-consuming reform process on which the Ministry of Finance is embarking. It might even contribute to destabilisation of the country. The problem of weak local capacity needs to be taken into account when discussing and resolving this issue.

ANNEX 15: ANALYSIS OF LOCAL MEDIA ON EU'S CO-OPERATION WITH TIMOR-LESTE

A brief assessment of the extent to which the Timor-Leste population has been informed about the country's co-operation with the EU was made on the 02 June 2014. The purpose was to see whether there was any type of visibility of the EU in the on-line media, i.e., the ones accessible via internet. This was limited to English-speaking on-line media. The research supports answers to EQ 9 and EQ8.

The results of this evaluation show that there are few specific articles containing information distributed by NGOs and the media in Timor-Leste about the EU's co-operation with Timor-Leste.

Methodology: The 'La'o Hamutuk' website and the search function provided on the website was used as the primary source of finding articles, comments and blogs relating to the European Union and European Commission's involvement with Timor-Leste. The key words of "EU", "European Union", "Europe" and "European Commission" were used in this search.

The Timor-Leste newspapers, namely, the '*Suara Timor Lorosae*', '*Timor Post*', '*Jornal Nacional Diário*' and the '*Dili Weekly*' were searched on their websites for any documents, articles or blogs linking to the key words mentioned above. The same key words of "EU", "European Union", "Europe" and "European Commission" were used as well. These newspapers had only a few articles listed in English on their websites. A brief scan of other online newspapers in Timor-Leste were also searched, but no significant sources were flagged.

Results of Search: The '*La'o Hamutuk*' website provided a number of policy documents from the United Nations (linking development initiatives between the UN and Timor-Leste), and there were also a number of World Bank documents that were listed. Many of these articles are in English, but most are in Tetum and Portuguese. However, these articles were not aimed at the Timor-Leste population or the general public, but instead on specific policy issues and initiatives of the UN or the World Bank. In some of the articles listed in the table below, the "EU", "European Commission" and "Europe" were mentioned in the context of listing other European and Western countries as well. The '*La'o Hamutuk Bulletin*' perhaps provides a good platform for highlighting the relationship between Europe, the European Union and Timor-Leste. However, there were very few Bulletins focused on the EU's co-operation in Timor-Leste. The discussion around Timor-Leste being an oil-dependent country surfaces, when mentioning the EU. The most information and results, which surface when entering in the above-mentioned key words, show results from the United Nations or United Nations Security Council documents. The articles/policy documents are listed from 2003-2014.

The newspaper '*Suara Timor Post*' did not have a section in English. The articles, which surfaced in the languages of Tetum and some in Portuguese, listed the EU and Europe when referring to other international countries and organizations. There did not seem to be any direct link or specific engagement with the discourse around the EU-Timor-Leste relations in terms of politics or economics. However, where the European Union was mentioned, the articles seemed to document the monetary exchange between Europe and development in Timor-Leste. The website published these articles mostly over the last two years, 2013-2014.

The '*Timor Post*' website page included some English articles, many of which were focused on broad issues of "European" funding and development co-operation with Timor-Leste. The few English articles mentioned largely centred on the engagement with other organizations such as the ASEAN group. These articles ranged from the years 2012-2014.

The '*Jornal Nacional Diário*' newspaper included a few more articles directly linking to the EU's co-operation with Timor-Leste. The EU is referred to, as the 'Uniaun Europeia (UE)'. However these articles are written in Tetum and Portuguese, and they do not extensively cover the topic of the EU's co-operation with Timor-Leste; but rather briefly mention the current news and developments from the EU. These articles range from the year 2013-2014.

The 'Dilli Weekly' had the most amount of English articles listed on their website. However, again, there were only a few English articles which directly spoke to the EU and Europe. The articles, which did mention the 'Uniaun Europeia (UE)' amounted to around 18 articles and ranged from the year 2011 to 2014. These articles were provided in Portuguese and Tetum, and were difficult to navigate on the website to find the English versions.

Articles referring to the EU-Timor-Leste Co-operation directly or indirectly are:

Source	Blog/Article/Comments/info	URL
La'o Hamutuk, Timor-Leste Institute for Reconstruction Monitoring and Analysis Presented at the seminar on "Cooperação Internacional e a Construção do Estado no Timor-Leste" University of Brasilia, Brazil 25-28 July 2006	The Paradox of Aid in Timor-Leste By Guteriano Nicolau S. Neves "Since 1999, two billion U.S. dollars has been allocated to Timor-Leste as aid. The five biggest donors are Portugal, Australia, the United States of America (USA), Japan and the European Commission."	http://www.laohamutuk.org/reports/06ParadoxOfAid.htm
The La'o Hamutuk Bulletin Vol. 6, No. 5: December 2005	Issue focus: European Community Aid to Timor-Leste	http://www.laohamutuk.org/Bulletin/2005/Dec/bulletinv6n5.html
Media Release of Spokesperson of Tmor-Leste Government	"Timor-Leste tax auditing firmly aligned to the global policy of the G7 and Australia"	http://www.laohamutuk.org/Oil/tax/2013/ComTaxes23Aug2013en.pdf
La'o Hamutuk Blog: 06 October 2010	"One Hour for mother Earth 10-10-10" "Industrialized countries, especially the US, European Union, Australia, China, Japan and others should consider all people in the world, and work to normalize greenhouse gases globally at 350 ppm"	http://laohamutuk.blogspot.nl/2010/10/one-hour-for-mother-earth-10-10-10.html
'Jornal nacional Diário' May 2014	"UNIAUN EUROPEIA ENTREGA BIBLIOTEKA-VIATURA BA TR"	http://www.jndiario.com/2014/05/09/uniaun-europeia-entrega-biblioteca-viatura-ba-tr/
'Jornal nacional Diário' April 2014	"UE APOIU 3,9 MILLAUN EURO BA TL"	http://www.jndiario.com/2014/04/04/ue-apoiu-39-millaun-euro-ba-tl/
The La'o Hamutuk Bulletin Vol. 6, No. 4 November 2005	"Timor-Leste will be one of the most oil-dependent countries in the world"	http://www.laohamutuk.org/Bulletin/2005/Nov/LHBv6n4en.pdf

ANNEX 16: MINUTES OF THE SEMINAR IN DILI

PRESENTATION OF THE EVALUATION OF EU CO-OPERATION WITH TIMOR-LEST (2008 – 2013)

The seminar for the presentation of the draft final report of the “Evaluation of the EU Co-operation with Timor-Leste” (2008 – 2013) was held at the Timor Hotel in Dili on 18 November 2014. During the seminar discussions on the evaluation findings took place among a broad audience of national and international co-operation stakeholders; see table overleaf for the full list of participants

These minutes summarize the sequence of interventions, which included:

- Opening address by Sylvie Tabesse, Head of EU Delegation in Timor-Leste
- Introduction to the evaluation by Bridget Dillon, evaluation manager at DEVCO
- Presentation by Deputy NAO, Magdalena Hanjan C. Soares
- Presentation of Evaluation Findings by the Evaluation Team Leader (Paolo Scalia)
- Interventions by participants
- Closing remarks

1. Opening speech (Head of EU Delegation)

The workshop opened with an address by Ms Sylvie Tabesse, setting out the efforts and challenges relating to EU Co-operation with Timor-Leste, and more specifically the 10th EDF inputs in the rapidly evolving context of Timor-Leste.

2. Remarks by Deputy NAO (Magdalena Hadjan C. Soares)

The Deputy NAO described the evolution of the EU–Timor-Leste Co-operation framework, including recent changes which saw the Ministry of Foreign Affairs assuming the role of the NAO, and summarized the NAO’s opportunities and challenges in supporting the EU’s Co-operation inputs.

3. Presentation of the evaluation (Bridget Dillon)

Ms. Dillon, evaluation manager at DEVCO, described the purpose of the evaluation, emphasizing its strategic nature and its focus on strategic choices rather than on project and programme implementation per se; the evaluation process was summarized.

4. Presentation of Evaluation findings (Paolo Scalia)

A presentation of the evaluation results was made by the evaluation Team Leader, Paolo Scalia. It was divided into two sections, the first outlining the findings and the second the recommendations.

Evaluation findings were developed around the following key points:

- Overall conclusions: the EU Co-operation provided a reliable flow of financial assistance and the EU is well appreciated as a development partner; however the Co-operation made only a limited contribution to the long-term goals of poverty reduction, State-building, peace consolidation and sector development; and significant opportunities for impact were missed.
- The Co-operation’s effectiveness was severely constrained by EU internal disconnects.
- The 10th EDF strategy chose relevant focal sectors but weak design - including major gaps - and fragmented implementation diluted the potential for impacts and effective contributions to Co-operation goals.
- The EU Co-operation established positive communication and exchanges with key Co-operation stakeholders, but did not build strategic partnerships with Member States, Development Partners and Civil Society.
- Overall the EU was a low profile player, often a follower, lacking leadership and incisiveness.
- Effectiveness was reduced by limited human resources and internal mechanisms.

- Financial Instruments and aid modalities (mainly the project aid modality) proved relevant, but were poorly adjusted to the context and were applied without a clear strategy and with a piecemeal approach. Often the design of interventions was inadequate.
- Focal sector support rested on relevant interventions, but impact and effectiveness were limited by strategy, design and implementation. In rural development the EU neither tackled key structural constraints nor addressed central capacities and sector governance.
- Engagement in policy dialogue and support for reforms was lacking.

The key recommendation of the evaluation is that EU development co-operation with Timor-Leste should be pursued, but only under conditions of a newly-defined paradigm grounded in clear mutual political commitment, full engagement in policy dialogue, and an effective strategy.

5. Comments from participants

5.1 - UNICEF

- Understanding of the levels of expectation and achievement would have been improved by a description of results at project level, identifying targets and achievements under the 10th EDF
- What was the Theory of Change underlying EU Co-operation efforts? Was a Theory of Change developed for the formulation of the 10th EDF strategy in 2007 / 2008?

5.2 – GIZ

- It is critical to develop a common approach for the EU and Member States; Member States need to make better use of each MS's approach so as to fill gaps
- The issue of national ownership is important; how could it be strengthened?
- It is not only a question of government ownership but also of political party influence
- It is very difficult for outsiders to understand EU procedures, perceived as very cumbersome

5.3 – Justice Project

- Need for increased consultation
- Need for addressing cross-cutting goals
- Need to strengthen the causal relationship between “actions” and “effects”, relating expenditure to changes on the ground

5.4 – Deputy NAO

- Key issues for the follow-up of EU-Timor-Leste Co-operation include the need to address rural development effectively increased engagement with Line Ministries, and further contribution to capacity development
- The NAO office should strengthen its capacity to contribute to effective Co-operation
- Clear goals and indicators should be set for EU Co-operation
- NAO responsibilities include follow-up of indicative programming, of PALOP and of the Pacific process

5.5 – UNDP

- How will the evaluation feed into the 11th EDF? Several choices have already been made, but the evaluator is suggesting that the EU makes some fundamental changes e.g. re-balancing, clarification of *raison d'être*, need for increased attention to capacity development;
- Need to take into account the g7+ process and the New Deal
- The choice of aid modalities should also build on current Ministry of Finance priorities for budget contraction, avoiding risk of further expansion through Budget Support, given *inter alia* critical limited capacities for budget absorption (2014 budget requests for \$2,2 billion, ceiling defined by Ministry of Finance of \$1,3 billion, and 2013 implementation level at \$1,1 billion)
- Alignment with national systems entails an understanding of the very limited national capacities and the need to adapt the project aid modality
- Need to further support the budgeting and programming exercises and link them to the PFM process

5.6 – Deputy NAO

- Need to strengthen national capacity to use the budget
- Need for EU procedures and mechanisms to adjust to the context and to limited national capacities
- Need to decentralize the political dialogue, currently centred in Brussels

5.7 – UNICEF

- How can capacity development efforts be addressed and measured ? Learning processes need to be better captured, e.g. what works as regards capacity development in the Timor-Leste context? Which models work?
- Do areas of EU comparative advantage also include innovative thinking?

5.8 – Ministry of Health

- Limitations on the effectiveness of implementation of the health programme (10th EDF) included the weak national capacities of the Ministry and the burdensome financial procedures of implementing agencies

5.9 – Civil Society

- The role of Civil Society of oversight and supervision should be strengthened
- NGO has been influential in informing / influencing policy
- The EU could perhaps facilitate government and Civil Society exchange – linking CSOs which work in the same subject-areas
- EU Co-operation should support dialogue between the Government and Civil Society
- Specific strategies should be defined for women and children
- The EU should adjust the financing cycle to the national budget cycle

5.10 – NAO Office

- The issue of national ownership was once again highlighted as critical for effectiveness of Co-operation

5.11 – UNDP

- The strategic level of the EU Co-operation intervention logic should be explicitly linked to the National Strategic Development Plan (SDP)
- How could the NAO office support budget management in line ministries?
- Development partners should design a common strategy for human resource development
- Information sharing and coordination are key issues; perhaps the EU could support this?

6. Concluding remarks

Following the comments by participants, the EU Head of Delegation concluded the seminar with words of appreciation for the results of the evaluation and the positive supportive contributions from participants through their recommendations; efforts will be made to ensure that the EU Co-operation improves its effectiveness

The seminar closed at 13,00.

List of participants to the seminar

No	Name	Organisation	Position
1	<i>Tomas Stenstrom</i>	ILO	CTA - EVA
2	<i>John Sykes</i>	NAO Office	TA
3	<i>Fernando de Deus Mendonça</i>	NAO	RDO
4	<i>Zelindo Engel</i>	NAO	National Consultant
5	<i>Arsenio Pereira da Silva</i>	FONGTIL	Director
6	<i>Johannes Don Bosco Mau</i>	EU	Project Officer
7	<i>Daniel Carolo</i>	Embassy of Portugal	Expert in Co-operation
8	<i>Jesuina Abel</i>	Belun	Coordinator
9	<i>Rene Van Dongen</i>	UNICEF	Deputy Representative
10	<i>Ivo Ireneu da Conceicao Freitas</i>	Ministry of Health	Director of Health Policy and Planning and Co-operation
11	<i>Roberto Pes</i>	ILO	Head of Mission
12	<i>Clamink</i>	SEPI	Assessor
13	<i>Sunita Caminha</i>	UN Women	Program Specialist
14	<i>Felipe Ureta Redshaw</i>	Mid Term review of EU Governance Programme	Team Leader, Baa Consultant
15	<i>Stephan Bartheke</i>	Plan	Business Development
16	<i>Buenafe Addon</i>	SOL	Manager Advisor
17	<i>Fernando Pereira</i>	-	International Consultant
18	<i>Luis de Reis</i>	WHO	Planning and Management
19	<i>Vanessa Spencer</i>	CICL	Co-operation Officer
20	<i>Maria do Ceu S.</i>	Ministry of Health	Vice Minister of Health
21	<i>Alwin Schuchmann</i>	GIZ/RDP IV	Team Leader
22	<i>Emilya Stallman</i>	Ba Futuru	International Project Director
23	<i>Giacomo Mencan</i>	Triangle GH	Head of Mission
24	<i>Aderito Tilman</i>	CAC	CAC Commissioner
25	<i>Pasquela da Costa</i>	Ministry of Justice	Chef of Department
26	<i>Pe. Jose V.</i>	Don Bosco	Dir. P.D.O
27	<i>Dr Odete Belo</i>	SAMES	President
28	<i>Helder</i>	Ministry of Justice	Represent of Director
29	<i>Charles Dobay</i>	EU Delegation	Finance & Contract Manager
30	<i>Bruno Maltoni</i>	IOM	IOM
31	<i>Nick Heilegger</i>	EU Delegation	Finance
32	<i>Simon Done</i>	DNHPU - MOP	Head of Department
33	<i>Plaudo Palagiro</i>	DNHPU - MEP	Staff
34	<i>Jose Jesus</i>	DNHPU - MOP	Staff
35	<i>Cancio Oliveira</i>	Ministry of Finance	Director General
36	<i>Silvio Decurtins</i>	German Co-operation	Country Coordinator
37	<i>Ursula De Almeida</i>	Search for Common Ground	Director Program
38	<i>Luizindo dos Santos</i>	MAF	Staff
39	<i>Ruth Maria Jorge</i>	EU	Programme Officer Fragility / Governance
40	<i>Joao Campos</i>	Ministry of Justice	Assessor International
41	<i>Abel Da Silva</i>	Ministry of Health	Assistant
42	<i>Aurélie Seguin</i>	French Embassy	Attaché French Co-operation
43	<i>Bridget Dillon</i>	EU - DEVCO	Task Manager Evaluation Unit
44	<i>Vincent Vire</i>	EU Delegation	Head of Co-operation
45	<i>Sylvie Tabesse</i>	EU Delegation	Head of Delegation
46	<i>Magdalena Hanjan C. Soares</i>	NAO	Deputy - NAO
47	<i>Noura Haladji</i>	UNDP	Country Director
48	<i>Stephan Bartel</i>	Plan - INGO	Programme Manager
49	<i>Margarida Machado</i>	Portuguese Co-operation	Technical Expert
50	<i>Paolo Scalia</i>	Evaluation team	Team Leader
51	<i>Gabriela Leite Soares</i>	Evaluation team	National Consultant