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- Name of consultant(s): **Mr. Massoud Hedeshi and Mr. Mark Douglas**
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- ILO Technical Backstopping Office: **DWT-BANGKOK**
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- Evaluation Manager: **Pamornrat Pringsulaka**
- Evaluation Budget: **US\$ 53,232**
- Key Words: **Employment generation, market-based vocational training, competency based vocational training**

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International Labour Office

Training and Employment Support Programme (TESP)

Independent Final Evaluation Report (November-February 2014)

Project Code	TIM/12/01M/AUS
Project Title	Training and Employment Support Programme (TESP)
Country	Timor-Leste
Project duration	Planned: 01/01/2013 – 31/12/2014, Actual: As planned.
Donor	DFAT - Department of Foreign Affairs and Trade, Australia
Budget	USD 7.4 million (reduced from original of USD 12 million)
Implementing Agency	ILO
Implementing Partners	Secretariat of State for Vocational Training and Employment (SEPFOPE)
Evaluators	- Mark Douglas Kilner (TVET specialist) - Massoud Hedeshi (Team leader)
Evaluation Manager	Ms. Pamornrat Pringsulaka
Administering ILO Office	ILO Country Office for Indonesia and Timor Leste
Cost of evaluation	USD 53,232
Key words	Employment generation; Market-based VT; Competency Based VT

LIST OF ABBREVIATIONS

AusAID	Australian Aid
ADB	Asian Development Bank
APEC	Asia Pacific Economic Community
ASEAN	Association of Southeast Asian Nations
CBT/A	Competency Based Training/Assessment
CCITL	Chamber of Commerce and Industry of Timor-Leste
CEOPs	Career guidance and Employment Centres
CoM	Council of Ministers
CTA	Chief Technical Advisor
DAC	Development Cooperation Directorate
DFAT	Department of Foreign Affairs and Trade
DIT	Dili Institute of Technology
DNE	National Directorate of Employment Services
DNFP	National Directorate of Vocational Training
DWCP	Decent Work Country Programme
ETDA	East Timor Development Agency
EU	European Union
FEFOP	Employment and Vocational Training Fund
HCD	Human Capacity Development
HDI	Human Development Index
ILO	International Labour Organisation
INDMO	National Labour Force Development Institute
ISC	Industry Sub-Commission
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoTL	Government of Timor-Leste
IMF	International Monetary Fund
KSTL	Confederation of Timorese Trade Unions
LDC	Least Developed Country
LFS	Labour Force Survey
LMIS	Labour Market Information System
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MoE	Ministry of Education
MIS	Management Information System
NES	National Employment Strategy
NSEPC	National Skills, Employment & Productivity Council
NQF	National Qualification Framework
OECD	Organization for Economic Cooperation and Development
OJT	On-the-Job Training
PMU	Project Management Unit
PSC	Project Steering Committee
RPL	Recognition of Prior Learning
RCC	Recognition of Current Competency
SDP	Strategic Development Plan
SEPFOPE	Secretariat of State for Vocational Training and Employment
SIMU	National Labour Market Information System
STAGE	Skills Training for Gainful Employment
TESP	Training and Employment Support Project
TL	Timor Leste
TLNQF	Timor-Leste National Qualifications Framework
ToR	Terms of Reference
TVET	Technical Vocational Education Training
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
VET	Vocational Education and Training
VTDC	Vocational Training Development Centre

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Executive Summary

Introduction

This report outlines an independent final evaluation of the project “Training and Employment Support Programme” (TESP) in Timor Leste. The project was implemented over the period January 2013 to December 2014 by ILO in collaboration with Secretariat of State for Vocational Training, Policy and Employment (SEPFPOE). The USD 7.4 million (reduced in April 2014 from an original budget of USD 12.1 million), Australian-funded project comprises the third phase of ILO’s support to the Timorese Government’s vocational training development efforts.

The evaluation exercise was launched in mid-November with a team of 2 independent international consultants. The evaluation field mission in Timor Leste took place over the period 22 November to 11 December 2014, preceded by an initial briefing in the ILO Country Office in Jakarta.

Evaluation mandate, purpose and scope

The evaluation was mandated by ILO’s requirement for all projects with a budget of over USD 1 million. The purpose of the evaluation is “to assess the key achievements of the project... the extent to which the project partners... have benefited, and will continue to benefit, from the project... It is also aimed to highlight achievements, areas for improvement and recommendations for sustainability, possible lessons learnt, good practices as well as areas where technical support is needed in future.”

The evaluation builds on the YEPP project evaluation, and covers the entire period of the project and all five Outcome components. The scope of the evaluation is limited to the revised work plan adopted in 2014, following a substantial cut in the programme budget by DFAT in December 2013. The evaluation covers the full range of stakeholders and beneficiaries to the extent that was practical given the large number of these, as well as the relatively short schedule of the evaluation and the project duration.

Given the short duration of the project, and in line with the stated requirements in the project document (page 43), the focus on impact remained light, particularly given the limited reliable national data on employment trends in Timor Leste beyond the Labor Force Surveys of 2010 and 2013.

Evaluation Methodology

The evaluation adhered to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards, and addressed key evaluation questions. It was conducted also in compliance with ILO Policy Guidelines for results-based evaluation, 2012. While maintaining independence, the evaluation was based on a participatory approach, seeking the views and assessments of all stakeholders. Given the large number of outputs (30 in total in the original project document, and 19 in the revised Work Plan for 2014), the evaluation was in the main focussed on reporting on and identifying indicators at the Outcome level unless issues pertaining to non-delivery require specific reporting on Outputs. Data collection methods ranged from desk reviews (relevant national strategy and development plans, ILO project and programme documents, progress reports, etc.) to individual stakeholder interviews, focus group discussions, project visits to at least three project sites outside of Dili, training centres in Dili and observation. Attention was paid to ensuring an unbiased and objective approach and to the validation of data through triangulation of sources, methods, data, and theories. In addition, a stakeholder workshop was conducted at the end of the field mission to present, review and debate the findings in a participatory manner with the project staff, SEPFPOE management and staff as well as the donor counterparts.

Country background

Timor Leste is a fledgling modern nation state that achieved formal independence in May 2002, and became the first new member of the United Nations in the 21st century. The small, mountainous country had an estimated population of 1.2 million¹ in 2013. It is relatively dry and sparsely populated with a comparatively high population growth rate of 2.8%.

The transition to self-rule under a UN mandated Transitional Authority was preceded by a scorched-earth campaign of retribution by pro-Indonesian militias destroying most of the country's infrastructure and institutions in the aftermath of the August 1999 referendum.

Since independence, Timor Leste has made strong developmental efforts at rebuilding her economy. Timor Leste is currently classified as a lower middle income country by the World Bank, and ranks 128th in UNDP's HDI report (2014), rising from a position of 147th in 2011 among 187 nations.

However, the private sector remains relatively small in an economy that is transitioning from subsistence agriculture to a capitalist mode of production. The largest employer by far is the public sector, accounting for 50% of employment, and with important implications for devising any 'market-oriented' vocational training system in the country.

The country's booming petroleum sector provides over 60% of East Timor's export income and much needed funding for development projects and social services, but little direct relief in terms of employment generation in the sector.

Approximately 16,000 young people enter the labour market each year, while the rate of youth unemployment is estimated at over 40 per cent (Timor Leste DCWP). Moreover, less than half as many women as men participate in the paid labour force.

East Timor's Strategic Development Plan (SDP - 2011) aims to raise the country's status to that of an upper middle income country by 2030. It identifies the two main challenges of the country to be a) lack of infrastructure, and b) human resource development.

Project background

ILO's support to the Government of Timor Leste (GoTL) dates back to 2004 when the first vocational training initiative was launched through the Skills Training for Gainful Employment (STAGE) project (2004-2009) with Euro 5 million funding by the European Union. This was followed by the Youth Employment Promotion Programme (YEPP) implemented over 2008 to 2012, and funded (USD 13 million) by Australia, which in turn led to the TESP project.

TESP was designed to further develop Timor Leste's employment support systems and operational capacities as the country made a transition to recovery and development. The main government counterpart institution is SEPFOPE.

The **development objective** of the project is given as "to facilitate economic development in Timor-Leste and to support employment growth, through the development and delivery of demand driven skills training".

The project document lists 5 **Outcomes** as follows, with several **Outputs** (30 in total) linked to each:

1. "Improved regulatory framework for the coordination and management of TVET (technical vocational education training) established"; with 8 Outputs.
2. "SEPFOPE's analytical and research capacity for understanding the labour market and supporting workforce planning improved"; with 6 Outputs.

¹ Slightly smaller than Kuwait, and with about one third of Kuwait's population.

3. “The number of training providers with capacity to develop and deliver quality competency-based qualifications for priority economic sectors and occupations expanded”; with 6 Outputs.
4. “Responsiveness of the TVET system to the labour market improved”; with 6 Outputs.
5. “Linkages between training and employment services and the labour market at district level strengthened”; with 4 Outputs.

Project formulation and inception phase

Project formulation began as early as in June 2012 with a tripartite workshop. However, the process was rather disjointed and rushed toward the end of the year, with differing expectations by various stakeholders. This led to an unrealistic project timeframe under TESP, which was further exacerbated by a) a project design that was not fully results-based with too many outcomes and outputs listed and in some cases formulated as activities rather than results (see Section 5.2 below), together with b) the donor’s insistence on the development of an intricate monitoring and evaluation framework that took around 5 months to complete in the project’s inception phase, as well as c) a slow recruitment process by ILO at the inception phase.

The project design was fully aligned with national priorities and plans (see Section 5.3 below), and largely addressed the recommendations of the YEPP final evaluation report. However, there was scant evidence for national leadership in the formulation process.

The project delivery model differed from that of most other donor funded projects in that it located its staff across the counterpart agency, SEPFOPE. The project adopted an integrated model with each of the project staff *embedded* with and working alongside SEPFOPE staff. SEPFOPE was responsible for meeting the salaries of its staff while ILO provided technical assistance.

Project revision

Following a slow initial expenditure during the first year of implementation, the donor undertook a review of the project, which resulted in a decision in April 2014 to cut USD 4.68 million from the budget leaving a total budget for the project of USD 7,428,574 and a concurrent reduction from the originally agreed 30 outputs to 24 outputs. The revised project was completed on schedule in December 2014.

Relevance

The project’s design and deliverables were assessed as highly relevant and supported the National TVET Plan and against one of the key objectives of the Department of Foreign Affairs and Trade (DFAT) Timor Leste Country Strategy. Additionally, the project design was consistent with ASEAN TVET initiatives relating to competency based training and the ASEAN Draft Reference Qualifications Framework and Quality Training Frameworks. The project was also fully aligned with the ILO DCWP and the UNDAF, as well as Australia’s country strategy for Timor Leste.

Effectiveness

The Project was effective in meeting its revised goals. By the end of the TESP project in December 2014, the project had met or substantially met all but six of its intended results (see Tables 5 & 6 below).

Outcome 1 was partially delivered due to delays in the adoption of the TVET policy action plan that was developed. Draft organic laws for SEPFOPE & National Labour Force Development Institute (INDMO) as well as a draft law for the Employment and Vocational Training Fund (FEFOP) were prepared, pending government approval. In addition, 7 modules were developed and tested in the National Labour Market Information System (SIMU) database, as was a FEFOP financial interface. In addition, guidelines were developed for community-based training by non-accredited providers. Further support is needed in developing policies on packaging, levelling, pre-requisites, mapping and articulation with the VET school based Education system. Moreover, FEFOP is a crucial tool that requires a solid regulatory framework and financial inputs if SEPFOPE is to achieve its mandate.

Outcome 2 was largely delivered as evidenced by Enterprise and Skills survey reports of 2013 and 2014, surveying 800 and 381 enterprises respectively, and with the latter report showing a qualitative analytical improvement. SEPFOPE also produced 2 Labour Market Outlook reports in 2014. The

Labour Market Information department's capacity was enhanced through further training in data collection and analysis, though several areas need further improvement for example in statistical analysis and research capacities, which are hampered by the absence of models to predict sectoral and related labour market growth and associated skill needs. This will impact on the policy and decision making functions within SEPFOPE.

Outcome 3, which aimed at enhancing the number of qualified training providers also delivered on level 1 training in 6 districts, supporting various centres in gaining accreditation, training of trainers, and certifying 40 trainers (Cert 3) and 40 assistant trainers (Cert 4). Institution building support was given through the production of accreditation standards and guidelines for training centres as well as training, assessment and learning resources. There has been a significant increase in the number of qualifications and competencies available for use by training providers and the qualifications of training staff although accessibility was limited by lack of effective and stable VET financing arrangements.

Outcome 4 (improved responsiveness of TVET system) was partially achieved through efforts to enhance industry inputs into the TVET system through consultation forums, conduct of a tracer study, and technical support given to technical working groups for the adoption of 26 competency standards and 6 national qualifications involving the private sector through Industry Sub-Commissions (ISCs). Procedures were developed for on-the-job training with a plan for 2015, and DNAFOP was supported in finalising agreements with industries. Moreover, ISC industry members' understanding of a competency based system and the nature of industry representation has limited the extent to which industry as a whole drives the system.

Outcome 5 concerned with enhancing career and guidance services at the district level was partially delivered through the conduct of workshops and training for Career guidance and Employment Centres (CEOP) staff to establish case management and career counselling services. However, plans for introduction of overseas jobs services were shelved following a project revision in 2014. Further work is required to engage employers, particularly in small and medium businesses to use the employment functions of the CEOPs.

Where the project did not meet its goals, principally in relation to the draft SEPFOPE Organic Law and TVET funding arrangements, it was due to pending decisions by the Timor Leste Government. The failure to implement an apprenticeship system was due to the lack of priority attributed to these arrangements by the Timor Government and the view that such arrangements could be accommodated within existing On-the-Job Training arrangements.

The factors that contributed to effectiveness included a high level of national ownership and a good deal of leadership in project implementation and management at the level of the Director General and other staff at the mid-management level and below in SEPFOPE. A high level of trust, respect and cooperation built up over the years between SEPFOPE and ILO staff in Dili and elsewhere in the country was evident during several interviews with ILO and SEPFOPE staff. Similarly, clear synergies between the objectives and targets of TESP and those of the various departments of SEPFOPE made the project's work plans virtually indistinguishable from those of the host agency. This was in part a consequence of the *embedding* approach of ILO starting from the STAGE project that was the first building block in 2004 leading to the YEPP and TESP projects.

Efficiency

The Evaluation Team assessed project efficiency as low in the first year of implementation, but noted that this was significantly improved in delivery rates in the project's second year. Slow recruitment processes within ILO, and burdens placed on project management by the donor in demanding an intricate M&E system during the initial start-up phase contributed to delays in the first year. While the project had a high proportion of external technical advisers compared to local advisers, which caused some concerns with the partner agency, this was a generally efficient design and understandable given the project's role in developing new policy approaches and systems with which local advisers were not familiar. The project produced high quality training and training materials.

Impact and Sustainability

It was too early to make a full assessment of impact on the system's ultimate clients, the youth, trainees and businesses within Timor Leste. However, the Team noted that there had been increasingly positive employment outcomes for the clients of the CEOPs albeit in an incremental fashion, and that the impact of new industry developed qualifications, the training of training provider staff in delivery and assessment and the accreditation system for providers will have a positive impact on the graduates emerging from the TVET system in the future.

The ability to measure these impacts has been delayed to the lack of sustainable TVET funding by the Government of Timor Leste. The Evaluation team assessed project outputs to be sustainable beyond the life of the project in matters related to skills transfer within SEPFOPE, the curriculum materials and training programs, the SIMU database and the LMIS instruments developed by the project which has led to a more professional policy implementation capacity beyond 2014, notwithstanding the lack of approval of the draft SEPFOPE Organic Law. Furthermore, the evaluation team noted some uneasiness among the staff of SEPFOPE with regard to abrupt changes in project personnel that were likely to result from the expected departure of ILO from the next iteration of the Australian-funded programme.

Responses to key evaluation questions

a. The extent of TESP's contribution to the development of a demand-driven accredited vocational training system in Timor-Leste

TESP has effectively contributed to the development of a demand-driven accredited vocational training system in Timor Leste through its partnership with INDMO in developing a National Quality Training System comprising criteria to be met by training providers, a collaborative auditing system between INDMO and training providers seeking accreditation and funding policies tying funding to accreditation.

This had led to an overall increase in the quality of providers and weeding out of less capable ones. In terms of demand-driven arrangements, the project assisted INDMO in establishing Industry Sub-Commissions in a variety of industries to develop industry training plans that identified and develop priority qualifications. This industry focus was assisted by the development of Labour Market Information System including employer surveys that sought identify and quantify demand by industry on the TVET system. Finally, it developed model curricula for a number of such qualifications. This report notes that there is still further work to do in supporting INDMO in developing further policies relating to the packaging of qualifications, the implementation of a more workplace focused training system, statistical analysis to support policy development and technical assistance in the further development of web based applications linked to the SIMU database.

b. To what extent the recommendations of the YEPP final evaluation have been taken on board under the TESP project?

The recommendations of the YEPP final evaluation were extensively taken on board in the implementation of TESP. Crucial components of YEPP were extended to ensure further institution building, including for INDMO and CEOPs. Capacity support was further enhanced for the major stakeholders of YEPP to become the core of the new project with attention to other donor-supported programmes, and an intricate monitoring system was established. However, the ILO project staff were not withdrawn from the 'work floor' and the embedded approach was maintained under TESP, and the end of project evaluation exercise was launched around 2 weeks later than optimal. On the other hand, a tracer study was conducted as recommended, though its final results were not fully delivered before project closure. The recommendations targeted at SEPFOPE management were incorporated in the TESP, but did not materialise in large part due to a lack of adoption of the policy framework and non-allocation of the required autonomy and resources to FEFOP by the government.

c. To what extent has TESP supported provision of employment services and linkages with the private sector? In this regard, consider a) the role of CEOPs; b) role of Industry Sub Commissions; and c) the extent that the Labour Market Information System has supported policy and decision making.

Given the small size of the private sector in Timor Leste, TESP's incremental approach has been effective in engaging the private sector in the work of DNAFOP and the ISCs to establish standards and qualifications with a proactive involvement by the private sector. Furthermore, the construction of CEOPs offices throughout the Districts, the development of a case management system for its clients and the use of the SIMU database has had an increasingly positive impact on employment outcomes for its clients. The Team noted that the construction of further CEOP offices was transferred away from the project by the donor in 2014, but did not result in the construction of those offices. To maintain the successes of this component of the project, the Team notes that ongoing employment should be provided by SEPFOPE to current CEOP staff. Further work needs to be done on outreach to industry, particularly medium and larger employers to increase the number of businesses using the system, for example through the provision of subsidies to employers who are registered with and obtain employees through the CEOPs.

d. The impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance

TESP has supported SEPFOPE in developing a clear and good quality TVET strategy setting out its policy goals, regulations and procedures. However, the lack of their adoption by the government has delayed any potential impact. As such, the project's 2-year timeframe has proven too short in the post-crisis context with inadequate provisions for risks under a new SEPFOPE leadership at the project design stage in 2012. On the TVET funding side, opposition to incorporating employment program funding into the FEFOP fund had largely been overcome yet there remained a question on whether the Government would establish a more sustainable funding environment for training provision.

Technical assistance provided in the post-conflict environment

It is the strong view of the Evaluation Team that TESP's approach to embedding its technical advisers in the work units of SEPFOPE was highly successful in engendering skills transfer to SEPFOPE staff. This model should be replicated as it appears to be more effective in skills transfer than the alternative Project Management Unit model used in other projects and contemplated for future DFAT assistance.

Lessons

In a project formulation phase within a post-conflict context, the timeframe needed for the adoption of policy and regulatory frameworks is likely to be more in tune with medium-term frameworks (around 5 years).

Emerging good practices

SEPFOPE and ILO's *embedding approach* constitutes a best practice in post-conflict and similarly challenging working environments

Recommendations

The following recommendations are listed in order of priority with a preliminary assessment of cost implications.

Recommendations to the Government regarding the future of the TVET system in Timor Leste

1. The Government should clarify its policy position on the TVET system as soon as possible in light of the numerous policy and strategy outputs of the project pending government approval, as the lack of a solid policy framework creates uncertainties and insecurity of tenure for trained SEPFOPE staff in Dili and elsewhere. (Little or no cost implications)
2. It is strongly recommended to support and enhance FEFOP and its regulatory framework. (Little or no cost implications)

Recommendations to ILO regarding programmes in post-conflict and transition settings:

3. In post-conflict and transition contexts, ILO HQ and CO in Jakarta should devise appropriately speedy recruitment processes that can help reduce the risk of losing time on administrative matters. (Little or no cost implications)

Recommendations to ILO, Government and DFAT regarding future cooperation:

4. The ILO and its partners should not formulate projects that are known to be too short in duration without a clear indication of expectations or plans for project extension. (No cost implications)

Recommendations to DFAT and ILO regarding future phases of TVET related projects in Timor Leste:

5. LMIS and statistical analysis and research capacities should be further developed to support policy development and of models to predict sectoral and related labour market growth and associated skill needs. (Low cost implications for the planned DFAT follow-up project)
6. To the greatest extent possible, the DFAT Education Sector team in Dili should consider retaining the current ILO advisers in the upcoming project so as to make use of good working relations and trust built up over the years. (No cost implications for the planned DFAT follow-up project)
7. Further promote industry use of CEOPs system as a recruitment mechanism particularly in SMEs; (Low or no cost implications for the planned DFAT follow-up project)
8. Use the FEFOP VET financing model as a model for the implementation of market driven purchasing in the provision of support for further implementation of Competency Based Training and Assessment and collaborative approaches to accreditation auditing. (Low cost implications for the planned DFAT follow-up project)
9. Further support should be given to developing policies on packaging, levelling, pre-requisites, mapping and articulation with the VET school based Education system. (Low cost implications for the planned DFAT follow-up project.)

1. Introduction

This report outlines an independent final evaluation of the project “Training and Employment Support Programme” (TESP) in Timor Leste. The project was implemented over the period January 2013 to December 2014 by ILO in collaboration with Secretariat of State for Vocational Training, Policy and Employment (SEPFOPE). The USD 7,428,574 (reduced in April 2014 from an original budget of USD 12,114,048.), Australian-funded project comprises the third phase of ILO’s support to the Timorese Government’s vocational training development efforts.

ILO’s support to the Government of Timor Leste (GoTL) dates back to 2004 when the first vocational training initiative was launched through the Skills Training for Gainful Employment (STAGE) project (2004-2009) with Euro 5 million funding by the European Union. This was followed by the Youth Employment Promotion Programme (YEPP) implemented over 2008 to 2012, and funded (USD \$13 million) by Australia, which in turn led to the TESP project.

The exercise was launched in mid-November with a team of 2 independent international consultants, Mr. Mark Kilner, TVET specialist, and Mr. Massoud Hedeshi, Team Leader. ILO also recruited a local interpreter, Mr. Bartolomeu Maria Soares as part of the evaluation team. None of the members of the team had any prior involvement with the project under evaluation.

The evaluation field mission in Timor Leste took place over the period 22 November to 11 December 2014, preceded by an initial briefing in the ILO Country Office in Jakarta.

2. Project background

2.1 Country Profile

Introduction

Timor Leste is a fledgling modern nation state that achieved formal independence in May 2002, and became the first new member of the United Nations in the 21st century. It is located on the South-eastern tip of the Indonesian Archipelago on the eastern end of the island of Timor.²

The mountainous country has a total area of around 15,000 square kilometres, and an estimated population of 1.2 million³ in 2013, up from less than 0.8 million in 2001⁴. Around 10.6% of the land is arable, of which only 346 sq. km. is irrigated. It is a relatively dry and sparsely populated country with a population density of around 80 per sq. km., which ranks 132nd in the world. At the same time, the country has a relatively high population growth rate of 2.8% in 2013, down from 3.11 in 2008.

The path to independence

For centuries, Timor Leste was under Portuguese rule in the main, starting in the 16th century. The 20th century was particularly violent for the Timorese, with several intermittent wars and foreign invasions. Timor Leste declared its independence from Portugal upon the latter's departure on 28 November 1975, but was immediately occupied by Indonesia, being officially incorporated into the country in July 1976 as the province of Timor Timur (East Timor).

By 1999, Indonesia agreed to a UN-supervised referendum, which resulted in an overwhelming vote for independence. However, the transition to self-rule by 2002 under a UN mandated Transitional Authority was preceded by a scorched-earth campaign of retribution by pro-Indonesian militias destroying most of the country's infrastructure and institutions in the aftermath of the August 1999 referendum.

Post-conflict transition

Since independence, Timor Leste has made strong developmental efforts at rebuilding her economy, infrastructure and social and political institutions - temporarily reversed by internal conflict in 2006 - to catch up with her regional comparators, and in her bid to join the Association of South East Nations (ASEAN).

Trends in the Timor Leste's Human Development Index (HDI) score have been impressive, with an average growth of 2.2% per year over the period 2000-2013, placing the country among the top 6 performers globally⁵. Timor Leste is currently classified as a lower middle income country by the World Bank, and ranks 128th in UNDP's HDI report (2014), rising from a position of 147th in 2011 among 187 nations.

Time Leste's socio-economic success has been aided by relative stability since independence, despite the 2006 conflict. However, the private sector remains relatively small in an economy that is transitioning from subsistence agriculture to a capitalist mode of production. This transition is in the

² The split between the west and east of the island was formalised through Dutch and Portuguese colonisers in 1914.

³ Slightly smaller than Kuwait, and with about one third of Kuwait's population.

⁴ Unless otherwise stated, most data used here are taken from the online resources of the General Directorate of Statistics of Timor Leste (2013) and the 2014 Human Development Report of UNDP.

⁵ 2014 Human Development Report of UNDP, Table 2, p.164

main driven by sectors such as construction, tourism and primary commodity production, particularly in petroleum, minerals and agricultural products. The largest employer by far is the public sector, accounting for 50% of employment, and with important implications for devising any 'market-oriented' vocational training system in the country.

Poverty incidence is reported at around 40-50% of the population. According to the 2011 Household Survey Report⁶, half of the population lived on an average income of \$40 a month on a per capita basis. Three-quarters of those living below the poverty line reside in rural areas.

Life expectancy has risen to 66 years, up from 60 in 2008. The population is predominantly young, with a median age of 19 in 2013, up from 17 in 2008.

With an average lifetime fertility rate of around five (urban) or six (rural) children per woman⁷, the rapid growth rate in population is putting increased pressure on social service delivery and demands for jobs. Nevertheless, the country's gender development index ranking (122nd) is slightly higher than her HDI rank.

While the energy sector is the mainstay of the Timor Leste economy, agriculture is an important sector in terms of total employment with coffee, cinnamon and cocoa as its more valuable export crops. However, the agricultural sector is characterised by low productivity and is vulnerable to climate change.

The most significant natural resources of Timor Leste are its offshore oil and gas reserves realising over 60% of its export income. Extracted in collaboration with foreign oil companies from Australia and USA, Timor Leste's share of total oil and gas income is said to comprise around 10% of the extracted value. A large portion of the income is channelled into the Timor Leste Petroleum Fund [PF], the returns from which are used to fund the country's budget.

The country's booming petroleum sector provides much needed funding for development projects and social services, but little direct relief in terms of employment generation in the sector.

Approximately 16,000 young people enter the labour market each year, while the rate of youth unemployment is estimated at over 40 per cent (Timor Leste DCWP). Moreover, less than half as many women as men participate in the paid labour force. While the quality and availability of formal education is being improved, there remains a large gap in terms of the employability of young graduates in growing sectors such as construction, tourism and agro-industries.

Table 1 - East Timor - Selected Development Indices

Indicator	Gender development index		Human development index (value)		Life expectancy at birth (years)		Mean years of schooling		Expected years of schooling		Estimated gross national income per capita	
	Ratio of female to male HDI	Rank	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Period covered	2013	2013	2013	2013	2013	2013	2002 - 2012	2002 - 2012	2000 - 2012	2000 - 2012	2013	2013
Value	0.875	122	0.574	0.656	69.1	66.0	3.6	5.3	11.3	12.0	5,634	13,582

⁶ Page 8.

⁷ http://www.statistics.gov.tl/wp-content/uploads/2014/10/Timor_Leste_in_Figures_2013.pdf

2.2 National priorities

East Timor's Strategic Development Plan (SDP - 2011) aims to raise the country's status to that of an upper middle income country by 2030. It identifies the two main challenges of the country to be a) lack of infrastructure, and b) human resource development. In response, three funds have been established to cater to the country's specific needs:

- i. The Petroleum Fund
- ii. The Infrastructure Fund
- iii. The Human Capital Development Fund

With significant increases in government expenditures and an increasing tendency toward large, infrastructure programmes, the IMF analysts⁸ warn of risks associated with inflationary pressures, vulnerability to external factors such as the price of oil, and bottlenecks in terms of absorptive capacity as well as slow progress in building public financial management institutions. On the other hand, the prospects for poverty reduction remain positive, with growth rates in projects estimated to remain at 10% or above in the medium term.

2.3 Developments in TVET

The Timor Leste education and training infrastructure was decimated following the vote for independence. Schools, universities and training facilities were destroyed. This has had a significant impact on the capacity of the sector to meet the skill needs of the economy. This is complicated by the fact that there are low levels of education completion in all age groups. Enrolment in basic education has increased substantially in recent years and now covers 91 percent of children of primary school age (both male and female). However, the drop-out rate is still a significant problem, with the number of children who enrol in grade nine (the final year of basic education) being approximately 27 percent of the number of children entering grade one, and only 16 percent making it to secondary school. 40% of all Timorese over 15 years old have not had any education at all and another quarter have not advanced beyond primary school level. (*Timor-Leste Labour Force Survey 2010*)

Timor-Leste's training system has been characterised by a previously unregulated private sector made up of training providers delivering training at varying levels of quality. Vocational training has been largely under-utilised by a population that is for the most part self-taught or trained by family, relatives or friends. TVET has not had a high participation rate or visibility in Timor-Leste. 22 percent of people in employment had received training through a friend or family member and 47 percent were self-taught.

Only 13.6 percent had gone through a vocational training program, including students at vocational high schools. The number of students graduating from technical schools is currently extremely low, with only 12 per cent of appropriately aged young people finishing their education at these schools. (*Workforce Development, SABER Report 2013. World Bank*)

A 2008 Training Providers assessment conducted by the ILO STAGE Programme, regarding the operation and characteristics of the current Vocational Training System in Timor-Leste, produced the following findings:

- (i) Training offerings are of different quality, and little coordination among Training Providers;
- (ii) Inappropriate relationship between the training offered and economic needs;
- (iii) Lack of coherent evaluation of the training and training providers;
- (iv) Weak capacity of Training Providers to set up training offerings adapted to the different learning styles of different target groups;
- (v) Low level of competitiveness of the economy; and
- (vi) Signs of exhaustion of the training system in place.

⁸ [IMF Country Report No. 12/24](#)

As a result, the lack of a skilled workforce represents a major constraint for the competitiveness of Timorese entrepreneurs who have consequently relied on imported labour for the skills they require in sectors such as construction, agriculture, petroleum and hospitality and the basis for the design of interventions in the YEPP and TESP Programs. (*Youth Employment Promotion Programme Outline 2008, p. 8*)

The Timor Leste Government noted that skills shortages would likely become exacerbated as government investment programs expanded. While education and skills gaps would be tackled through reforms to the education system, there was also a need for urgent action to address Timor-Leste's technical skills needs. (*Timor Leste TVET Plan 2011-30*)

The structure of the Timor Leste Technical Vocational Education and Training System is based on the former Indonesian system. The Ministry of Education is responsible for formal TVET delivery through its two higher education branches (technical and university education) focusing on offering specialised applied TVET courses of one or two years aimed at developing practical, problem solving abilities while developing broader educational abilities. The Ministry is responsible for courses provided at polytechnic institutions or in contracted institutions linked to polytechnics which lead to diploma level qualifications, that is, up to Level 5 of the Qualifications Framework. (*Timor Leste Strategic Plan 2011-30*)

SEPFPOPE is the authority responsible for overseeing the TVET system in the training sector through accredited training providers and for employment based training programs, up to level 4 of the Qualifications Framework. Each agency is responsible for policy and implementation in the two sectors. Apart from the smaller community and church based organisations that receive Government funding for training delivery, there are a small number of high quality institutions that provide vocational training. These include the National Centre for Employment and Professional Training at Tibar, the vocational training centre SENAI-Becora in Dili (which provides training in areas such as mechanics, carpentry and refrigeration), the Catholic Church's Don Bosco, the East Timor Development Agency (ETDA), and the Dili Institute of Technology. At the commencement of the STAGE/YEPP project in 2008, the predecessor to the TESP Project, 38 public and private training providers were registered with the Government of Timor Leste.

Timor Leste TVET Strategic Plan 2011 - 2030

The Government of Timor Leste has with the assistance of the YEP Programme developed a TVET Strategic Plan. This Plan sets out key objectives for the future development of the sector and is used as a reference in assessing donor proposals for future assistance in the sector.

1. *Efficient investment in Training* – securing long-term budget allocations from the Human Capital Development Fund; establishing a managed training market; and establishing new funding guidelines and performance measures;
2. *National, District and Industry Needs and Demands* – identifying national priorities; undertaking skill needs analysis of major projects, districts and industries; developing a labour market information system; and encouraging enterprise development;
3. *Participation in Training* – promoting the TVET system; establishing equity in participation; implementing the National Training Commitment; and preparing for a national traineeship scheme;
4. *Building the Capacity of Trainers* – new national teaching and learning materials and training support services; building the capacity of training organisations and non-formal training providers.
5. *Business Engagement in Developing Skills* – a National Skills Development Centre; building strategic training infrastructure; introducing incentives for business investment in skills development and jobs; and implementing a National Labour Content Policy.
6. *National Partnerships and Institutions* – creating the National Skills, Employment and Productivity Council; better coordinating education, TVET and other government training programmes such as Agriculture and Health; and removing inconsistencies between TVET laws and other training related laws.
7. *Governance and Monitoring of Training* – including: making the system work in relation to ensuring effective compliance with contracts; allocating adequate staffing and resources and

monitoring; and implementing 10 key performance measures and the appropriate resourcing to conduct evaluation of the training system on an annual basis.

The Plan sets out 63 recommendations for the further development of the sector and contains the following actions to be undertaken in the period of the Plan:

- The Timor-Leste training system will continue to be developed and funded.
- A Timor-Leste National Training Commitment will provide training opportunities for all Timorese.
- A National Labour Content Policy will ensure that international and national businesses provide training opportunities.
- Investment will be made in training facilities and people.
- A Technical and Vocational Education and Training Plan will be developed.
 - o Development of a national training system
 - o Raising the standards of skills of our people will raise the standard of living in Timor-Leste. We are already developing a training qualification framework to meet our needs, which is an essential first step in creating national training programs. This framework will be developed further to include:
 - National qualifications standards in all major occupations
 - National curricula for all registered training programs
 - A system to allow registered training providers from the government, community and non-government sectors to deliver accredited training.

It has established a National Training Commitment with proposed funding of \$4.5m per year, comprising two streams

- A National Training Ticket to provide fully funded training for one year delivered by a registered training organisation in a classroom or workshop setting in which students may also be placed in a business to undertake unpaid work experience; and
- A National Traineeship Program to provide students with a combination of classroom and workshop training and industry-based learning and experience.

Prior and ongoing foreign assistance in TVET

A number of donors have provided assistance to Timor Leste since its independence across a range of areas including in rural development, poverty reduction programs and institution building. Most of these programs of assistance have included skills development programs delivered directly by overseas experts or through partnership with community organisations or government institutions. The vast majority of these training programs have been informal training not leading to formal qualifications.

ILO: Skills Training for Gainful Employment Programme (STAGE) - European Community

The ILO proposed the development of a five year STAGE Programme whose aim was to reduce poverty and promote economic growth, building national capacity to deliver a demand driven enterprise and skills training, and contributing to the establishment and development of income generating activities within communities. The core of its defined implementation strategy was based on close cooperation with the Secretariat of State for Labour and Solidarity (SEPFOP), in order to ensure continued institution building while developing the programme activities. The Programme envisaged the concept of a flexible decentralised approach to skills training, small business development, and micro-enterprise development that would lead to income generation and gainful employment. Three key components were envisaged to achieve its objectives:

- (i) Capacity building of the Secretariat of State for Labour and Solidarity, with specific focus on its Division of Employment and Skills Development and District Employment Centres;
- (ii) The establishment of a national network of training providers capable of delivering a flexible system of formal and non-formal skills and enterprise training; and
- (iii) Community empowerment through the delivery of an integrated system of skills and enterprise training.

The five year implementation timeframe aimed to ensure that strong capacity was built within SEPOPE and the training providers to develop and deliver enterprise skills training to communities as well as to collect and analyse data to tailor-make training programmes to communities' needs and economic opportunities. (*ILO Project Brief, 2008*)

Youth Employment Promotion Programme - Australian Government

The YEP Programme was designed and funded by the Australian Agency for International Development (AusAID) to supplement the work being undertaken by the ILO in the EU funded STAGE programme. The ILO was contracted by AusAID to implement the Programme with four specific objectives:

- (i) A set of policies for Youth Employment consistent with the National Employment Strategy, developed and adopted by the Timor-Leste Government;
- (ii) Employment and suitable training opportunities for young women and men provided by established Employment Centres and Youth Career Centres, in collaboration with partner organisations;
- (iii) A safety net created for most deprived rural poor through the organisation of Labour-Intensive Public Works in critical periods and geographical areas;
- (iv) A competency-based education and training system, providing the Timorese youth with relevant skills in accordance with the labour market requirements, established and operational.

The program completed in 2012 and the ILO was asked to design the two-year TESP Project which ran until December 2014 and is the subject of this evaluation, which continued on with aspects of these earlier programs.

ADB Mid-Level Skills Development Project

The Asian Development Bank is currently undertaking a five year (2012-16), \$13 million project with SEPOPE that focuses on institutional strengthening in SEFOPE and providing support to training providers. The project includes assistance covering civil works to upgrade facilities in training institutes and purchase of equipment for the upgraded facilities. It also includes support to expand mid-level skills training through the development of skills standards and training curricula for level 3–4 training in construction and automotive trades, strengthening the technical capacity of TVET trainers, and improving links between training providers and employers. It has four major deliverables:

- (i) mid-level skills training provision through:
 - a. developing national skills standards and curricula,
 - b. improving technical skills of teachers, and
 - c. upgrading facilities and equipment of selected training providers to deliver competency-based training at the Tibar Training Centre in delivering quality basic skills training in construction trades (e.g., carpentry, plumbing, electrical, masonry, solar energy) and support for two registered private (nongovernment) training providers, DIT Baucau and Don Bosco at Comoro, with facility and equipment upgrades;
- (ii) technical teacher training through help to SEFOPE to:
 - a. establish a new Vocational Training Development Centre (VTDC),
 - b. deliver in-service training for TVET teaching staff, and
 - c. develop long-term plans to improve the skills of the overall TVET teaching staff
- (iii) enhancing labour market linkages of TVET through assistance to SEFOPE to:
 - a. expand its TVET promotion activities and job counselling services;
 - b. facilitate private-sector employers to provide workplace training or internships; and
 - c. improve the labour market information system (LMIS)
- (iv) strengthening SEFOPE financing and support for TVET, support SEFOPE to:
 - a. develop financing plans to sustain mid-level skills delivery in public and private training institutions;
 - b. design strategies to expand access to TVET by young men and women, especially those from poor and disadvantaged backgrounds; and

c. expand the implementation of mid-level skills training and
(ADB Project Administration Manual, Democratic Republic of Timor-Leste: Mid-Level Skills Training Project, November 2011)

The project is located in the INDMO office of SEPFOPE, and has been designed to complement the work of the TESP Project.

2.4 Emerging global best practices and lessons in TVET

There are two major international TVET reform trends that have formed the basis for Timor Leste's TVET Strategic Plan which has been supported by donors. These are a move to demand -driven TVET through the development of a competency based training system and the implementation of a National Qualifications Framework supported by a Quality Training System. These trends have been implemented to varying degrees in Timor Leste's neighbours, including Australia, Indonesia and a number of ASEAN countries.

Competency Based Training

The move to a competency based system for the design and delivery of TVET programs resulted from the need to quickly adapt to changing economic circumstances following the oil shocks of the 1970s and the opening of closed economies to international competition. Industries needed to adapt or go under. Lifting the skill levels of workers and improving the responsiveness of the training system was fundamental to economic and labour market reform. Following a series of tripartite overseas missions in the 1980s on how best to develop national training systems, the Employment and Skills Formation Council in 1992 recommended to the Australian government that the country adopt a competency based system and a new set of Vocational Certificates based against industry developed competency standards and qualifications. (*The Carmichael Report – The Australian Vocational Training System, National Board of Employment, Education and Training, March 1992*).

Australia was the first country internationally to move to an integrated competency based TVET system. Despite scepticism from the very beginning and opposition from training and educational institutions, CBT gradually entered the context of TVET in the UK, Australia and New Zealand. Several other countries in Southern Africa and in ASEAN block have followed and are implementing CBT by re-inventing or reforming their VET systems. In ASEAN, the CBT system that has been adopted by many member countries is based on a 2006 ILO developed system known as the Regional Model of Competency Standards (RMCS).

CBT is a demand driven system because training and assessment of students, trainees and workers is based on the identified needs of industry at a national level set out in competency standards rather than on courses based on institutional arrangements (classes in schools, e.g., or apprenticeships) where courses are developed by individual institutions' curriculum committees, referred to as supply driven training. Government funding of TVET has also become more demand focused where governments fund training to meet current or future skill needs of the economy rather than funding institutions to operate.

CBT aims at preparing learners more effectively for real workplaces, which means that the acquisition of competences takes into account the requirements of companies and industry. CBT is based on the achievement of competence not on the time taken to complete a course. To facilitate efficiency, new forms of assessment against industry standards, Recognition of Prior Learning (RPL) or Recognition of Current Competence, have been developed where individuals, may seek assessment of their competence at any time. Recognition is through the granting of certificates, either Statements of Attainment of full qualifications. This enables employees not only to increase their knowledge and skills at the workplace but also to gain nationally accredited certificates for workplace-based learning.

The self-paced and flexible structure of CBT training delivery encourages learners to become responsible for their individual learning process. Its modular structure allows for individual

combinations of competences limited only by certain packaging rules which refer to accredited national vocational qualifications. The objectives of nationally endorsed competence standards as the core of CBT are on the one hand to transform the requirements of industry and enterprises into the world of learning. On the other hand, standards provide transparency of competences underlying vocational qualifications. (*Structures and functions of Competency-based Education and Training (CBET): a comparative perspective, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Human Capacity Development (HCD) for Vocational Education and Training, 2011*)

National Qualifications Frameworks

A qualifications framework is an instrument for classifying qualifications according to a set of criteria for levels of learning outcomes. Considerable benefits are expected of national qualification frameworks (NQFs). If backed by a good system of quality assurance, they can support the development of workers' skills, facilitate educational and labour market mobility, and help improve the access of individuals to higher and different levels of education and training over their lives. Education and training providers and authorities are able to design more consistent and linked qualifications when descriptors of qualifications are developed within NQFs. Employers benefit in their recruitment and training of staff when they can understand and have confidence in qualifications.

The goals of a Qualification Framework are generally to:

- (i) provide consistent recognition of outcomes achieved in post-compulsory education;
 - (ii) help with developing flexible pathways which assist people to move more easily between the education and training sectors and between those sectors and the labour market by providing the basis for recognition of prior learning (RPL), including credit transfer and experience, and recognition of current competency (RCC);
 - (iii) integrate and streamline the requirements of participating providers, employers and employees, individuals and interested organisations;
 - (iv) offer flexibility to suit the diversity of purposes of education and training;
 - (v) encourage individuals to progress through education and training by improving access to qualifications, clearly defining avenues for achievement, and generally contributing to lifelong learning;
 - (vi) encourage the provision of more and higher quality vocational education and training through qualifications that meet individual, workplace and vocational needs, thus contributing to national economic performance; and,
 - (vii) promote and facilitate national and international recognition of qualifications offered.
- (*Australian Qualifications Framework Implementation Handbook, Australian Qualifications Framework (AQF) Advisory Board, 2007*)

It is the education and labour departments of government, such as SEPFOPE, that have been responsible for qualifications. In several economies, NQFs have emerged from the Technical and Vocational Education and Training (TVET or VET) sector associated with the developments of industry skills standards and competency standards-based qualifications. The introduction of competency-based training has been associated with a relative shift in control of the content of training from providers to industry.

(*Mapping Qualifications Frameworks across APEC Economies APEC Human Resources Development Working Group, June 2009*)

The international recognition of an economy's qualifications is enhanced by the transparency of qualifications to which an NQF can contribute. Eight APEC economies—Australia, Hong Kong SAR, China, Indonesia, Malaysia, New Zealand, Singapore, Thailand and the Philippines have NQFs. The Republic of Korea is in the process of implementing one and six others have them under development or consideration.

ASEAN has developed a draft ASEAN Qualifications Reference Framework to facilitate recognition across member states and reduce barriers to labour mobility in preparation for the ASEAN Economic Community commencing at the end of 2015. Timor Leste, an applicant for membership of ASEAN

has developed its own Qualifications Framework with assistance from the TESP Project. In Europe, the European Qualifications Framework and the European credit system for vocational education and training have impacted positively on the transparency, comparability and quality of TVET. In particular, the EQF serves as a common European reference system that is aimed at linking different countries' national qualifications systems and frameworks together, so it can function as a mapping device helping learners and workers to move between countries or change jobs or move between educational institutions at home. (*Skills Development for Inclusive and Sustainable Growth in Developing Asia-Pacific*, Rupert Maclean, Shanti Jagannathan, Jouko Sarvi. Eds Asian Development Bank 2013.)

Qualifications framework levels at the vocational level are classified against key characteristics related to the world of work such as level of responsibility and autonomy, problem solving capacity, levels of skills and knowledge. The European Qualifications Framework provides a means of comparing qualifications in different European countries and classifies knowledge, skills' and 'competence' into eight levels as does the new Timor Leste Qualifications Framework.

Quality Assurance of Training and Assessment

Having national qualifications does not ensure that the training programs delivered to support those qualifications are of high quality. Government, regulatory and licensing authorities, students, their parents, enterprises which employ graduates, workers, further training institutions and the community at large need assurance that the delivery of training is of high quality. One way of guaranteeing high quality training and assessment is to ensure that training providers and assessment centres offering national qualifications meet agreed principles of quality assurance. These principles are found in a Quality Training Framework.

Having an agreed set of quality principles ensures that the standard of training provision and assessment is suitable for the qualifications and units of competency being delivered. Enterprises employing graduates can be assured that the training and assessment of trainees is of a consistently high quality. An agreed set of quality standards also facilitates international comparisons between qualifications offered in each country. It provides an assurance that training and assessment leading up to the award of qualifications is of a consistently high quality.

Most countries that have developed qualifications frameworks have developed such quality assurance frameworks for the accreditation of providers, including Timor Leste.

3. Project description

3.1 Project objectives

TESP was designed to further develop Timor Leste's employment support systems and operational capacities as the country made a transition to recovery and development. The main government counterpart institutions are the Secretariat of State for Vocational Training and Employment (SEPFOPE).

The **development objective** of the project is given as "to facilitate economic development in Timor-Leste and to support employment growth, through the development and delivery of demand driven skills training".

The project document lists 5 **Outcomes** as follows, with several **Outputs** (30 in total) linked to each:

1. "Improved regulatory framework for the coordination and management of TVET (technical vocational education training) established"; with 8 Outputs.
2. "SEPFOPE's analytical and research capacity for understanding the labour market and supporting workforce planning improved"; with 6 Outputs.
3. "The number of training providers with capacity to develop and deliver quality competency-based qualifications for priority economic sectors and occupations expanded"; with 6 Outputs.
4. "Responsiveness of the TVET system to the labour market improved"; with 6 Outputs.
5. "Linkages between training and employment services and the labour market at district level strengthened"; with 4 Outputs.

3.2 Intervention logic

One of the project's four identified key objectives was to improve the TVET and employment policy environment: Within this national objective promoting vocational education was identified as a key output as was promoting private sector development. This was consistent with the Timor Leste Governments higher level outcome of promoting employment through skills development and promoting the private sector. The Australian Country Strategy in Timor Leste set out intermediate targets for:

- Increased basic skills through training for women and men, particularly in rural areas; and
- Increased access to financial services

Longer term commitments made by both the Timorese and Australian Governments were identified in the Country Strategy as:

- 70,000 women and men have access to employment and training opportunities; and
- 100,000 women and men have access to micro-finance.

(Australia–Timor-Leste Country Strategy, 2009 to 2014, DFAT)

Timor Leste's longer-term TVET goals were used to design the TESP Project as well as the ADB Mid-Level Skills Project. Care was taken to develop these projects with minimal overlap between the objectives of each project as can be seen in the table set out below. For example, while both projects had teacher training as a target, the TESP project focused on training delivery competencies and assessment competencies as the basis for training, the ADB teacher training focuses on the technical skills of teachers and trainers to deliver particular training programs.

The TESP project in its institutional development work set up the policy and program infrastructure, which would be used by the ADB project in delivering its outputs. The ADB project has committed to further develop the Labour Market Information system beyond that developed by the TESP project. Overall, the TESP project was broader in scope than the ADB project in that it identified a range of objectives against each of the seven elements of the TVET Plan and all of TVET issues while the ADB project is focused on particular programs in identified sectors.

Table 2 - Intervention Logic

Timor Leste VET Plan 2011-2030	TESP Project Outputs	ADB Mid-Level Skills Project Outputs
<p>1. Efficient investment in Training - securing long-term budget allocations from the Human Capital Development Fund; establishing a managed training market; and establishing new funding guidelines and performance measures;</p>	<ul style="list-style-type: none"> • Policy and legal frameworks for implementation of TVET Plan; • Institutional and coordination arrangement strengthened; and • Funding mechanisms for TVET improved. 	<ul style="list-style-type: none"> • Strengthening SEFOPE financing and support for TVET, support SEFOPE to: <ul style="list-style-type: none"> ○ develop financing plans to sustain mid-level skills delivery in public and private training institutions
<p>2. National, District and Industry Needs and Demands – identifying national priorities; undertaking skill needs analysis of major projects, districts and industries; developing a labour market information system; and encouraging enterprise development;</p>	<ul style="list-style-type: none"> • Robust labour market information system developed; • Development of sector skills development plans as part of the sector development strategies; and • Role of CEOPs enhanced. 	<ul style="list-style-type: none"> • Improve the labour market information system(LMIS)
<p>3. Participation in Training – promoting the TVET system; establishing equity in participation; implementing the National Training Commitment; and preparing for a national traineeship scheme;</p>	<ul style="list-style-type: none"> • Gender mainstreaming and prioritized trainings for women and vulnerable groups; and • Expansion of training delivery to provide national coverage. 	<ul style="list-style-type: none"> • Enhancing labour market linkages of TVET through assistance to SEFOPE to: <ul style="list-style-type: none"> ○ expand its TVET promotion activities and job counselling services; and ○ facilitate private-sector employers to provide workplace training or internships;
<p>4. Building the Capacity of Trainers – new national teaching and learning materials and training support services; building the capacity of training organisations and non-formal training providers.</p>	<ul style="list-style-type: none"> • Support for training providers through INDMO and Learning Resource Centre; • Training programmes for trainers; and • Institutionalisation of TVET Development through INDMO. 	<ul style="list-style-type: none"> • Technical teacher training through help to SEFOPE to: <ul style="list-style-type: none"> ○ improving technical skills of teachers, ○ establish a new Vocational Training Development Centre (VTDC), ○ deliver in-service training for TVET teaching staff, and ○ develop long-term plans to improve the skills of the overall TVET teaching staff
<p>5. Business Engagement in Developing Skills – a National Skills Development Centre; building strategic training infrastructure; introducing incentives for business investment in skills development and jobs; and implementing a National Labour Content Policy.</p>	<ul style="list-style-type: none"> • Support for Industry Sub-Commissions; • On-job trainings and apprenticeships. 	<ul style="list-style-type: none"> • Developing national skills standards and curricula, • Upgrading facilities and equipment of selected training providers to deliver competency-based training at: <ul style="list-style-type: none"> ○ Tibar Training Centre in delivering quality basic skills training in construction trades (e.g., carpentry, plumbing, electrical, masonry, solar energy) and ○ support for two registered private (non-government) training providers, DIT Baucau and Don Bosco at Comoro, with facility and equipment upgrades;

<p>6. National Partnerships and Institutions – creating the National Skills, Employment and Productivity Council; better coordinating education, TVET and other government training programmes such as Agriculture and Health; and removing inconsistencies between TVET laws and other training related laws.</p>	<ul style="list-style-type: none"> • Support in the establishment of the National Skills, Employment and Productivity Council; and • Inter-Ministerial working group strengthened to promote cooperation. 	
<p>7. Governance and Monitoring of Training – including: making the system work in relation to ensuring effective compliance with contracts; allocating adequate staffing and resources and monitoring; and implementing 10 key performance measures and the appropriate resourcing to conduct evaluation of the training system on an annual basis.</p>	<ul style="list-style-type: none"> • Internal capacity development in SEPFOPE; and • Improved monitoring, analysis, and reporting of TVET using SIMU data base. 	

(Training and Employment Support Programme (TESP) Project Brief ILO, Dili 2012)
(ADB Project Administration Manual, Democratic Republic of Timor-Leste: Mid-Level Skills Training Project, November 2011)

3.3 Funding arrangements

The TESP project was a two year DFAT funded project delivered by the ILO. The TESP was built on the groundwork completed under the Youth Employment Program (2008-2012). The official project commencement date was 1 January 2013 concluding on 31 December 2014. The initial project funding agreement was for a budget of USD 12,114,048.

The budget backs provision for technical backstopping by ILO staff in Jakarta and Bangkok principally of \$US113,190 as well as Programme Support costs of 13% of the project budget amounting to another \$US852,476. Taken together, this amounted to \$US965,66 of the total revised budget or \$US7.43m. This is not considered high by international standards where project management costs can be a significantly higher proportion of total salary costs.

Counterpart funding has been provided for the salaries of SEFOPE staff. There has been a gradual take up of originally donor funded staffing through the YEPP project to Timor Leste funded staffing prior to the commencement of the project. This transition of staffing to a more permanent staffing arrangement will continue at the conclusion of the project. SEFOPE has since secured additional funds from the 2014 annual budget to pay all staff salaries in INDMO, DNAFOP and CEOPs. Additional counterpart funding was also expected through the provision of funding from the Human Capital Development Fund to SEFOPE's FEFOP fund. SEFOPE reported that it would cover the shortfall from the operational funding from TESP from within its operational funds. The HCD Fund which was established in 2011 to fund various initiatives for improving education and skills development. The fund is within the portfolio of the Prime Minister with its management undertaken by the Ministry of Education. However, financial resources allocated for skills training are very limited. For 2014, only USD 200,000 was allocated to SEFOPE from the fund for training, for allocations to 14 training providers, and was not fully expended. This amount was for accredited training.

3.4 Management arrangements

The project was overseen by the ILO Country Office for Timor Leste which is located in Jakarta, Indonesia. The ILO officers who undertook these functions in the ILO Country Office for Timor Leste, Jakarta were:

- Mr Peter Van Rooij, Director
- Ms Michiko Miyamoto Deputy Director
- M. Lita Octavia, Programme Officer for Timor Leste

The project team was provided with technical assistance on TVET by:

- Ms. Akiko Sakaoto, TVET expert in the ILO Regional Office, Bangkok.

Administrative support was provided to the project by the ILO office in Timor Leste by the ILO Field Office in the UN Compound in Dili, Timor Leste by:

- Mr Roberto Pes, ILO Liaison Officer/Head of Mission; and
- Ms Maristela Marques, Administrative Assistant

The individual project staff members were collocated within the various branches of SEPFOPE. These included:

- Ms Lynne Butler, Chief Technical Adviser 2012-13;
- Mr Owais Parray, Officer in Charge/Chief Technical Adviser and Labour Information Management Adviser, 2013-14;
- Mr Fernando Encarnacao, Community & Employment Expert;
- Mr. Antonio Indort Junior, ILO Management Information Systems Adviser;
- Mr. Dawanta Manik, DNAFOP Adviser;
- Mr. Ricardo Monteiro, FEFOPE Grants Adviser;
- Ms. Ligaya Valmonte, Competency Based Training Expert; and
- Ms. Eliana Silva Periera, Legal Adviser

The ILO project and support staff had a reasonable initial gender balance with the initial team leader, the Legal Expert and the CBT adviser being women in addition to the female ILO Programme Officer and the TVET experts in Jakarta and Bangkok respectively. By the end of the project, the Timor Leste TESP team was predominantly male in nature with the departure of the Chief Technical Adviser and the Legal Expert. There was no evidence provided that the change in gender balance within the team negatively affected its ability to deliver project outcomes.

This project delivery model differed from that of most other donor funded projects, such as the ADB Mid-Level Skills Project which has a Project Management Office model. TESP located its staff across the counterpart agency, SEPFOPE. The project adopted an integrated model with each of the project staff *embedded* within individual sections of SEPFOPE working alongside SEPFOPE staff with responsibility for each of the policy and program functions of SEPFOPE. This model was an ILO model which was developed for the YEPP project and which continued with the transition of YEPP into the TESP project. This model was developed to ensure the skills transfer of expertise brought by the technical advisers to SEPFOPE staff on a day-to-day basis. SEPFOPE management reported that the 'embedded' model proved to be highly effective in ensuring skills transfer so that by the end of the project SEPFOPE staff would be able to undertake all of the functions of the experts.

3.5 Inputs

The inputs for the project were identified at the commencement of the project for each of the four major stakeholders of the project:

- The Government of Timor Leste, principally through SEPFOPE, the office of the Secretary of State for Professional Training and Employment Policy and its departments, principally:

- o INDMO (National Institute for the Development of Manpower) which is responsible for the registration and accreditation of providers and related training materials;
- o The Legal Unit responsible for laws, regulations and decrees relating to TVET;
- o The Labour Market Information Department responsible for the development of labour market surveys and related instruments such as Graduate Destination Surveys;
- o DNFP (National Directorate of Vocational Training) responsible for the development of the TVET sector's training providers and for the funding of priority training programs;
- o DNE (National Directorate of Employment Services) responsible for developing programs aimed at increasing employment outcomes for East Timorese and the management of Community Employment Offices in the Districts.

SEPFPOPE was responsible for meeting the salaries of its staff including CEOPs staff, whose officers were contract employees, and to ensure that staff members with responsibilities for policy or program development were available to work on a day-to-day basis with the project experts including as a means of internal institutional capacity development. Following negotiations in April 2014 with SEPFPOPE, responsibility for the payment of salaries for some INDMO fixed term staff were transferred from the project to SEPFPOPE. SEPFPOPE staff would work with the TESP experts in the development of guidelines, qualification standards, curriculum development and tools for labour market analysis. SEPFPOPE together with the office of the Secretary of State committed to ensuring the formal adoption of policy initiatives, to obtain funding for training programs. Operational costs for the CEOPs and INDMO were met by the project until its conclusion.

Training Providers represented a second group of stakeholders for the project. At the commencement of the YEP Programme, approximately 38 public and private sector training providers were registered with INDMO. By the end of the project, following participation in a criterion based accreditation process, the number of training providers had been reduced to 14 training providers who could access putative Government funding. SEPFPOPE staff reported that this reduction was as a result of training providers not meeting the project developed INDMO accreditation standards. Accreditation was required to access Government funding. ⁹Training providers would access, through the project, training of trainers in training and assessment methodologies and coaching, training in how to meet INDMO's provider quality assurance accreditation requirements, financial support for participation in training and the provision of equipment for identified providers. In return, training providers would commit to engagement in the accreditation process, the delivery of INDMO endorsed training programs developed through the project and making available training provider managers and staff for training and coaching.

At the community level, social partners, other governments and private sector institutions would be involved in policy making through the identification of qualifications and training standards and training programs through Industry Sub Commissions and in the provision of training including job placements programs for students and trainees and in apprenticeships in identified sectors. Small businesses would be developed through seed funding for start-ups businesses for self-employment. Self employment would be funded by SEPFPOPE from its own funds.

3.6 Implementation.

The Project design required that the project meet five outcomes comprising 30 outputs, a significant number to be achieved within the two year time frame of the project, averaging more than one a month. This heavy workload was also compounded by the normal project requirements to develop an implementation plan, monitoring framework as well to provide biannual reports to the donor, DFAT and the partner agency SEPFPOPE.

⁹ The Evaluation Team did not have access to non-accredited providers to test the proposition that the potential or actual loss of government funding negatively impacted on their willingness to undertake accreditation. SEPFPOPE staff reported that providers were small with limited facilities or staff and felt that they could not meet the accreditation standards.

While some staff of the forerunning YEP Programme moved to the TESP Project, a number of staff had to be recruited anew at the project start-up phase, which resulted in a number of staff not commencing with the project until May and June 2013 of the project.

In its 2013 Annual Report, the project recorded an expenditure of USD 3,584,577 in its first year with committed funding for this period amounting to USD 1,209,623 moved forward to 2014. Due to this slow initial expenditure, the donor undertook a review of the project, which resulted in a decision in April 2014 to cut USD 4.68 million from the budget leaving a total budget for the project of USD 7,428,574 and a concurrent reduction from the originally agreed 30 outputs to 24 outputs¹⁰. The delivery of some of these outputs, such as the construction of further CEOP offices, was subsequently contracted out by the Donor to other organisations. The TESP Budget setting out expenditure per component and outputs for the original and revised budgets are at Attachment 1 and Attachment 2 respectively.

¹⁰ The following Outputs were dropped in the revised project work plan for 2014: 1.1; 1.6; 1.7; 4.1; 4.5; and 5.3.

4. Evaluation Background

4.1 Evaluation mandate and purpose

The evaluation is a part of the accountability and learning process of ILO, and is mandated by ILO's requirement for all projects with a budget of over USD 1 million, and is foreseen in the project design for the last quarter of 2014.

In line with the evaluation terms of reference, the purpose of the evaluation is "to assess the key achievements of the project as per the project framework, the extent to which the project partners in Timor Leste, tripartite constituents, local communities and beneficiaries have benefited, and will continue to benefit, from the project's outcome, strategy and implementation arrangements. It is also aimed to highlight achievements, areas for improvement and recommendations for sustainability, possible lessons learnt, good practices as well as areas where technical support is needed in future."

4.2 Scope

The evaluation covers the entire period of the project, and includes all five Outcome components. Rather than using the project document's Log Frame, the scope of the evaluation is limited to the revised work plan adopted in 2014, following a substantial cut in the programme budget by DFAT in December 2013.

It also reviews and builds on the final evaluation report prepared for the previous phase of the project (YEPP), and all the main project progress reports prepared throughout TESP up to the period of the evaluation.

The evaluation covers the full range of stakeholders and beneficiaries to the extent that was practical given the large number of these, as well as the relatively short schedule of the evaluation and the project duration.

Given the short duration of the project, and in line with the stated requirements in the project document (page 43), the focus on impact remained light, particularly given the limited reliable national data on employment trends in Timor Leste beyond the Labor Force Surveys of 2010 and 2013. It is difficult to attribute to the TESP project any changes in labor force issues such as increased employment in the final month of such a short project.

4.3 Methodology

The evaluation was designed to "adhere to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards", and addressed key evaluation questions (see below) and the OECD/DAC quality criteria such as relevance and strategic fit, validity of the design, validity and logical coherence, project effectiveness, efficiency, impact and sustainability.

The exercise was conducted also in compliance with ILO Policy Guidelines for results-based evaluation, 2012. While maintaining independence, the evaluation was based on a participatory approach, seeking the views and assessments of all stakeholders. These included government and donor counterparts, local community leaders, beneficiaries, labour and private sector representatives, and other UN organisations (where relevant).

Gender equity and mainstreaming issues were explicitly addressed throughout the evaluation exercise.

Given the large number of outputs (30 in total in the original project document, and 19 in the revised Work Plan for 2014), and in order to ensure a results-based approach, the evaluation was in the main focussed on reporting on and identifying indicators at the Outcome level unless issues pertaining to non-delivery require specific reporting on Outputs. Moreover, and to the extent that the

project design allowed, the Outputs were assessed as indicators contributing to Outcomes, per the table below.

Data collection methods ranged from desk reviews (relevant national strategy and development plans, ILO project and programme documents, progress reports, etc.) to individual stakeholder interviews, focus group discussions, project visits to at least three project sites outside of Dili, training centres in Dili and observation.

In line with the project document's stipulation, "the primary reference for the final evaluation will include the project logical framework, project document, as well as progress reports" (page 44), as well as the revised Work Plan for 2014.

Attention was paid to ensuring an unbiased and objective approach and to the validation of data through triangulation of sources, methods, data, and theories.

In addition, a stakeholder workshop was conducted at the end of the field mission to present, review and debate the findings in a participatory manner with the project staff, SEPFOPE management and staff as well as the donor counterparts.

4.4 Limitations

The timeframe of the evaluation posed a challenge in terms of preparations for the evaluation mission. This was compensated for by intensive document reviews in the initial phase of the mission.

The direct beneficiaries of the training institutions and CEOPs were not within reach of the evaluation team other than those present in training during the visits, and no survey of the beneficiaries could be organised in the allotted timeframe. However, focus group discussions were held where possible, including with the staff of CEOPs visited. Furthermore, given the relatively early stages of development of the CEOPs and the corresponding level of services offered to beneficiaries at the time of the evaluation, the lack of a survey of beneficiaries was not considered by the evaluation team to be detrimental to the purpose and objectives of this evaluation.

The complexity of the project and dispersed nature of its area of coverage limited the range of CEOPs and training centres that could be visited. Regardless, the mission plan included visits to three separate project sites (districts) outside of Dili, including 2 CEOPs, three training centres and two business start-ups, as well as a number of training centres in Dili, and the evaluation team consider this sample to be fairly representative as it included districts in the north east (Baucau) and south (Ermera and Ainaro) of the country. The visits also provided the team with a good understanding of the logistical challenges faced by the counterparts and the project team.

The evaluation was limited also by the fact that the evaluation team did not benefit from a direct meeting with the SEPFOPE Secretary of State (appointed in 2012, shortly before the TESP project formulation process was launched), who was a key informant on policy as the decision making authority of the organisation. It was therefore difficult to gain clarity on the views of the top leadership in SEPFOPE with regard to project design at the formulation stage, and to gauge the future direction of the organisation in relation to the longer-term aims of the project and projected national funding for CEOPs and training centres.

4.5 Key evaluation questions & data collection plan

The following key questions were derived from the evaluation TOR as well as the TESP project document's stipulations pertaining to the final evaluation (pp 43-44).

1. Examine performance against expected outcomes and results in terms of relevance, effectiveness, efficiency, impact, and sustainability. Specific reference to cross-cutting gender issues is to be addressed throughout.

In assessing the results, consider the following areas for specific examination:

2. To what extent the recommendations of the YEPP final evaluation have been taken on board under the TESP project?

3. To what extent has TESP contributed in the development of an accredited vocational training in Timor-Leste that is demand-driven?

- To what extent improvement in the policy and institutional framework has supported the implementation of the TVET Plan?
- Has a support structure for building a pool of training providers led to improvement in the expansion and quality of trainings?

4. To what extent has TESP supported provision of employment services and linkages with the private sector? In this regard, consider a) the role of CEOPs; b) role of Industry Sub Commissions; and c) the extent that the Labour Market Information System has supported policy and decision making.

- Whether engagement with the private sector and industries has led to development of market responsive skills development plans?

5. What has been the impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance (TA)? How has the technical assistance worked in such environment?

- To what extent improvements in services provided by career and counselling centres is leading to better employment opportunities for the clients?

The data collection plan and questions are outlined in the table below.

All data collection and analysis was conducted by the evaluation team through the ILO project office and EVA, interviews and focus group discussions with stakeholders and beneficiaries, stakeholders documentations made available to the team as well as online and government resources.

The indicators identified in the table represent a selection of those identified in the project document's Log frame as well as additional or alternative indicators identified by the evaluation team, designed to enhance the evaluability of the project.

Table 3 - DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
<p>Overarching task: Examine performance against expected outcomes and results in terms of relevance, effectiveness, efficiency, impact, and sustainability. Specific reference to cross-cutting gender issues is to be addressed throughout.</p>			
<p>Project formulation and design</p>			
<p>The extent to which:</p> <p>a. the project was formulated in a participatory manner with various stakeholders</p> <p>b. the Log Frame and project design:</p> <ul style="list-style-type: none"> - are logically coherent - use SMART indicators - facilitate results oriented M&E - analyse risks and mitigation factors <p>c. the project work plan and targets were realistic within the given timeframe</p> <p>d. Recommendations of the YEPP final evaluation have been taken on board under the TESP project</p>	<p>Number and range of stakeholders consulted at formulation stage</p> <p>Clarity of linkages between inputs, activities, outputs and outcomes</p> <p>Achievement of results in a timely fashion</p> <p>Correlation between project design & the recommendations of the evaluation report</p>	<p>Stakeholders Report of the project design workshop in Sept 2012</p> <p>Project document M&E plan</p> <p>Progress reports Implementation plan Stakeholders</p> <p>Evaluation report Project document Stakeholders</p>	<p>Interviews with stakeholders Document review</p> <p>Document analysis</p> <p>Document reviews Stakeholder interviews</p> <p>Document review</p>
<p>Relevance and strategic fit</p>			
<p>The extent to which the project is aligned with:</p> <p>a. ILO's mandate and country strategy in TL</p> <p>b. TL's development priorities and strategies</p> <p>c. The needs and priorities of various categories of beneficiaries</p> <p>d. The priorities of the donor</p> <p>e. The UN Development Assistance Framework in TL</p>	<p>Degree of alignment</p>	<p>ILO's Decent Work Programme in TL National Employment/TVET Plan SEPFOPE strategy documents Beneficiaries Country Plan of DFAT UNDAF</p>	<p>Desk review of documents</p> <p>Interviews with beneficiaries and stakeholders</p>
<p>Effectiveness</p>			

<p>Effectiveness</p> <p>The extent to which objectives established in the project documents were achieved with regard to:</p> <p>a. the established policy framework</p> <p>b. the enhanced capacity of SEPFOPE in the generation and use of labour market information for training plans</p> <p>c. Expanded delivery of TVET</p> <p>d. Responsiveness of TVET to industry and labour needs</p> <p><u>Related key questions:</u> <i>TESP has contributed in the development of an accredited vocational training in Timor-Leste that is demand-driven?</i></p> <p><i>TESP has supported provision of employment services and linkages with the private sector, with due consideration for i) the role of CEOPs; ii) role of Industry Sub Commissions; and iii) the extent that the Labour Market Information System has supported policy and decision making.</i></p> <p><i>Engagement with the private sector and industries has led to development of market responsive skills development plans</i></p> <p><i>improvements in the policy and institutional framework have supported the implementation of the TVET Plan</i></p> <p><i>To what extent improvements in services provided by career and counselling centres is leading to better employment opportunities for the clients?</i></p> <p>e. Expanded, quality career services at the district level</p> <p><u>Related key question:</u> <i>a support structure for building a pool of training providers led to improvement in the expansion and quality of trainings</i></p> <p><i>How has the technical assistance worked in such environment?</i></p>	<p><u>relating to a.:</u> Status of: - NES policy action plan - organic laws for SEPFOPE & INDMO - FEFOP law - relevant guidelines</p> <p><u>relating to b.:</u> No., quality and frequency of data, labour market surveys and analytical reports generated by the LMI department pertaining to economic sectors and districts No. of training plans incorporating LMI</p> <p><u>relating to c.:</u> Trends in development of qualifications, TVET delivery rates and no. of trainees and accredited trainers.</p> <p><u>relating to d.:</u> Level of satisfaction & participation of industry leaders in Industry Sub Committees</p> <p>Trends in recruitment of SEPFOPE trainees by industry</p> <p>Trends in the number of industry-led training initiatives and public private partnerships (e.g. apprenticeships and specialized training for middle-higher skill levels)</p> <p>No. of training plans incorporating LMI</p> <p>Aspects in delivery of the TVET Plan attributable to TESP-supported institutions and policies</p> <p><u>relating to e.:</u> Trends in use of CEOP services Trends in employment rates, higher education and competency qualifications, and business start-ups among CEOP clients</p>	<p>Stakeholders</p> <p>Project six monthly reports M and E framework</p> <p>Related government decrees, directives and guidelines</p> <p>LMI department publications</p> <p>SEPFOPE training plans</p> <p>National statistics</p>	<p>Analysis and structured interviews with Project advisers. TL gov. officials and system clients</p> <p>Document reviews.</p> <p>Field visits to training centres and employment centres</p>
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Table 3 - DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
<p>Efficiency The extent to which:</p> <p>a. the quality of ILO services (expertise, training, equipment, methodologies, etc.) was as planned and led to the production of outputs;</p> <p>b. the resources and inputs were converted to results in a timely and cost-effective manner</p> <p>c. coordination amongst and within components of TESP led to synergy effects</p> <p>d. Objectives were achieved on time.</p> <p>e. The project's management arrangements supported efficiency in implementation</p>	<p>Degree of counterpart satisfaction Delivery of planned outputs Timeliness of results Adherence to budgetary targets Level of correlation among project components leading to core capacity needs of SEPFOPE Delivery of results versus the project Work Plan Clarity in roles and responsibilities across ILO units in Dili, Bangkok and Jakarta An enabling environment for project implementation Satisfaction of project personnel with regard to management arrangements</p>	<p>Stakeholders Project progress reports</p>	<p>Document review Interviews with stakeholders Site visits</p>
Impact			
<p>a. What has been the impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance (TA)?</p> <p>b. Is the project likely to contribute to economic development and employment growth in TL through the development and delivery of demand-driven skills training?</p>	<p>Adoption of policy and legislative frameworks Trends in employment and self-employment rates among trainees.</p>	<p>Government decrees Tracer studies SEMU data Stakeholders</p>	<p>Desk review Interviews Visits to the field</p>
Sustainability			
<p>Are SEPFOPE, INDMO, CEOPS and training centres likely to be able to continue their various TVET and employment generation functions beyond the end of the project?</p> <p>Is the government committed to supporting these institutions and the policy framework?</p> <p>Are the institutions established through YEPP and TESP likely to enjoy adequate resources in the medium term?</p> <p>Are business leaders committed to supporting competency based systems in TL?</p>	<p>Government budget allocation to SEPFOPE, INDMO, CEOPs, FEFOP and training centres Adoption of related TVET laws, regulations and policies Expected donor support for TVET institutions Medium-term business plans for training centres Regular involvement of industry leaders in ICSS</p>	<p>Stakeholders Capacity assessment study of TESP Government decrees and laws Approved state budget Donor country programmes and agreements with SEPFOPE</p>	<p>Stakeholder interviews Document reviews</p>

5. Findings

5.1 Overall performance

Relevance

The project was aligned with the Essential Elements of the National TVET Plan and against one of the key objectives of the DFAT Timor Leste Country Strategy (see Section 3.2. above). It is clear that the project's design and deliverables were highly relevant and designed to meet those national plans. Additionally, the project design was consistent with ASEAN TVET initiatives relating to competency based training and the ASEAN Draft Reference Qualifications Framework and Quality Training Frameworks discussed previously in the report which will enable portability of qualifications and mutual recognition for workers seeking employment in ASEAN countries. It should be noted that the ASEAN Economic Community (AEC) comes into effect at the end of 2015. One of the agreed principles of the AEC is the removal of qualification barriers to labor mobility. It will also facilitate potential inter-institutional relationships with ASEAN countries whether or not Timor Leste is admitted to ASEAN. The project was also fully aligned with the ILO DCWP and the UNDAF.

Effectiveness

By the end of the TESP project in December 2014, the project had met most of its intended results. While the outputs had been largely met, difficulties with the Cabinet consultation and coordination arrangements within the Government of Timor Leste resulted in the draft SEPFOPE Organic Law not being endorsed by the Council of Ministers. Additionally, despite political commitments being made to ensure all funding arrangements were made through the FEFOP fund, there has been no formal decision to give effect to this commitment nor have the funding targets set out in the National Strategic Plan or the VET Plan been realised. Despite interventions with the Minister's and Director General's offices, the project has not been able to deliver on these intended results as they are matters that are largely out of the control of the project, being the province of the Timor Leste Government.

Efficiency

Project efficiency was assessed as low in the first year of implementation, but was significantly improved in delivery rates in the second year. Slow recruitment processes within ILO, and burdens placed on project management during the initial start-up phase contributed to delays in the first year. While the project had a high proportion of external technical advisers compared to local advisers, which caused some concerns with the partner agency, this was a generally efficient design and understandable given the project's role in developing new policy approaches and systems with which local advisers were not familiar. It is important to note that during 2014 some of the international positions were phased out and the number of short term consultancies was reduced. The project produced high quality training and training materials.

Impact & sustainability

It was too early in the project cycle to make a full assessment of impact. However, the project outputs were assessed as sustainable beyond the life of the project and the institutions and the tools developed by the project for policy implementation beyond 2014 are of high quality. SEPFOPE has grown in size, scope and capability. The project had a very positive effect in the development of policy and program infrastructure, notwithstanding the lack of approval of the draft SEPFOPE Organic Law.

There is still further significant policy work to be undertaken by INDMO in the development of guidelines on the packaging and levelling of qualifications and in extending its scope to include qualifications at the Diploma levels. INDMO's approach to TVET is still highly curriculum based despite the move to a competency based system. The development of common curriculum and

supporting materials is understandable as an initial or transitory step to show what is possible but the policy framework over time needs to be more flexible to cater for individual providers and workplaces.

Further work needs to be undertaken with providers in developing a more workplace oriented, competency based system of training. The failure to develop a national apprenticeship system reflects a deficiency in the understanding of the value of a workplace based system of training and a lack of priority given to establishing such a system by INDMO and consequently the project. Employment based apprenticeships programs are a highly effective way of lifting the competencies of Timor Leste's workforce within a workplace environment, providing an effective means of communication between industry and training providers and providing a formal recognition of competencies for workers.

Questions were raised during the evaluation of the impact of the CEOPs in lifting the employment levels of young people of the CEOPs given its focus on individual development plans and training inputs. There was a view that the project did not give its primary focus to job placement, particularly of the youth, instead focusing on training pathways to employment for CEOPs registrants. This was not supported by any evidence that job placement was not the CEOPs principle priority. Evidence from employer groups suggested that the labour market was a buyer's market where qualifications were used as a filtering method to reduce the number of applicants in the few instances that large employers conducted recruitment campaigns. There was little evidence that the majority of small and medium sized employers conducted open recruitment or used employment agencies to fill vacancies. The constraints on capturing the employment outcomes of clients of the system may indicate a higher level of positive employment outcomes than is recorded on the SIMU, notwithstanding the recent significant increase in the numbers of clients reporting positive employment outcomes.

Sustainability is supported by the ADB Mid-Level Skills Project's plans to introduce Levels 3 & 4 Qualifications Frameworks. The SIMU database is of a high quality and sustainable given adequate resourcing to maintain, host and development of the system. The Labour Market Information System and the labour survey instruments are of a high quality and able to be run in subsequent years. Further investment is required in lifting the statistical analysis skills of SEPFOPE staff through internal development, continuing education or through external recruitment to support policy development. The curriculum and learning materials developed by the project provide a model for both INDMO and training providers in the development of training programs. The training programs for trainers and assessors are already sustainable with over 350 trainers having already participated in the program. Further work needs to be done in the training of accreditation auditors to enable providers to map existing curriculum and training material as part of the accreditation process rather adopt the INDMO developed curriculum and training materials.

There is some cause for concern about the Government's commitment to sustainable TVET funding and the implementation of the purchaser provider model for VET financing developed by the project. Training providers will grow in size and capability if there is access to stable, market driven VET financing arrangements. Without funding, the gains made in lifting the skill levels of training providers will be diminished or degraded and this is likely to impact negatively on job creation by participating employers, the further development of the TVET system and the level of self-employment within the community.

5.2 Project formulation & design

Project formulation began as early as in June 2012 when a tripartite workshop (government, donor and ILO) was held in Dore to identify the way ahead. However, the same year saw changes in SEPFOPE leadership with the appointment of a new Secretary of State earlier, as well as changes in the staffing of AusAID's education unit in Dili. The new Secretary of State did not participate in the above mentioned workshop, and the event produced no clear outcome for the next phase of the project other than identification of gaps and needs in 2012. In fact, the documentation available to the evaluation team indicated some concern among SEPFOPE staff with regard to the organisation's

continued commitment to the trajectory foreseen within the ongoing YEPP project to be carried on to the next phase. In September 2012, a team of two ILO consultants were tasked with formulating a new project document, but this was interrupted with the announcement that AusAID would develop its own umbrella programme with the Ministry of Education. This process, however, was unsuccessful, and ILO was once again asked to formulate a new TVET project document in October or November.

The TESP formulation process therefore was rather disjointed and rushed toward the end of the year, with differing expectations by various stakeholders. From the donor's perspective, the TESP project was formulated to complete the work started under YEPP within a 2-year framework. On the other hand, ILO and most SEPFOPE managers clearly viewed the new TESP project as a bridging 2-year arrangement that would lead to a medium-term programme of the same duration as YEPP. The evaluation team could not make a definitive assessment of the process, as there was no access to the documentation at the time, and the TESP project document makes no mention of a bridging or interim arrangement despite the project's oversized budget and short duration (USD 12 million over 2 years) as compared to its predecessor programme (YEPP - USD 13 million over 5 years).

What is clear is that the process led to an unrealistic project timeframe under TESP, which was further exacerbated by a) a project design that was not fully results-based (see below), together with b) the donor's insistence on the development of an intricate monitoring and evaluation framework that took around 5 months to complete in the project's inception phase, as well as c) a slow recruitment process by ILO at the inception phase.

The risks associated with such a short timeframe and mitigation factors needed were not discussed in the TESP project document.

The project design was fully aligned with national priorities and plans (see Section 5.3 below), and largely addressed the recommendations of the YEPP final evaluation report, despite the publication of the latter coming some months after project formulation. However, there was scant evidence for national leadership in the formulation process.

Furthermore, the TESP project document included 5 separate outcomes and 30 outputs, several of which could have been described as activities. Project outcomes are usually representative of a desired change in behaviour, and are normally dependent on external factors and inputs (outside of the direct control or remit of the project). On the other hand, project outputs are products of the project contributing directly to the desired outcomes. Outputs often represent an improvement in capacity or the knowledge base of specific beneficiaries (e.g. through training, infrastructure development and/or research), and are designed to lead to a behaviour change.

As such, outcome 1 of TESP (Improved regulatory framework for the coordination and management of TVET established) would constitute an outcome, as would outcome 4 (Responsiveness of the TVET system to the labour market improved). The rest of the outcomes, however, would perhaps be better described as outputs that would contribute to outcomes 1 & 4 (improved research and analytical capacities; enhanced number and capacity of training providers; and stronger linkages between employment services and the labour market).

The project Log Frame is largely coherent, and the outputs and outcomes would be expected to lead to the desired results. The indicators used could however be improved (see below), as could the assumptions, though these are relatively minor findings:

- The development objective row would not normally include any assumptions, as there is no higher-level result that would require assumptions to be included there.
- Indicators at the development objective level do not include a 'control group' that could help attribute the measure to the project.
- Indicators for Outcome 1 do not address quality issues, and ignore the question of 'adoption' of the regulatory framework, which would be a better measure of success at this level.

- The indicators for Outcome 2 are formulated in the fashion of 'outputs' rather than indicators of success.
- Indicators for Outcome 3 are quantitative and measure training activities rather than quality of results.
- Output 4.2 is formulated in the fashion of an outcome, while its success indicator is activity based.

The above findings also hold for the indicators of several of the outputs, many of which would normally be better described as activities such as in the development of documents, guidelines and implementation plans, as well as conduct of surveys, dissemination of results etc. One could also argue that the conduct of training is an activity rather than an output, as attendance at training does not necessarily result in capacity enhancement. However, this issue is often a matter of perception. The advantage of reducing the number of outputs is in achieving a greater focus on higher level results in project reporting, and thus supporting results orientation in project management.

5.3 Relevance & Strategic Fit

The table below compares the new key national strategic documents of the Timor Leste government, the Timor Leste Strategic Plan 2011-2030 and the Timor Leste TVET Plan 2011-2030 to the project's Outcomes and Outputs.

As a United Nations Specialized Agency, the ILO's mandate is to promote opportunities for all women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. The Decent Work Country Programme (DWCP) translates that mandate into the ILO's contribution at country-level in Timor-Leste towards the achievement of the Millennium Development Goals (MDGs), the United Nations Development Assistance Framework of 2009-2013 (UNDAF) and national development strategies.

The DWCP expands and elaborates UNDAF outcomes for Timor Leste which has three specific components:

1. Stronger democratic institutions and mechanisms for social cohesion are consolidated.
2. Vulnerable groups experience a significant improvement in sustainable livelihoods, poverty reduction and disaster risk management within an overarching crisis prevention and recovery context.
3. Children, young people, women and men have improved quality of life through reduced malnutrition, morbidity and mortality; strengthened learning achievement; and enhanced social protection.

(ILO Decent Work Country Programme 2008-2013)

The TESP Project components and outputs are closely aligned to meeting these specific objectives set out in the UNDAF.

5.4 Efficiency

The TESP Project relied heavily on the skills and experience of eight externally recruited international technical advisers. This reliance on foreign experts at a relatively high cost in the development of the policy and systems architecture of the industry driven, competency based TVET system was appropriate and justified given the lack of expertise and experience available in Timor Leste in such systems. Four of the advisers on the project were recruited from the preceding YEPP project, including the Chief Technical Adviser, Ms Lynne Butler, an Australian TVET specialist with a background in the delivery of VET in indigenous communities and a long history of engagement with Timor Leste at the community level; Mr Fernando Encarnacao, Community & Employment Expert, a Timorese committed to the development of Timor Leste; Mr. Antonio Indort Junior, ILO Management Information Systems Adviser and Mr. Ricardo Monteiro, FEFOP Grants Adviser with significant experience in Timor Leste, both of whom are from Brazil. The latter three advisers are fluent in Portuguese, the official language of the Government of Timor Leste.

Four new advisers were recruited at the commencement of the project. They were Ms Ligaya Valmonte, a Competency Based Training Expert from the Philippines with a background in TVET delivery in the Philippine Education and TVET systems, including the application of the Philippine Training Regulations; Mr Owais Parray from India, a labour market specialist in the development and implementation of Labour Information Management systems, who was jointly responsible for the initial design of the Project in September 2012, undertook Labour Market Information System, and who, following the departure of Ms Butler at the end of 2013, also assumed the role of the Chief Technical Adviser for the latter half of the project; and Mr Dawanta Manik, the DNAFOP Adviser from Indonesia, with a background as a university lecturer, Master Assessor training consultant in Indonesia.

Table 4 - Relevance and Strategic Fit

Timor Leste Strategic Plan 2011-2030 Actions	Timor Leste TVET Plan 2011-2030 Actions	TESP Project Outcomes and Outputs
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<p>1. The Timor-Leste training system will continue to be developed and funded through the development of a training qualification framework which will include:</p> <ul style="list-style-type: none"> • National qualifications standards in all major occupations • National curricula for all registered training programs • A system to allow registered training providers from the government, community and non-government sectors to deliver accredited training. <p>2. A Timor-Leste National Training Commitment will provide training opportunities for all Timorese through:</p> <ul style="list-style-type: none"> • National Training Ticket, which will provide fully funded training for one year and be delivered by a registered training organisation • National Traineeship Program, which will provide students with a combination of classroom and workshop training and industry-based learning and experience. <p>3. A National Labour Content Policy will require all major new businesses to ensure that a minimum percentage of the value of labour in all major projects in Timor-Leste is dedicated to the employment or accredited training of citizens of Timor-Leste.</p> <p>4. Investment will be made in training facilities and people including:</p> <ul style="list-style-type: none"> • Developing qualified and professional trainers • Developing curricula relevant to industry and student needs • Embedding training as a core activity of businesses • Linking businesses to training services. <p>5. A Technical and Vocational Education and Training Plan will be developed by 2015.</p>	<p>1. Efficient Investment in Training</p> <ul style="list-style-type: none"> • Human Capital Development Fund for national investment in future skills • Models for Investing in Training • Establishing new funding guidelines and performance reporting <p>2. National Industry Needs and Demands</p> <ul style="list-style-type: none"> • Analysis of National Priorities • Analysis of Major Projects and District and Industry Needs <p>3. Implement a Labour Market Information System</p> <ul style="list-style-type: none"> • Developing Small Business, Enterprise and Innovation <p>3. Participation in Training</p> <ul style="list-style-type: none"> • National Training Commitment • Gender equity and under-representation • Promoting the new TVET system • Formal Traineeships <p>4. Building the Capacity of Trainers</p> <ul style="list-style-type: none"> • Capacity Building of Community Based Training Providers • Building the Quality of Trainers • Teaching and Learning Materials • Training Support Services <p>5. Business Engagement in Developing Skills</p> <ul style="list-style-type: none"> • Industry Skills Development Centres • Infrastructure Development • Incentives for business investment in skills development and jobs • National Labour Content Policy <p>6. National Partnerships and Institutions</p> <ul style="list-style-type: none"> • A new national partnership on training, employment and productivity through a National Skills, Employment and Productivity Council • Harmonising education and TVET • Inconsistencies between TVET laws and associated laws • Aligning Government agencies to the National TVET system • INDMO Executive Committee and the Industry Sub-Commissions • Primary health care <p>7. Governance and Monitoring of Training (Making the System Work)</p> <ul style="list-style-type: none"> • Regulation, staffing and auditing • Performance measurement tools <p>1. Policy framework for coordination and management of the market driven TVET system established</p> <ul style="list-style-type: none"> • Policy and legal frameworks for implementation of TVET Plan; • Institutional and coordination arrangement strengthened; • Funding mechanisms for TVET improved • Inter-Ministerial working group strengthened to promote cooperation. <p>2. Capacity of SEPFOPE to generate and use labour market information to develop workforce training plans enhanced</p> <ul style="list-style-type: none"> • Robust labour market information system developed • Improved monitoring, analysis, and reporting of TVET using SIMU data base. <p>3. Delivery of accessible, market driven, competency based technical and vocational training expanded</p> <ul style="list-style-type: none"> • Gender mainstreaming and prioritized trainings for women and vulnerable groups • Expansion of training delivery to provide national coverage. • Support for training providers through INDMO and Learning Resource Centre • Institutionalisation of TVET Development through INDMO • Training programmes for trainers <p>4. Responsiveness of the TVET System to industry priorities and the labour market improved</p> <ul style="list-style-type: none"> • Development of sector skills development plans as part of the sector development strategies • Support in the establishment of the National Skills, Employment and Productivity Council; • Support for Industry Sub-Commissions; • On-job trainings and apprenticeships; and • Internal capacity development in SEPFOPE; <p>5. Referral and career guidance services for training and employment at the district level improved and expanded</p> <ul style="list-style-type: none"> • Role of CEOPs enhanced.
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The recruitment process used for engaging the new, non-YEPP advisers was undertaken in accordance with the ILO's recruitment processes and operating procedures. This process required the development of duty descriptions and selection criteria for each position and for advertising widely through the UN's open recruitment processes. While the extension of the YEPP process was

undertaken efficiently with the extension of employment contracts for the former YEPP staff, the same could not be said for the engagement of the non-YEPP staff. The whole process took a minimum of five months to field the first of the advisers and a maximum of six months to conclude the process of fielding all of the new advisers. It is clear to the evaluators that this process could have been achieved more quickly had the ILO been more flexible in the approvals of duty statements, putting together selection committees and delegating authority for approval of duty statements and appointments to the Chief Technical Adviser rather than centralising significant aspects of approvals to Headquarters or the Regional Office for Indonesia and Timor Leste.

A second recruitment issue arose around the replacement of the Chief Technical Adviser (CTA). The process used to recruit Ms Butler's replacement did not involve the partner agency throughout the selection process. While this was in line with ILO recruitment procedures, the agency was left in the embarrassing position of having to veto the initial adviser proposed by the ILO. In the event, the ILO and the donor agreed that after calculating the cost of the CTA, it was decided not to hire a new CTA. Mr Parray added the duties of the CTA to those he had as the Labour Market Information Systems Adviser.

The delays in getting a significant proportion of the team on the ground in Timor Leste resulted in loss of momentum and delays in meeting project outcomes. This delay in recruitment was one of the concerns of the donor in what it perceived as poor budget execution. The donor decided to undertake a mid-term review which led to a 39% budget cut and the reduction in the number of outputs to be met by the project. However, it should be noted that it was not the only consideration in the donor seeking to reduce its financial commitment to the project. A change of Government in Australia in September 2013 led to a restructure of the Aid portfolio with the former AusAID organisation being subsumed into the Department of Foreign Affairs and Trade. The new Government flagged the need to significantly reduce its foreign aid budget commitment leading to savings being sought across the portfolio. A final factor was the change in nature of delivery of aid with international organisations, such as the ILO, falling out of favour and an increased commitment to the use of community and private sector organisations in aid delivery modes. While DFAT had secured funding for TESP, there would not be the scaling up as projected.

There were delays in project commencement caused by factors other than recruitment. The ILO and the donor took months to agree the Monitoring and Evaluation Framework and the Project Implementation Plan. The draft Plan went backwards and forwards between the Project and the donor leading to the final plan not being agreed until June 2013. Similar problems were encountered around the performance management framework where the ILO's standard monitoring and evaluation process did not accord with the framework in use by the donor. This was also compounded by the fact that both of these parties had failed to sufficiently engage the partner agency, SEPFOPE in the development of these two strategic documents. One respondent noted that this "two doctors arguing over the patient in front of the patient". It is clear that this process could have been significantly better and more timely given the willingness of the two parties to properly negotiate and make concessions than standing firmly on their own positions and to better engage the partner agency in the development of such strategic and important documents.

Efficiency of the project was also negatively affected by the fact that SEPFOPE and embedded project staff were moved out of the SEPFOPE headquarters building for around 7 months while it was being renovated. Staff were able to move back into the refurbished building in July 2014.

It should be noted that salary costs for advisers were not the only factors impacting on the proportion of the project's budget not going directly to SEPFOPE or the community. The budget provision for technical backstopping by ILO staff in Jakarta and Bangkok principally of \$US113,190 as well as Programme Support costs of 13% of the project budget amounting to another \$US852,476. Taken together, this amounted to \$US965,66 of the total revised budget or \$US7.43m. This is not considered high by international standards where project management costs can be a significantly higher proportion of total salary costs.

5.5 Effectiveness

By the end of the TESP project in December 2014, the project had met or substantially met most intended results. Where the project did not meet targets, at the time of the evaluation in early December 2014, those matters were largely out of the control of the project, being the province of the Timor Leste Government.

In terms of the project meeting its objectives overall against the defined project outputs, the project has fully or partially achieved these. The table below sets out the Project outputs that have not been fully met or met at all by the project. These represent a total of five of the 29 agreed indicators remaining after the mid-term project review.

Table 5 - Undelivered or Partially delivered Results		
Outcome	Indicator	Status
Immediate Outcome 1: Policy framework for coordination and management of the market driven TVET system established	IOI 1.1 SEPFOPE and INDMO structures revised to include LMI Department and Department of TVET Development respectively as recommended in the NES and TVET Plan.	Department of TVET Development established. Draft SEPFOPE organic law submitted but not yet approved by the Council of Ministers
Output 1.2: Key policy and legal frameworks to allow for the implementation of the NES and the National TVET Stage 1 developed and approved by the Council of Ministers (COM)	OI 1.2.1 Key policy and legal frameworks to allow for the implementation of the NES and the National TVET stage 1. policy actions including: Decree law for SEPFOPE and INDMO organic law; overseas workers and gender mainstreaming policy; labour content policy; National Skills, Employment & Productivity Council (NSEPC); Inter-ministerial traineeships; LMI Department structure formalized	Draft Law submitted to CoM - not yet approved
Output 1.3: Improved financing mechanisms for the FEFOP developed	OI 1.3.1 New grant management system for the FEFOP designed and implemented	7 modules developed in the SIMU DB; financial interface created, and rural employment programme incorporated but not tested
Output 1.5: Mechanisms developed to fund projects supporting vulnerable groups	OI 1.5.1 Number of projects funded or funds allocated targeting vulnerable groups such as out of school youth, women and people with disabilities	Guidelines and templates developed. Funds not transferred yet through FEFOP
Immediate Outcome 3: Delivery of accessible, market driven, competency based technical and vocational training expanded	IOI 3.1 Number of trainees without high school graduation certificates including out of school youth, women, disable, and those living in regional areas that graduate from foundation level courses to become eligible for accredited training or seek employment	211 trainees against a target of 483
	OI 3.1.1 Number of districts where training providers are accredited to deliver foundation and/or level 1	12 districts' training providers registered but training not provided due to lack of funding across all districts

The principal difficulty in not meeting those goals was in obtaining Council of Ministers' (CoM) endorsement of the draft SEPFOPE Organic Law. The team was advised that there were no problems in principle with gaining CoM approval, and that the difficulty was in scheduling consideration of the proposal. The Finance Minister insisted that all of the funds to be available for training programs from the Human Capital Development fund and from separate budget allocations for employment programs such as the \$3 a day program should be included in the FEFOP fund. This overcame a difficulty previously encountered with what was regarded as a political budget item being outside the purview of the operations of SEPFOPE.

The final problem appeared in scheduling consideration by CoM. Due to other priorities arising needing the consideration of the CoM and caused by the work schedule of the Prime Minister, consideration by the CoM of the Organic Law was deferred beyond the timeframe for the visit of the Evaluation Team. The project had been in consultation with the Minister's and Director General's offices to impress upon them the need to urgently finalise these matters. Nevertheless, the project has not been able to deliver on these results and will be recorded as such.

Another area that the project had not been able to deliver is in finalising sustainable TVET financing arrangements. Despite the development of the FEFOP fund and associated guidelines, including the development of a purchaser-provider model for the contracting of training delivery against national, industry identified training; an ongoing budget allocation for the funding of training activities has not been arrived at. The Human Capital Development Fund allocations for training are outside of the control of SEPFOPE, being the preserve of the Prime Minister's Department and are overseen by the Finance Ministry with the secretariat function being provided by the Ministry for Education.

In the last budget round, a great deal of uncertainty existed over funding for SEPFOPE's activities and for budget allocations to the FEFOP Fund. Neither SEPFOPE nor the project had any certainty as to the level of funding available for the purchase of training. In the end, an allocation of \$200,000 was provided for this purpose; however the evaluation team was advised that much of this budget remained unspent due to delays in the Organic Law being approved and was therefore returned to the budget. Government training providers who were able to access funding from the project or from the ADB's Mid-Level Skills Project had their normal budgets reduced affecting their delivery capacity. Proper and sustainable funding arrangements are essential to meet the National Commitment set out above and the targets in the TVET Plan.

5.6 Gender Issues

The TESP project identified the beneficiaries of the project as being people of working age population with a focus on youth and women, SEPFOPE and government departments, training providers, workers associations, employer associations and other private sector and civil society organizations. In developing policy frameworks and implementation strategies, the project worked to ensure that there were no unintended or indirect discrimination that resulted from such policies and strategies. One way of ensuring this was in that the reports of the project provided 'beneficiary stories' on the impact the project would or was having on the above beneficiaries.

There was in fact direct discrimination enabled for target groups, including women. The project designed the FEFOP grant modules, which now include several windows for funding projects with explicit guidelines for targeting socially vulnerable groups. These new guidelines address vulnerable groups as targets (under the guidelines criteria) and not merely as indicative goals. Three out of seven modules provide appropriate and direct support to people with disabilities and all of them are gender mainstreamed (two out of seven modules use a gender-responsive budgeting approach for results maximization towards gender equality).

By the end of 2013, a total of 14,267 clients including 57% youth and 42% females were registered and provided with career counselling by six Career and Employment Centres (CEOPs). A total of 1,262 CEOPs clients (females 57%) enrolled for accredited training courses. The project's provider database collected information on training participants, including their gender. At the end of July 2014, a comparison was made between enrolees at accredited training providers. It noted that while

enrolment had declined due to the lack of government funding for providers, there was also a decline in the proportion of female participation. Enrolment figures significantly decreased from 1,819 (1020 or 56% were females) during the first half of 2013 to 949 enrollees (464 or 49 % were females) at the same time in 2014.

Data was also collected on youth and female participation at the project supported national Career Expos held in districts attended by CEOPs case managers. There was significant improvement in participation compared to that of 2013 in numbers of attendees, organisations exhibiting and general public engagement. 4,730 clients registered and received career guidance from CEOP offices: of which 58% were youth and 39% were female.

In terms of CEOPs' effectiveness for disadvantaged groups, from January to June 2014, CEOPs registered 4,730 people of whom 39% were female and 58% youth. A total of 5,143 clients were referred for training programmes with 42% of those being women. 146 jobseekers found work (34% of which were female) through the CEOPs with the largest number, 25 job seekers (60% female) finding work as administration assistants.

There is still significant room for improvement in Timor Leste for the participation of women in training programs to the level found in the population and for better employment outcomes for youth and women.

5.7 Potential Impact and Sustainability

The project outputs are sustainable beyond the life of the project and the institutions and the tools developed by the project for policy implementation beyond 2014 are of high quality. Against outcome 1, the project developed the final draft of the law for the organic structure of SEPFOPE and INDMO, it developed FEFOP's technical and legal guidelines and guidelines for funding of more demand-driven training, community-based training including 48 templates to support the new modules of the system, the SIMU database was extended to include FEFOP functionalities.

There were a number of delays in achieving this objective of the project as discussed above. The testing of the FEFOP functionalities was limited by the SEFFOPE Secretary's view that funding for employment related programs need not be channelled through the FEFOP. This issue will be overcome once the FEFOP is passed. The legal framework and Terms of Reference for the National Skills, Employment & Productivity Council (NSEPC) for creating interface between Government, industry, trade unions and civil society were developed and approved however there was not much stakeholder commitment to move this initiative forward and was dropped as part of the revised work plan as was the establishment of the Inter-ministerial working group (IMWG) to promote collaboration between higher education and TVET.

For outcome 2, the enhanced capacity of SEPFOPE to generate and use labour market information to develop workforce training plans, tools and methodologies for conducting demand side assessments were developed. These include the conducting of the 2013 and 2014 Enterprise and Skills Surveys results shared with stakeholders in Dili and several districts. The first Labour Market Outlook (LMO) was drafted in January 2014 with briefing sessions on the findings. A key emphasis has been on the articulation of policy messages and advocacy arising from data gathered during the Surveys. The initial statistical analysis of the instruments was shared with the Evaluation Team. It is clear however that further development of the statistical analysis capabilities of SEPFOPE is required to ensure the best policy development outcomes.

For outcome 3, the expanded delivery of accessible, market driven, competency based technical and vocational training, the anticipated growth in the delivery of training has not been achieved due to the lack of funding. By the end of the project, all 13 districts of Timor Leste had accredited training centres to deliver the Foundation Course and Cert 1. Training was expected to commence in 2015, subject to funding availability. In relation to the development of teachers and trainers, a Certificate III training program in Training and Assessment targeted at assistant trainers was developed out of

the broader Certificate IV program. The latter program was delivered to trainers, teachers and curriculum developers. Separately, a training program for managers of training institutes was developed and delivered to lift the planning and management skills in the various institutions. The training of trainers in the technical aspects of various qualifications was conducted in concert with the ADB's Mid-level Skills Project.

A range of new qualifications have been developed through the project in Levels 3 and 4 in Agriculture and Tourism and Hospitality and Customer Service Relations at the through a process of engaging local developers in the development process rather than the previous practice of engaging a sole external consultant to develop materials.

Notwithstanding this better approach to capacity development of curriculum and learning resources, the approach taken by INDMO is not yet fully competency based. This is reflected in the methodology for packaging units of competency into qualifications which does not provide sufficient flexibility to suit the needs of the four clients of the TVET system; workers, students, industry and training providers. Packaging rules should be flexible enough to meet the needs of each of these clients. The number of mandatory competencies as a proportion of the total number of competencies should decline the higher the qualification. Secondly, nesting of qualifications, the requirement to complete a lower level qualification before undertaking a higher level qualification, should be avoided. Each qualification should stand alone encompassing all of the competencies required in an occupation or industry sector. The lack of flexibility and ladder based approach to qualification development and delivery reflects an old curriculum based education model and not a modern, competency based system. It is understandable that such an approach should be undertaken in Timor Leste given the post conflict nature of the system. However, it should be acknowledged that it is a transitory step to full CBT implementation. It took some 20 years to drop curriculum, often centrally developed curriculum, as a basis for TVET in Australia and to move to an individual trainer developed learning and assessment resources focusing on individuals rather than groups of trainees. These approaches taken by INDMO reflected the background and experience of INDMO staff as well as that of the project advisers.

In terms of industry engagement in the development of an industry driven TVET system, the project facilitated the establishment of nine Industry Skills Councils whose role is to identify training needs their various industries, oversight the development and improvement of qualifications and training materials. The Evaluation Team was provided with industry training plans which were developed against a template developed by the project. These were high quality and replicable across all industry sectors. Industry associations have not been established across a range of industries given the small business nature of most of these industries and the lack of funding to support the activities of such associations. Consequently, membership of ISCs is, in some cases, drawn from managers of individual enterprises rather than from nascent or non-existing industry bodies. Subsequently, discussions on industry needs tend to reflect the views of individual employers rather than the collective view of the industry. This does impact on the breadth of knowledge of industry requirements available to the ISCs.

In relation to outcome 4, the appointment of a new Director in DNAFOP has significantly improved the work of the Directorate. DNAFOP's role is to manage vocational training, support and develop trainers, manage and improve on-the-job-training and apprenticeships and monitor training implementation. In the new structure set out in the Organic Law there will be a department each for vocational training, on-the-job training, and counselling and support. This will enable DNAFOP to function more effectively as a body for national human resource development, with a clearer plan and pathway for enabling people to enter the labour market with increased skills.

Workplace based learning arrangements catering to the individual needs of workers are one of the most effective means of competency development. At the moment, the focus in the training system has tended to be on training within a training provider rather than a training provider managed process in a workplace. The project noted that the application and focus of the on-the-job-training (OJT) program needs to be further refined. There is currently not a sufficient understanding among Timorese enterprises of what comprises effective OJT. Most people see it as the chance for work

experience, rather than a structured employment based means of learning in the workplace. This has led to a lack of progress in the area. There needs to be tangible skills learned, proper guidance from enterprise staff with a clear understanding of training content and assessment, and monitoring throughout the process. As the current focus is on students gaining work experience up to six months in duration rather than as formal apprentices or trainees, the project worked with DNAFOP developed an OJT briefing to an industry forum to compile industry feedback. The options paper developed recommended a pilot OJT and apprenticeships program in Tourism and Hospitality to be implemented before December 2014 which did not eventuate before the end of the Project. DNAFOP received \$US 28,800 from the Timorese Government to conduct on-the job training in 2014.

For outcome 5, on strengthening links between training and employment services and the labour market at district level, the addition of seven new offices, means CEOPs are operational in almost all of the 13 districts. While operating at a district level employment services provided by the CEOPs are increasingly national in scope in providing training and employment services to people in the Districts. CEOPs staff members were provided with training on the SIMU upgrade and in the use of the new Employment Services Manual. This training improved CEOPs client case management. The Evaluation Team tested the skills of the CEOPs staff in the use of the system and in generating reports on CEOP activities in two of the District offices in Bacau and Ermera. 4,730 clients were registered and received career guidance from six established and seven temporary CEOP offices. Of these clients, 58% were youth and 39% were female. A total of 607 CEOPs clients (59% of whom were female) completed accredited training courses by July 2014. As noted above, access to courses was limited by funding availability.

Overall, it is clear that a case management based approach has worked well in motivating CEOPs' clients to improve their skills and to set realistic employment goals. The CEOPs need further support to further develop the system. Not all CEOPs offices have been permanently established as this objective was removed from the scope of the Project and transferred to the Purchasing Consultant of the donor. The use of the system by employers needs to be improved. Traditional recruitment arrangements where typically small business employers recruit people known to them or family members remains the most common means of engaging new employees. The CEOPs have provided employment and training assistance to medium and larger firms such as Timor Telkom and are using the testimonials of these organisations to lift the profile of CEOPs in the Districts.

5.8 Tripartite issues assessment

The ILO is a tripartite organisation with its representatives drawn from the three industrial stakeholders, the Government, Workers' and Business' organisations. In meeting its Log frame requirements, it is clear that the project involved each of these parties in the development of policies, tools or programs and at the Project Steering Committee and the various Industry Standards Committees. The project worked closely with its partner agency from the office of the Secretary of State, the Director-General down to the departmental officers and through its embedding approach, its advisers were collocated within the fabric of the organisation. With its focus on identifying industry needs and in the development of the Labour Market Information System and various associated data collection instruments, the project advisers were frequently engaged with representatives of industry and labour. Furthermore, the design of the Industry Sub Commissions gave a lead role to industry, though the low level of development of labour associations in Timor Leste has hindered the involvement of labour representatives in a similar fashion.

5.9 International labour standards assessment

International labour standards have been the principal means through which the International Labour Organization has acted since it was created in 1919. They take the form of Conventions or Recommendations. Conventions are international treaties that bind the member States which ratify them. By ratifying them, member States formally commit themselves to putting their provisions into effect, both in law and in practice. Recommendations are not international treaties. They establish

non-obligatory guiding principles for national policy and practice. They often supplement the provisions of Conventions.

States that have ratified Conventions must periodically report on their application in law and in practice. They have a constitutional obligation to present reports on the measures they have taken to put those Conventions into effect. Employers' organizations and workers' organizations may present the Organization with their comments on the application of Conventions ratified by their countries.

Timor Leste became the 177th member country when it joined the ILO in August 2003. The ILO's Decent Country Work Program's Labour Market Governance Objective identifies a range of activities including the ratification of core ILO Conventions, the development of reporting capacity, and the incorporation of the International labour standards principles into Timor Leste's national legislative framework.

The project as an ILO delivered project has an obligation to ensure that its actions conform with the Labour Standards even though the Government of Timor Leste has not yet ratified all of the Standards. It was clear to the Evaluation Team that the project behaved accordingly. There was no evidence to suggest otherwise provided to the team.

It was clear that the project developed policies on training infrastructure and employment were particularly mindful of the following Conventions relating to:

- Equality of opportunity and treatment and Workers with Family Responsibility;
- Elimination of child labour and the protection of children and young persons;
- Tripartite consultation; and
- Vocational guidance and training.

6. Conclusions

Human resource development constitutes a top priority for a country transitioning from a predominantly traditional, agrarian-based economy to a modern, market-based one. Timor Leste has come a long way since independence just over a decade ago, as her impressive human development index trends attest. With the small size of a nascent private sector, and with the petroleum sector providing the bulk of essential resources for investment and economic development *through* the government, which is the largest employer providing 50% of waged employment in the market, it is clear that this transition must be effected through public-private partnerships and include institution building as well as regulatory and legal framework development on several fronts.

At this juncture in the Timorese context, TVET development cannot be expected to be led by the private sector, which simply lacks both the capacity and the resources needed for the task. As such, the institution-building and policy focus of the TESP project with its heavy emphasis on international technical assistance was assessed as relevant, but its two-year timeframe can be viewed as short-sighted.

The TESP project benefited from a relatively coherent design and Log Frame, which, nevertheless, exhibited some room for improvement in its results orientation. The project document could have been formulated with 2 outcomes only relating to the policy framework and a more demand-driven TVET system.

TESP was closely aligned with the VET priorities and needs of Timor Leste - including for SEPFOPE and its clients in industry, training institutions, the CEOPs, self-starters as well as trainees - as a newly independent country in transition toward stability and development following a tumultuous history. It should be noted that what was planned to be developed under TESP was a far more complex system than that in place previously, which would necessarily take a long time to fully implement.

The project formulation process in 2012 leading to the design was not fully transparent to the evaluation team. In part, this was attributed to changes in senior level leadership in SEPFOPE and the AusAID office in Dili.

On the one hand, AusAID appeared at one stage in 2012 to be more interested in devising its own large programme with the Ministry of Education rather than focussing on SEPFOPE. There was therefore a period of disjointed formulation phase at end of 2012 in the lead up to the commencement of the project, which in turn led to a slow start-up phase, and subsequent inefficiencies in delivery. The shortfall in planned expenditures contributed to a decision to cut the project budget by around 30% by April 2014, around six months after AusAID was merged into DFAT.

On the other hand, in 2012, SEPFOPE did not show a clear commitment to longer-term institution building and policy development goals as opposed to investments in short-term job creating schemes. The policy and regulatory framework that TESP aimed to establish was and remains highly contingent on the approval of the regulatory framework by the State Cabinet, and the allocation of national resources toward the training and employment centres (FEFOP, including for CEOPs) from the Human Capital Development Fund. However, by the end of the project in 2014, neither issue had been resolved satisfactorily, which in turn raises questions regarding the government's commitment in this matter.

A glaring omission in project documentation available to the evaluation team was any reference or acknowledgement by the ILO or her partners of the short duration and large budget of the project with its very ambitious policy component. Almost all ILO and national interviewees attested that TESP was foreseen as a bridging arrangement that would be 'extended' beyond its 2-year duration,

yet there was not a single reference to such an arrangement in the project document or the related correspondence. The situation therefore led to different parties working under widely differing expectations regarding the project's 'exit strategy', and signing off on a project document that was too large in its budget and too short in its duration with no objections or caveats from any party. This lack of recording of 'real' expectations and reliance on a 'silent agreement on project extension' constitutes a lesson for the ILO and her partners, in view of the evaluation team.

In effect, project efficiency was poor, particularly in terms of speed of delivery of results in its first year of operation, and a lack of government commitment to adopting the policy framework and formalising funding arrangements under FEFOP also resulted in ineffectiveness under outcome 1 of the project.

However, the project significantly improved its delivery in the second year after a substantial reduction in the budget and a 20% reduction in the number of outputs. Project effectiveness for outcomes 2-5 was therefore assessed as high despite efficiency issues.

The factors that contributed to effectiveness included a high level of national ownership and a good deal of leadership in project implementation and management at the level of the Director General and other staff at the mid-management level and below in SEPFOPE. A high level of trust, respect and cooperation built up over the years between SEPFOPE and ILO staff in Dili and elsewhere in the country was evident during the evaluation mission. Similarly, clear synergies between the objectives and targets of TESP and those of the various departments of SEPFOPE made the project's work plans virtually indistinguishable from those of the host agency. This was in part a consequence of the *embedding* approach of ILO starting from the STAGE project that was the first building block in 2004 leading to the YEPP and TESP projects.

A high calibre of ILO experts with both the technical and linguistic skills needed for communicating with their counterparts, and with a long-term commitment to staying the course in the difficult physical conditions in Timor Leste were assessed as important contributors to project effectiveness. Some of the TESP advisers had started their work in the country under the STAGE or other projects in the country. In this respect, it was fortunate that the YEPP evaluation report's recommendation to phase out *embedding* was not followed in the design of TESP.

The recommendations of the YEPP final evaluation were extensively taken on board in the implementation of TESP. Crucial components of YEPP were extended to ensure further institution building, including for INDMO and CEOPs. Capacity support was further enhanced for the major stakeholders of YEPP to become the core of the new project with attention to other donor-supported programmes, and an intricate monitoring system was established. However, the ILO project staff were not withdrawn from the 'work floor' and the embedded approach was maintained under TESP, and the end of project evaluation exercise was launched around 2 weeks later than optimal. On the other hand, a tracer study was conducted as recommended, though its final results were not fully delivered before project closure. The recommendations targeted at SEPFOPE management were incorporated in the TESP, but did not materialise in large part due to a lack of adoption of the policy framework and non-allocation of the required autonomy and resources to FEFOP by the government.

TESP has supported SEPFOPE in developing a clear and good quality TVET strategy setting out its policy goals, regulations and procedures. However, the lack of their adoption by the government has delayed any potential impact. As such, the project's 2-year timeframe has proven too short in the post-crisis context with inadequate provisions for risks under a new SEPFOPE leadership at the project design stage in 2012. On the TVET funding side, opposition to incorporating employment program funding into the FEFOP fund had largely been overcome yet there remained a question on whether the Government would establish a more sustainable funding environment for training provision.

The TESP project design for the other outcomes (2-5) exhibited a more realistic step-by-step approach, building on previous results, and keeping their relevance to a fast changing context. The

embedding of advisers in the SEPFOPE departments proved to be a highly efficient approach in skills transfer compared to the Project Management Unit model generally used by donors, and constitutes a good practice in post-conflict transition contexts. As such, the evaluation team considers the ILO's embedding approach - that was as much claimed by SEPFOPE as its own 'idea' as it was by the ILO - to constitute an 'emerging best practice' in post-conflict and other challenging contexts.

Given the small size of the private sector in Timor Leste, TESP's incremental approach has been effective in engaging the private sector in the work of DNAFOP and the ISCs to establish standards and qualifications with a proactive involvement by the private sector. Furthermore, the construction of CEOPs offices throughout the Districts, the development of a case management system for its clients and the use of the SIMU database has had an increasingly positive impact on employment outcomes for its clients. The Team noted that the construction of further CEOP offices was transferred away from the project by the donor in 2014, but did not result in the construction of those offices. To maintain the successes of this component of the project, the Team notes that ongoing employment should be provided by SEPFOPE to current CEOP staff. Further work needs to be done on outreach to industry, particularly medium and larger employers to increase the number of businesses using the system, for example through the provision of subsidies to employers who are registered with and obtain employees through the CEOPs.

TESP has effectively contributed to the development of a demand-driven accredited vocational training system in Timor Leste through its partnership with INDMO in developing a National Quality Training System comprising criteria to be met by training providers, a collaborative auditing system between INDMO and training providers seeking accreditation and funding policies tying funding to accreditation. This had led to an overall increase in the quality of providers and weeding out of less capable ones.

In terms of demand-driven arrangements, the project assisted INDMO in establishing Industry Sub-Commissions in a variety of industries to develop industry training plans that identified and develop priority qualifications. There is still further work to do in supporting INDMO in developing policies relating to the packaging of qualifications, the implementation of a more workplace focused training system, statistical analysis to support policy development and technical assistance in the further development of web based applications linked to the SIMU database.

Overall, the project is sustainable and the institutions and the tools developed by the project for policy implementation beyond 2014 are of high quality. SEPFOPE has grown in size, scope and capability during the life of the project and its YEPP and STAGE predecessors. Staff members of SEPFOPE and its clients are able to effectively perform their duties and use the systems developed by the project.

Training providers will likely grow in size and capability subject to stable, market driven VET financing arrangements. However, concerns remain regarding government financial commitment to maintaining institutions which will impact on job creation, the expansion of the TVET system and self-employment levels.

It is the strong view of the Evaluation Team that TESP's approach to embedding its technical advisers in the work units of SEPFOPE was highly successful in engendering skills transfer to SEPFOPE staff. This model should be replicated as it appears to be more effective in skills transfer than the alternative Project Management Unit model used in other projects and contemplated for future DFAT assistance.

7. Lessons & Emerging good practices

7.1 Lessons

- In a project formulation phase within a post-conflict context, the timeframe needed for the adoption of policy and regulatory frameworks is likely to be more in tune with medium-term frameworks (around 5 years).

Rationale:

The experience of TESP in Timor Leste is one of many examples of ambitious policy-oriented programmes that underestimate the timeframe needed for such work in post-conflict and transition contexts. Policy decisions typically require a long process of negotiation among a large cross-section of national stakeholders vying for influence and resources. Such an effort is likely to experience even greater challenges in post-conflict contexts with major humanitarian and infrastructure challenges, as the greatest priority is often (and understandably so) given to the latter. Moreover, the immediate political capital that can be gained from 'emergency infrastructure' projects far outweighs what can be gained from long-term policy development and institution building efforts such as the TESP project. In Timor Leste, this very challenge was experienced from within the counterpart organisation's (SEPFOP) own top leadership.

As such, the takeaway for ILO should be that a longer timeframe should be accorded to such policy initiatives in post-conflict environments, with a focus on the medium-term rather than a two-year project.

7.2 Emerging good practices

- ***SEPFOP and ILO's embedding approach constitutes a best practice in post-conflict and similarly challenging working environments***

Rationale:

An early decision in the establishment of the working relationship between the ILO and SEPFOP back in 2004/5 when the STAGE project was implemented led to a situation where ILO's project team in SEPFOP would be embedded within the latter's target departments and offices rather than being placed in a project management office elsewhere. This mode of cooperation has continued throughout and led to a close and mutually conducive working relationship between the ILO project staff and those of SEPFOP. International advisors have had to operate in the same physical conditions as their counterparts, and the projects' work plans and targets have consequently become indistinguishable from those of SEPFOP. In effect, the ILO projects implemented in SEPFOP have been a subset of SEPFOP's own work plans.

This not only creates enhanced alignment between the ILO and the counterpart agency's aims, it also makes for a more realistic approach in implementation, posing the same pressures and challenges for the partners involved in the project. It raises national ownership over such development cooperation, and ensures a higher degree of (mid-level management) national leadership in project implementation, though not as much in project design, which is effected at a higher level of management.

Furthermore, the embedded approach raises ILO's accountability to the national counterparts, as day-to-day decision making becomes a joint exercise, and the consequences of efforts are jointly experienced at close quarters. In addition, embedding enhances transparency among all sides, and reduces the chance of inefficiencies being missed or ignored.

This level of work plan alignment and partner collaboration clearly enhances effectiveness in development cooperation in such contexts. It is therefore the assessment of this evaluation that the embedded approach adopted in the TESP project and its 2 predecessor projects constitutes an emerging best practice that merits further research and development in development cooperation, particularly in challenging transition and post-conflict contexts.

8. Recommendations

The following recommendations are listed in order of priority with a preliminary assessment of cost implications.

Recommendations to the Government regarding the future of the TVET system in Timor Leste

1. The Government should clarify its policy position on the TVET system as soon as possible in light of the numerous policy and strategy outputs of the project pending government approval, as the lack of a solid policy framework creates uncertainties and insecurity of tenure for trained SEFPOPE staff in Dili and elsewhere. (Little or no cost implications)
2. It is strongly recommended to support and enhance FEFOPE and its regulatory framework. (Little or no cost implications)

Recommendations to ILO regarding programmes in post-conflict and transition settings:

3. In post-conflict and transition contexts, ILO HQ and CO in Jakarta should devise appropriately speedy recruitment processes that can help reduce the risk of losing time on administrative matters. (Little or no cost implications)

Recommendations to ILO, Government and DFAT regarding future cooperation:

4. The ILO and its partners should not formulate projects that are known to be too short in duration without a clear indication of expectations or plans for project extension. (No cost implications)

Recommendations to DFAT and ILO regarding future phases of TVET related projects in Timor Leste:

5. LMIS and statistical analysis and research capacities should be further developed to support policy development and of models to predict sectoral and related labour market growth and associated skill needs. (Low cost implications for the planned DFAT follow-up project)
6. To the greatest extent possible, the DFAT Education Sector team in Dili should consider retaining the current ILO advisers in the upcoming project so as to make use of good working relations and trust built up over the years. (No cost implications for the planned DFAT follow-up project)
7. Further promote industry use of CEOPs system as a recruitment mechanism particularly in SMEs; (Low or no cost implications for the planned DFAT follow-up project)
8. Use the FEFOP VET financing model as a model for the implementation of market driven purchasing in the provision of support for further implementation of Competency Based Training and Assessment and collaborative approaches to accreditation auditing. (Low cost implications for the planned DFAT follow-up project)
9. Further support should be given to developing policies on packaging, levelling, pre-requisites, mapping and articulation with the VET school based Education system. (Low cost implications for the planned DFAT follow-up project.)

Annex 1 - Emerging Lesson Learned Template

<p>Evaluation Title: Independent Final Evaluation of the <i>Training and Employment Support Programme (TESP)</i> in Timor Leste</p>	
<p>Project TC/SYMBOL: TIM/12/01M/AUS</p>	
<p>Names of evaluators: Massoud Hedeshi (Team Leader); Mark Kilner (TVET Specialist)</p>	
<p>Date: November 2014 - February 2015</p>	
<p>The following Lesson Learned has been identified during the course of the evaluation. Further text can be found in the conclusions of the full evaluation report.</p>	
LL Element	Text
<p>Brief summary of lesson learned</p>	<p>In a project formulation phase within a post-conflict context, the timeframe needed for the adoption of policy and regulatory frameworks is likely to be more in tune with medium-term frameworks (around 5 years). This relates to Outcome 1 of the project: <i>“Improved regulatory framework for the coordination and management of TVET (technical vocational education training) established”</i>, which was planned to be delivered within 2 years in Timor Leste.</p>
<p>Context and any related preconditions</p>	<p>The experience of TESP in Timor Leste is one of many examples of ambitious policy-oriented programmes that underestimate the timeframe needed for such work in post-conflict and transition contexts. Policy decisions typically require a long process of negotiation among a large cross-section of national stakeholders vying for influence and resources. Such an effort is likely to experience even greater challenges in post-conflict contexts with major humanitarian and infrastructure challenges, as the greatest priority is often (and understandably so) given to the latter. Moreover, the immediate political capital that can be gained from ‘emergency infrastructure’ projects far outweighs what can be gained from long-term policy development and institution building efforts such as the TESP project. In Timor Leste, this very challenge was experienced from within the counterpart organisation’s (SEPFOPE) own top leadership.</p> <p>As such, the takeaway for ILO should be that a longer timeframe should be accorded to such policy initiatives in post-conflict environments, with a focus on the medium-term rather than a two-year project.</p>
<p>Targeted users / Beneficiaries</p>	<p>ILO Programme Managers</p>
<p>Challenges /negative lessons - Causal factors</p>	<p>Humanitarian imperatives, instability and political considerations tend to relegate policy-oriented initiatives to secondary priorities for national governments in post-conflict and transition settings.</p>
<p>Success / Positive Issues - Causal factors</p>	<p>N/A</p>
<p>ILO administrative issues (staff, resources, design, implementation)</p>	<p>N/A</p>

Annex 1 - Emerging Lesson Learned Template

Other relevant comments	N/A
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Annex 2 - ILO Emerging Good Practice Template

Evaluation Title: Independent Final Evaluation of the Training and Employment Support Programme (TESP)	
Project TC/SYMBOL: TIM/12/01M/AUS	
Names of evaluators: Massoud Hedeshi (Team Leader); Mark Kilner (TVET Specialist)	
Date: November 2014 - February 2015	
The following emerging good practice has been identified during the course of the evaluation. Further text can be found in the conclusions of the full evaluation report.	
GP Element	Text
Brief summary of lesson learned	SEPFOPE and ILO's embedding approach constitutes a best practice in post-conflict and similarly challenging working environments. This relates to all project outputs and capacity building efforts of the project, and was a key factor success in institution building.
Context and any related preconditions	<p>An early decision in the establishment of the working relationship between the ILO and SEPFOPE back in 2004/5 when the STAGE project was implemented led to a situation where ILO's project team in SEPFOPE would be embedded within the latter's target departments and offices rather than being placed in a project management office elsewhere. This mode of cooperation has continued throughout and led to a close and mutually conducive working relationship between the ILO project staff and those of SEPFOPE. International advisors have had to operate in the same physical conditions as their counterparts, and the projects' work plans and targets have consequently become indistinguishable from those of SEPFOPE. In effect, the ILO projects implemented in SEPFOPE have been a subset of SEPFOPE's own work plans.</p> <p>This level of work plan alignment and partner collaboration clearly enhances effectiveness in development cooperation in such contexts. It is therefore the assessment of this evaluation that the embedded approach adopted in the TESP project and its 2 predecessor projects constitutes an emerging best practice that merits further research and development in development cooperation, particularly in challenging transition and post-conflict contexts.</p>
Targeted users / Beneficiaries	ILO Programme Managers & Senior Management
Challenges	N/A

Annex 2 - ILO Emerging Good Practice Template

<p>Success / Positive Issues - Causal factors</p>	<p>Embedding creates enhanced alignment between the ILO and the counterpart agency's aims, it also makes for a more realistic approach in implementation, posing the same pressures and challenges for the partners involved in the project. It raises national ownership over such development cooperation, and ensures a higher degree of (mid-level management) national leadership in project implementation, though not as much in project design, which is effected at a higher level of management.</p> <p>Furthermore, the embedded approach raises ILO's accountability to the national counterparts, as day-to-day decision making becomes a joint exercise, and the consequences of efforts are jointly experienced at close quarters. In addition, embedding enhances transparency among all sides, and reduces the chance of inefficiencies being missed or ignored.</p>
<p>ILO administrative issues (staff, resources, design, implementation)</p>	<p>N/A</p>
<p>Other relevant comments</p>	<p>N/A</p>

Annex 3 - Status of project outputs

Outcome	Outputs	Status
<p>1. Policy framework for coordination and management of the market driven TVET system established</p>	<p><u>1.1: Priority policy actions for stage one implementation of NES and National TVET Plan identified and action plans developed and approved</u></p> <p>1.2: Key policy and legal frameworks to allow for the implementation of the NES and the National TVET Stage 1 developed and approved by Council of Ministers</p> <p>1.3: Improved financing mechanisms for the FEFOP developed</p> <p>1.4: Guidelines for funding of demand driven training, community based training (i.e. non-accredited training providers), self-employment promotion activities, entrepreneurship, and business skills developed</p> <p><u>1.5: Mechanisms developed to fund projects supporting vulnerable groups</u></p> <p><u>1.6: Legal framework and ToR for National Skills, Employment & Productivity Council (NSEPC) for creating interface between Government, industry, trade unions and civil society developed and approved</u></p> <p><u>1.7: IMWG to promote collaboration between higher education and TVET established and approved by the CoM</u></p>	<p>Policy action plan already prepared. No further follow up as per revised work plan 2014</p> <p>Draft organic laws for SEPFOP & INDMO already prepared</p> <p>Draft FEOP law prepared; Reminders</p> <p>7 modules developed in the SIMU DB; financial inter-relationships 7 modules in the SIMU DB tested; financial inter-relationships Rural Employment Programme included in the S... Guidelines already developed Testing of templates continues</p> <p>Guidelines already developed No further follow until funds are secured for FEFOP</p> <p>No further follow up as per revised work plan 2014</p> <p>No further follow up as per revised work plan 2014</p>
<p>2. Capacity of SEPFOP to generate and use labour market information to develop workforce training plans enhanced</p>	<p>2.1: Scope of work in the LMI department developed</p> <p>2.2: Methodologies and tools of LMIA identified and adopted</p> <p>2.3: SIMU system (i.e. TVET data system) upgraded to become an effective tool for M&E of training and employment services</p> <p>2.4: Labour Force Survey conducted</p> <p>2.5: Employment outlooks in priority sectors/selected districts analyzed and presented</p> <p>2.6: LMI analysis disseminated</p>	<p>Assessment to see changes in capacities</p> <p>Set up the KLIM/Adept/Economic indicator database Training for staff</p> <p>Provide training for SIMU-web users in Dili and... Deploy SMS-System and complete FEFOP module Print LFS Reports</p> <p>LFS Report launched by MoF & SEPFOP 3rd Enterprise & Skills Survey</p> <p>ESS 2014 (2) disseminated</p> <p>Labour Market briefs Organize briefing sessions and seminars</p>

Annex 3 - Status of project outputs

<p>3. Delivery of accessible, market driven, competency based technical and vocational training expanded</p>	<p>3.1: Training programmes at foundation and level 1 delivered in all the districts</p> <p>3.2: Specific training programmes for trainers (of both institution based and industry based) conducted through international mentoring and industry secondments (in conjunction with Immediate Objective 4)</p> <p>Output 3.3: Partnerships with Industry enhanced for the development and improvement of qualifications and training materials through existing and the expansion of ISCs</p> <p>Output 3.4: Professional development programmes for trainers expanded and INDMO takes over the regulation and management of on-going training of trainers</p> <p>Output 3.5: Higher level competency based qualifications in selected priority sectors (e.g. tourism & hospitality, Admin and Finance, Agriculture at level 3 and 4) developed (ILO)</p> <p><u>Output 3.6: New competency based qualifications in (new) priority sectors (oil, gas, health, maritime, etc.) developed (links to the new industry sub commissions ISCs)</u></p>	<p>Presentation of National Survey of 6 districts (Ainaro, Viqueque, Ainaro) to identify training centres for Foundation Course</p> <p>Selection of training providers (TPs) to be supported</p> <p>Support registered TPs to meet accreditation requirements</p> <p>Support the accreditation of Foundation Course (Same)</p> <p>Provide technical support to TPs that applied for accreditation</p> <p>Train and certify 40 assistant trainers (Cert 3)</p> <p>Train and certify 40 trainers (Cert 4)</p> <p>Establish ISC in Community Services</p> <p>Conduct workshops/seminars to ISC members</p> <p>Training on use of learning resources for Foundation Course</p> <p>Workshops in Dili and in the districts on registration guidelines</p> <p>Capacity building on the development of learning resources</p> <p>hospitality</p> <p>Revise guidelines for development, validation and accreditation</p> <p>Continue capacity building of TWGs to develop assessment strategies (LADS), and assessment tools</p> <p>TWGs develop 6 NQs, LADS and Ats</p> <p>No further follow up</p>
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Annex 3 - Status of project outputs

<p>4. Responsiveness of the TVET System to industry priorities and the labour market improved</p>	<p>4.1: Improved institutional mechanism for greater involvement of private sector/social planners in managing the TVET sector established</p> <p>4.2: Market relevant sectoral skills development plans drafted</p> <p>4.3: Competency standards, qualifications and training materials for identified priority sectors in collaboration with INDMO (in conjunction with Immediate Objective 2) certified</p> <p>4.4: Capacity of INDMO staff to conduct accreditations, audit training providers and maintain quality control of training delivery in line with national standards and industry requirements improved.</p> <p><u>4.5: Capacity training of trainers and assessors from industry conducted in priority sectors (in conjunction with Immediate Objective 2)</u></p> <p>4.6: Participation of industry in training activities in priority sectors increased</p>	<p>Follow up on 'Industry Consultation Forum': use apprenticeship and OJT framework and DNAFOR</p> <p>Tracer Study data collection and analysis Presentation of preliminary results and solicit feedback Final report of tracer study</p> <p>Support the TWGs to seek approval of at least 2 Support the TWGs to seek endorsement of at least 2</p> <p>Conduct accreditation sessions in 7 applicant TP Conduct monitoring for continued accreditation Share and brief TPs on Revised Accreditation Guidelines</p> <p>No further follow up as per revised work plan 2020</p> <p>Continue to support use of revised guidelines and Help DNAFOR to finalize MOUs with industries for Develop a plan for 'On-Job-Training' program for Discuss conceptual framework for apprenticeship Consultation Forum' and provide recommendations</p>
<p>5. Referral and career guidance services for training and employment at the district level improved and expanded</p>	<p>5.1: Career guidance and counselling provided through improved capacity of CEOPs</p> <p><u>5.2: Capacity of CEOP staff improved in providing advice on overseas employment to clients</u></p> <p><u>5.3: Outreach of CEOP services expanded to cover all districts</u></p> <p>5.4: Entrepreneurs receive advice to develop business plans for self-employment and linked to business development service (BDS) providers</p>	<p>Support CEOP's in the promotion and dissemination of programs and programs Conduct workshops for all CEOP staff explaining target market and functions</p> <p>No further follow up as per revised work plan 2020 Support SEPFOP to host regular meetings with departments to share information and discuss progress</p> <p>Train staff of the new interim CEOPs</p> <p>Support Self-Employment Department to conduct activities implemented in the last two years Provide guidance to CEOPs to improve linkages</p>

Annex 4 - Terms of Reference for the Independent Final Evaluation for the Training and Employment Support Programme (TESP)

Final as of 22 October 2014

Project Budget	Initial budget of US\$ 12,114,048, Revised final budget US\$ 7,428,74 (reduced by DFAT in year 2)
TC Code	TIM/12/04/AUS
Project administrative and technical backstopping unit	ILO Jakarta and Decent Work Support Team (Bangkok)
Type of evaluation	Final Independent Evaluation
Evaluation Manager	Pamornrat Pringsulaka
Date of evaluation	September to December 2014

1. INTRODUCTION AND RATIONAL FOR THE FINAL INDEPENDENT EVALUATION

These Terms of Reference cover the final evaluation of the Training and Employment Skills Programme (TESP) in Timor-Leste. TESP is jointly implemented by the ILO and SEPFOPE (Secretariat of State for Professional Training and Employment Policy) and funded by the Government of Australia through the Department of Foreign Affairs and Trade (DFAT).

The TESP is a 2-year programme that started officially in January 2013 and builds on the important ground work completed under the Youth Employment Programme (YEPP) 2008 – 2012. The TESP project will end at the end of December 2014, the final evaluation is thus required.

The Final Evaluation is a *mandatory exercise* as prescribed in the Programme document and in line with ILO's internal procedures regarding evaluation of such programmes. The evaluation will comply with evaluation norms and standards and

follow ethical safeguards, all as specified in ILO's evaluation procedures.

The evaluation will be conducted by an external independent evaluation team. The evaluation process will be participatory and will involve stakeholder counterparts throughout the process. SEPFOPE, ILO Office, tripartite constituents of ILO, DFAT, and other parties who were involved in the execution of the project are the primary users of the evaluation findings and lessons learnt. The evaluation report will be discussed at the TESP Programme Steering Committee and submitted to DFAT, SEPFOPE and ILO.

The evaluation aims at examining the extent to which the project objectives have been achieved and assesses what impact project had on current policies, systems and final beneficiaries. The evaluation also reports on lessons learnt. The evaluation findings, recommendations and lessons learnt will also provide valuable information regarding areas requiring ongoing strategic and operational support in the development of vocational training and employment promotion in the country.

The evaluation will be carried out in November 2014, with a draft report being made available at the end of December 2014. The TESP will bear the cost of the evaluation, including the cost of the Evaluation Team.

The evaluation report will be in English. The final report will be translated into Tetum and/or Portuguese for submission to the GOTL

2. BACKGROUND ON THE TESP AND CONTEXT

Working in close collaboration with Secretary of State for Vocational Training, Employment and Policy (SEPFOP) the Training and Employment Support Project (TESP) aims to facilitate economic development in Timor-Leste and to support employment growth, through the development and delivery of demand driven skills training. The TESP Project responds to the strategic priorities of the SEPFOP which are articulated in the long-term Technical and Vocational Education Plan (TVET Plan 2011-2030) and the National Employment Strategy (NES). Both elaborate a key priority of the Strategic Development Plan of Timor-Leste (SDP: 2011-2030) which has underlined the lack of trained human capital as one of the main development challenges confronting the country.

The TESP is designed as a multi-component project that will seek to support and build the capacity of SEPFOP management and staff to: improve the policy environment; expand training service delivery; improve linkages between investment in training and the growth of selected priority economic sectors; and improve employment services to link TVET graduates with employment. The TESP will contribute towards the realization of the following outcomes.

The development objective of the TESP is to increase the number of skilled and competent people, enabling them to access better employment, and contribute to the growth and diversification of the economy. The TESP is designed as a multi-component project that will seek to support and build the capacity of SEPFOP management and staff to: improve the policy environment; expand training service delivery; improve linkages between investment in training and the growth of selected priority economic sectors; and improve employment services to link TVET graduates with employment. The TESP will contribute towards the realization of the following outcomes.

Immediate Outcomes:

The TESP will contribute to the realisation of the development objective following five specific objectives:

1. Establish policy framework for coordination and management of the market driven TVET system.
2. Enhance the capacity of SEPFOP to generate and use labour market information to develop workforce- training plans.
3. Expand delivery of accessible, market-driven, competency-based technical and vocational training.
4. Improve the responsiveness of the TVET System to industry priorities and the labour market.
5. Improve and expand the referral and career guidance services for training and employment at the district level.

A Performance Management Framework (PMF) is attached as Annex 5 which provides detailed information about projects outputs, performance indicators, and targets.

Direct Recipients:

The direct recipients of TESP include the several directorates, departments, and affiliated institutions of SEPFOP: Legal Department, Labour Market Information Department (DIMT), the National Labour Force Institute (INDMO); the National Directorate of Vocational Training (DNAFOP); the directorate of employment, FEFOP Unit; training providers, their trainers and management staff; and local administrators at the district and sub-district levels.

Ultimate beneficiaries:

The ultimate beneficiaries of this programme are workers and job seekers especially young persons entering the labour market who will get access to high quality and market-driven vocational training, certification and employment services. Enterprises in the priority economic sectors will also be the main beneficiaries of the project through the increased supply of skilled workers who can support their efforts in improving productivity and competitiveness. TESP will target a range of institutions- both government and non-governmental- and provide them support or seek collaborative partnerships with them. These partnerships will be forged to maximize impact for the ultimate beneficiaries of this project. The TVET Plan is an ambitious endeavour which will require a collective effort of the government, non-state actors, as well as the development partners in the country.

Budget:

Total contribution of DFAT for TESP is USD 7,428,574 for the period of January 2013 to December 2014¹¹.

3. PURPOSE, SCOPE, AND CLIENTS OF THE EVALUATION

Purposes:-

The evaluation seeks to assess the key achievements of the project as per the project framework, the extent to which the project partners in Timor Leste, tripartite constituents, local communities and beneficiaries have benefited, and will continue to benefit, from the project's outcome, strategy and implementation arrangements. It is also aimed to highlight achievements, areas for improvement and recommendations for sustainability, possible lessons learnt, good practices as well as areas where technical support is needed in future.

The evaluation aims to provide SEPFOP, ILO and DFAT:

1. An assessment of the program's performance against expected outcomes, highlighting key achievements.
2. An assessment of how the program's activities supported employment and the extent graduates have obtained skills that are in demand.
3. Analysis of lessons learned and sustainability, and recommendations to inform future programs.

The evaluation will be used in the following ways:

- Evaluation findings and recommendations will inform and guide future training and employment project strategy and operations design;
- The recommendations will be addressed by concerned parties particularly those who will be involved in follow-up projects.
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- The evaluation report will be disseminated within the ILO for organisational learning through the EVAL's i-Track evaluation database. A summary of the evaluation will be made available publicly through EVAL's website.

Scope:

The final evaluation will cover activities and results achieved for the project duration from January 2013 to November 2014. It will cover the five strategic components of the project as outlined in section 2, immediate objectives and further elaborated in the project document. The evaluation will build on the findings of the YEPP final evaluation report, 2013 Annual Report, biannual reports from 2013 and 2014. It should also take into account the purpose and objectives of the evaluation as discussed in the project document.

¹¹ The budget of the project has been managed in US\$ dollars and was reduced to US\$7.4M in March 2014.

The clients of the evaluation are SEPFOPE, the donor - DFAT (known previously as AusAID), the TESP programme team, ILO office in Timor Leste and Jakarta, and other ILO field and HQ staff, Tripartite constituents (government, employer, and worker representatives in Timor Leste).

4. EVALUATION CRITERIA AND KEY QUESTIONS

The evaluation will adhere to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards. The evaluation should address the above key evaluation questions and the OECD/DAC quality criteria such as relevance and strategic fit, validity of the design validity and logical coherence, project effectiveness, efficiency, impact and sustainability. The evaluation will also be guided by the ILO Policy Guidelines for results-based evaluation, 2012.

The final evaluation will focus on the following key evaluation questions:-

1. Examine performance against expected outcomes and results in terms of relevance, effectiveness, efficiency, impact, and sustainability. Specific reference to cross-cutting gender issues is to be addressed throughout.

In assessing the results, consider the following areas for specific examination:

2. To what extent the recommendations of the YEPP final evaluation have been taken on board under the TESP project?

3. To what extent has TESP contributed in the development of an accredited vocational training in Timor-Leste that is demand-driven?

4. To what extent has TESP supported provision of employment services and linkages with the private sector? In this regard, consider a) the role of CEOPs; b) role of Industry Sub Commissions; and c) the extent that the Labour Market Information System has supported policy and decision making.

5. What has been the impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance (TA)? How has the technical assistance worked in such environment?

The suggested criteria and questions are in the Annex 1. A more detailed analytical framework of questions will be developed and questions/sub-questions may be modified by the evaluation team in consultation with the evaluation manager.

Gender equality issues shall be explicitly addressed throughout the evaluation activities of the consultants and all outputs including final reports and events need to mainstream gender equality.

5. METHODOLOGY

Consultation and stakeholder engagement: will underpin the evaluation. The consultation will be made with project management and staff, tripartite constituents and relevant key stakeholders in Timor Leste, relevant ILO responsible offices, and the donor (DFAT) at all the stages of the evaluation.

DFAT, ILO and tripartite constituents will have the opportunity to comment on the Terms of Reference (ToR) for the evaluation. The ILO will finalise the ToR taking into account the comments of these stakeholders. All stakeholders will also be given the opportunity to comment on the draft report, which will be circulated for comment. The comments will be taken into consideration by the independent evaluation team in preparing the final report.

Evaluation techniques and data collection: The evaluation team will seek to apply a variety of simple evaluation techniques – desk review, meetings with stakeholders (list to be provided), focus group discussions, field visits, informed judgement and possible scoring, ranking or rating techniques. Methodologies will complement each other and data will be triangulated through the different methodologies. The evaluation team is expected to use (but not limit to) the following methodologies during the evaluation.

- **Desk review:** The evaluation team will review the relevant documentation (listed in Annex 3) before developing the inception report and conducting any interview and undertaking visits to the programme sites. The evaluation team will review the programme's M&E system for tracking programme's progress in achieving its goals and objectives. The evaluation team will review existing quantitative and qualitative data and collect more data where necessary.
- **Interviews of key stakeholders:** SEPFOPE directorates and department supported by TESP, Director General Statistics, ILO staff backstopping the project including ILO Jakarta, technical specialists from the ILO regional office and HQ, DFAT, other key actors in the sector such as Mid-Level Skills Programme of the Asian Development Bank. The initial list will be prepared by TESP project for finalization by the evaluation team and evaluation manager.
- **Field visits for observation and interviews:** The evaluation mission will visit a selected number of project sites which will give a representative picture of the TESP activities. These visits will include training providers in Dili and selected districts. Interviews or focus group discussions can also be conducted with ultimate beneficiaries of the project during these visits to the districts.
- **Stakeholder workshop:** At the completion of the field mission, a preliminary findings, conclusion and recommendations of the evaluation will be presented during a stakeholder meeting. The evaluation will be based on analysis of empirical evidence to establish findings and conclusions in response to specific questions.
- **ILO and donor debriefing:** Upon completion of the report, the evaluation team leader will take part in a debriefing to SEPFOPE, DFAT and the ILO on the evaluation findings, conclusions, and recommendations as well as the evaluation process.

6. MAIN OUTPUTS

1) Inception report submitted to the evaluation manager with detailed methodological document outlining the evaluative approach, key activities, interview questionnaires, list of key actors and timeframe (refer to ILO checklist on Writing the inception report)

2) Field visits to Timor–Leste and **stakeholders briefing** in the field to present preliminary findings conclusions, and recommendations

3) Draft evaluation report with specific feasible recommendations submitted the evaluation manager at the ILO (refer to ILO Checklist on: Preparing the evaluation report)

4) Final evaluation report submitted to the evaluation manager within one week after the receiving final comments on the draft report. The report will follow EVAL format template, including a title page (refer to standard title page) and be no more than 35 pages in length + annexes. Annexes of the report will include the evaluation TOR, results of the questionnaire survey for each country, a summary of findings for each field visits, minutes for each tripartite meeting in each country, a list of people interviewed and; a list of documents reviewed for each country and the global component. The quality of the report will be

determined based on conforming to the EVAL quality standards (refer to ILO evaluation checklist 6 on rating evaluation report).

5) Debriefing with the ILO and the donor, via telephone conference.

6) An evaluation Summary (using ILO standard evaluation summary template) to be submitted with the final report (refer to Annex 8: Writing the evaluation report summary)

Gender equality issues shall be explicitly addressed throughout the evaluation activities of the consultants and all outputs including final reports and events need to mainstream gender equality.

All draft and final outputs, including supporting documents, analytical reports and raw data should be provided in electronic version compatible with WORD for Windows. Ownership of the data from the evaluation rests with the ILO. The copyright of the evaluation report will rest exclusively with the ILO. Use of the data for publication and other presentation can only be made with notification and agreement by the ILO. Key stakeholders can make appropriate use of the evaluation report in line with the original purpose and with appropriate acknowledgement.

7. MANAGEMENT ARRANGEMENTS, EVALUATION TEAM, WORK PLAN

Management Arrangements

Evaluation manager: the evaluation will be managed by Ms. Pamornrat Pringsulaka, Evaluation Manager – who is based at ILO Regional Office for Asia and the Pacific. The Evaluation Manager’s roles and responsibilities are:

- Prepare and finalize the ToRs for the evaluation in consultation with the project and concerned key stakeholders including DFAT. The TOR is to be reviewed and approved by Senior Evaluation Officer, based at the ILO HQ.
- Select evaluation team to be approved by ILO Evaluation Office in Geneva.
- Ensure coordination and liaise with TESP project where their engagement is needed to fulfil the requirement of this ToR and to ensure all meeting schedules are set up
- Review the quality of the draft evaluation report, share the draft report to key stakeholders and consolidate comments and send them back to the evaluation team
- Ensure that the evaluation is conducted in accordance with these terms of reference, for the preparation of the draft report of the evaluation

Evaluation team: The final independent evaluation will be conducted by a team of two independent international consultants. They will be supported by an interpreter during the evaluation mission.

1) The Evaluation Team Leader will be an international consultant who is responsible for conducting the evaluation according to the terms of reference (TOR) and be responsible for the outputs described in this TOR. S/he shall be supervised by the evaluation manager. The evaluation team leader will be engaged for approximately 35 work days of which approximately 15 work days (three weeks) will be spent in Timor-Leste.

Role: Responsible for designing the evaluation plan and writing the inception report, leading the collection and processing of information, directing the work of the Employment Specialist and of the National Consultant, presenting the findings at the stakeholder workshop, debrief the TESP management, and writing the draft and final report.

The profile of the Team Leader is as follows:-

- He/she should have expertise in M&E of development projects and programme, preferable in TVET programmes, with a minimum of 10 years of experience conducting evaluations of development programmes and projects including experience in leading evaluation of large scale projects supporting national systems
- Possess skills and knowledge in evaluation tools and methods and be sensitive to the needs and belief of different group of stakeholders in data collection/gathering. He/she will conduct a participatory and inclusive evaluation process.
- Experience working in Asia and the Pacific and/or in Timor Leste is desirable
- Familiarity with DFAT and ILO mandate will be an asset
- Demonstrate solid team leader skills, and have excellent analytical and writing skills and able to facilitate stakeholders workshop
- Communication skills in English: oral communication in local languages is desirable.
- Knowledge of gender equality issues will be desirable

Team Leaders' Tasks	Work Days 35
Desk Review including review of TORs evaluation planning teleconference and preparing inception report (which include a detailed methodology, evaluation questions, work plan and the finalized in country mission programme in consultation with TESP project).	6
Field visits, interviews and workshop with stakeholders	15
Draft Report writing/debriefing with ILO and DFAT	12
Finalize report -Incorporate inputs and comments in the evaluation report	2

2) Employment Specialist (as evaluation team member) –

Role: The Employment Specialist will provide analytical inputs to the team leader in regard to the TESP interventions related to employment support services, development of demand-driven training system, and interface with the private sector as per evaluation questions and evaluation criteria in this TOR. The evaluation team member (Employment specialist) will be engaged for 30 work days. As the evaluation team member, the TVET/Employment specialist reports to the team leader.

The profile of the Employment specialist is as follows:-

- A minimum of 5-10 years of experience in employment services/ career counselling, labour market analysis, and employment policy
- Experience in evaluating UN and multi-lateral agencies will be an advantage
- Experience in working in Asia and the Pacific and region and/or in Timor Leste is desirable
- Familiarity with the ILO mandate and its tripartite and international standards foundations will be an advantage
- Demonstrate team work skills, and have excellent written and oral communication skills in English: oral communication in local languages is desirable.

Employment Specialist Tasks	Work Days 30
Desk Review including review of TORs evaluation planning contribute to preparing inception report	6
Field visits, interviews and workshop with stakeholders	15

Contribute to writing the draft report writing/debriefing with ILO and DFAT	8
Finalize report -Incorporate inputs and comments in the evaluation report	1

Stakeholders' role: All stakeholders will be consulted and will have opportunities to provide inputs to the TOR and to the draft Evaluation Report.

The TESP project's role: The project team will provide logistic and administrative support to the evaluation throughout the process, ensuring project documentation is up to date and easily accessible and providing support to the evaluation team during the evaluation mission. TESP project will prepare the contract

Meetings in Timor-Leste will be organized by project staff, in accordance with the team leader's requests and consistent with the terms of reference. A detailed programme for the in-country mission should be prepared by the evaluation team in coordination with the TESP.

Work plan and Timeframe

The total duration of the evaluation process is approximately 3 months starting from November 10, 2014.

Task	Responsible Person	Time Frame
Preparation ToR	Evaluation Manager	September/October 2014
Sharing the TOR with all concerned for comments/inputs	Evaluation Manager	By October 8, 2014
Finalization of the TOR	Evaluation Manager	By October 12 2014
Approval of the TOR	EVAL	By October 15 2014
Selection of consultant and finalisation	Evaluation Manager	End October 2014
Draft mission itinerary for the evaluation team and the list of key stakeholders to be interviewed	TESP project CTA (and DFAT?) in consultation with the Evaluation team	November 2014
Ex-col contract based on the TOR prepared/signed	TESP project CTA	November 3, 2014
Brief team leader on ILO evaluation policy	Evaluation Manager	November 4, 2014
Inception report submission	Evaluation Team	November 13, 2014
Evaluation Mission + stakeholders workshop	Evaluation team	November (3 weeks starting 15 November to 5 December 2014)
Debriefing meeting	Evaluation team	End of mission
Drafting of evaluation report and submitting to the Evaluation Manager	Evaluation team	End of December 2014
Sharing the draft report to all concerned for comments	Evaluation Management Committee	Deadline for comment by 23 January 2015

Task	Responsible Person	Time Frame
Consolidated comments on the draft report, send to the evaluation team leader	Evaluation Management Committee	25 January 2015
Finalisation of the report	Evaluation team	31 January 2015
Review of the final report	Evaluation Management Committee	3 February 2015
Approval of the final evaluation report	ILO Evaluation Office (EVAL)	15 February 2015
Follow up on recommendations	ILO & DFAT	Feb/March 2015

Resources

Costs of final evaluation will be borne by the TESP project. These costs will involve fee, Daily Subsistence Allowance (as per UN rate for Timor Leste) and air-ticket of a team of evaluators; a cost of a tripartite stakeholders workshop; interpretation cost, transportation cost during the evaluation mission.

8. LEGAL AND ETHICAL MATTERS

This evaluation will comply with UN norms and standards for evaluation and ensure that ethical safeguards concerning the independence of the evaluation will be followed. Please refer to the UNEG ethical guidelines: <http://www.unevaluation.org/ethicalguidelines>

To ensure compliance with ILO/UN rules safeguarding the independence of the evaluation, the contractor will not be eligible for technical work on the project for the next 12 months.

9. ANNEXES

Annex 1: Suggested Evaluation Criteria and analytical framework

Annex 2: Tentative mission schedule

Annex 3: List of Key documents to be reviewed

Annex 4: List of ILO staff and key stakeholders to be interviewed (to be added)

Annex 5: Project Framework and Performance Management Framework

Annex6: All relevant ILO evaluation guidelines and standard templates

Annex 1: Suggested Criteria and Analytical framework

1. Relevance and strategic fit of the intervention

- Does the TESP programme address the needs of GoTL and coherent to GoTL National Strategic Development Plan, TVET Plan, DFAT priorities, United Nations Development Action Framework (UNDAF), Decent Work Country Programme (DWCP)?

2. Effectiveness

- To what extent has the programme achieved its objectives?

- What have been the major factors influencing the achievement or non-achievement of the objectives? Examine the effectiveness and adequacy of project institutional framework and management arrangement including financial and risk management

3. Efficiency

- Has the project been implemented in the most efficient way vis-à-vis its financial and human resources?
- Have activities been implemented in a cost efficient manner and have project objectives been achieved on time?

4. Impact

- What has happened as a result of the project? To what extent the project has made its contribution to broader and longer term skills development of Timor Leste?
- What real difference has the project made to the beneficiaries and gender equality?

5. SUSTAINABILITY

- To what extent can the benefits of the project continue after it ends?
- What are the major factors which have or will influence the sustainability of the project?

Annex 2: Tentative mission schedule

Day	Morning	Afternoon
1	OiC briefing and ILO Head of Mission, Conference Call with ILO Country Director	Meeting with DFAT
2	Meeting with TESP Advisors	Meeting with TESP Advisors
3	Meeting with Sec of State SEPFOPE, Director General	Meetings with SEPFOPE, DG TVET, Directors (DNAFOP, DNE and INDMO)
4	Meetings with SEPFOPE, DG TVET, Directors (DNAFOP, DNE and INDMO)	Meetings with SEPFOPE, DG TVET, Directors (DNAFOP, DNE and INDMO)
5	Reflection/write notes	DG Statistics, LMI Department
6	Executive Commission and ISCs	Travel to Districts
7	Districts (Training Centers & CEOPs)	Districts (Training Centers & CEOPs)
8	Districts (Training Centers & CEOPs)	Districts (Training Centers & CEOPs)
9	Return from Districts	Meetings with other ILO projects/CTAs
10	Dili training providers (focus group meetings)	Follow up meetings with TESP Experts for any clarifications (if needed)
11	Write notes	Write notes
12	Write notes	Write notes
	Reflections and, as needed, individual sessions to clarify/discuss findings with OiC and Head of Mission, SEPFOPE, DFAT	Reflections and, as needed, individual sessions to clarify/discuss findings with OiC and Head of Mission, SEPFOPE, DFAT
13		Debriefing Meeting with key stakeholders
14	Return	

Annex 3: List of Key documents to be reviewed

- YEPP final independent evaluation report
- TESP Project Document
- TESP Performance Management Framework (PMF)
- TESP M&E Plan, Progress Reports (Biannual Report June 2013, Annual Report 2013, and Biannual Report June 2014)
- TESP Report - Summary of Assessment and Findings 2013

- Capacity Development Assessment (TANA) Timor-Leste DWCP 2008-2013 document
- TESP Training Plan Other key documents produced by the project: Labour Force Report 2013, Enterprise & Skills Survey 2013 & 2014, Tracer Study Report
- Donor reports: DFAT Quality of Implementation Reports
- Other relevant national development plans: National Strategic Development Plan; National Employment Strategy; National TVET Plan.

Annex 4: List of ILO staff and key stakeholders to be interviewed (to be added)

Annex 5: Project Framework and Performance Management Framework

Annex 6: All relevant ILO evaluation guidelines and standard templates

Code of conduct form (To be signed by the evaluators)

http://www.ilo.org/eval/Evaluationguidance/WCMS_206205/lang--en/index.htm

Checklist No. 3 Writing the inception report

http://www.ilo.org/eval/Evaluationguidance/WCMS_165972/lang--en/index.htm

Checklist 5 Preparing the evaluation report

http://www.ilo.org/eval/Evaluationguidance/WCMS_165967/lang--en/index.htm

Checklist 6 Rating the quality of evaluation report

http://www.ilo.org/eval/Evaluationguidance/WCMS_165968/lang--en/index.htm

Template for lessons learnt and Emerging Good Practices

http://www.ilo.org/eval/Evaluationguidance/WCMS_206158/lang--en/index.htm

http://www.ilo.org/eval/Evaluationguidance/WCMS_206159/lang--en/index.htm

Guidance note 7 Stakeholders participation in the ILO evaluation

http://www.ilo.org/eval/Evaluationguidance/WCMS_165986/lang--en/index.htm

Guidance note 4 Integrating gender equality in M&E of projects

http://www.ilo.org/eval/Evaluationguidance/WCMS_165986/lang--en/index.htm

Template for evaluation title page

http://www.ilo.org/eval/Evaluationguidance/WCMS_166357/lang--en/index.htm

Template for evaluation summary:

<http://www.ilo.org/legacy/english/edmas/eval/template-summary-en.doc>

Training and Employment Support Programme (TESP)

INCEPTION REPORT for Independent Final Evaluation (November-December 2014)

Project Code	TIM/12/01M/AUS
Project Title	Training and Employment Support Programme (TESP)
Country	Timor-Leste
Project duration	Planned: 01/01/2013 – 31/12/2014, Actual: As planned.
Donor	DFAT - Department of Foreign Affairs and Trade, Australia
Budget	USD 7.4 million (reduced from original of USD 12 million)
Implementing Agency	ILO
Implementing Partners	Secretariat of State for Vocational Training and Employment (SEPFPOPE)
Evaluators	- Mark Douglas Kilner (TVET specialist) - Massoud Hedeshi (Team leader)

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Acronyms

AUSAID	Australian Aid
ADB	Asian Development Bank
CEOPs	Career Guidance and Employment Centres
CTA	Chief Technical Adviser
DFAT	Department of Foreign Affairs and Trade, Australia
DWCP	Decent Work Country Programme
ILO	International Labour Organisation
INDMO	National Labour Force Development Institute
KSTL	Confederation of Timorese Trade Unions
LMIS	Labour Market Information System
M&E	Monitoring and Evaluation
MoE	Ministry of Education
MIS	Management Information System
OECD	Organization Economic Cooperation and Development
SEPFOPe	Secretariat of State for Vocational Training and Employment
STAGE	Skills Training for Gainful Employment
TESP	Training and Employment Support Project
TOR	Terms of Reference
TVET	Technical Vocational Education Training
UNDAF	United Nations Development Assistance Framework
YEPP	Youth Employment Promotion Programme

Introduction:

This first draft inception report constitutes the first Output of this evaluation exercise, per the requirements of the terms of reference (TOR) for the consultants. It provides a basis for developing mutual understanding between the evaluation team and ILO, and to ensure continued dialogue and clarity on purpose, scope and methodology of the evaluation, and for ensuring the evaluation team's adherence to the requirements of ILO and the evaluation TOR. Furthermore, it provides a mechanism for the evaluation team to provide initial feedback on the evaluability of the project as well as the requirements of the TOR.

1 Evaluation Framework and Rationale

Project background:

The Training and Employment Support Programme (TESP) has been implemented over the period January 2013 to December 2014 by ILO in Timor Leste in collaboration with Secretariat of State for Policy, Vocational Training and Employment (SEPFOPE). The USD 7 million (reduced in April 2014 from an original budget of USD 12 million), Australian-funded project constitutes the third phase of ILO's support to the Timorese Government's efforts to enhance employment opportunities and vocational training systems in the country over the period 2004-2014.

Previous iterations of the ongoing project were:

- a) the Skills Training for Gainful Employment (STAGE) project (2004-2009), Euro 5 million, funded by the European Union; and
- b) the Youth Employment Promotion Programme (YEPP - 2008-2012), USD \$13 million, funded by Australia.

TESP was designed to further develop Timor Leste's employment support systems and operational capacities as the country made a transition to recovery and development, following the turmoil and crises of the 1999 conflict and formal independence in May 2002. The main government counterpart institutions is the Secretariat of State for Vocational Training and Employment (SEPFOPE).

The **development objective** of the project is given as "to facilitate economic development in Timor-Leste and to support employment growth, through the development and delivery of demand driven skills training".

The project document lists 5 **Outcomes** as follows, with several **Outputs** (30 in total) linked to each:

1. "Improved regulatory framework for the coordination and management of TVET (technical vocational education training) established"; with 8 **Outputs**.
2. "SEPFOPE's analytical and research capacity for understanding the labour market and supporting workforce planning improved"; with 6 **Outputs**.
3. "The number of training providers with capacity to develop and deliver quality competency-based qualifications for priority economic sectors and occupations expanded"; with 6 **Outputs**.
4. "Responsiveness of the TVET system to the labour market improved"; with 6 **Outputs**.
5. "Linkages between training and employment services and the labour market at district level strengthened"; with 4 **Outputs**.

Project implementation began in January 2013 and is due to end in December 2014, in line with the original schedule.

Evaluation background and purpose

The evaluation is a part of the accountability and learning process of ILO, and is mandated by ILO's requirement for all projects with a budget of over USD 1 million, and is foreseen in the project design for the last quarter of 2014.

The exercise was launched in mid-November with a team of 2 independent international consultants, Mr. Mark Douglas Kilner, TVET specialist, and Mr. Massoud Hedeshi, Team Leader. ILO also recruited a local interpreter, Mr. Bartolomeu Maria Soares as part of the evaluation team. None of the members of the team have had any prior links with the project under evaluation.

In line with the evaluation terms of reference, the purpose of the evaluation is "to assess the key achievements of the project as per the project framework, the extent to which the project partners in Timor Leste, tripartite constituents, local communities and beneficiaries have benefited, and will continue to benefit, from the project's outcome, strategy and implementation arrangements. It is also aimed to highlight achievements, areas for improvement and recommendations for sustainability, possible lessons learnt, good practices as well as areas where technical support is needed in future."

2. Evaluation scope, criteria and methodology

Scope

The evaluation will cover the entire period of the project, and include all five Outcome components. Rather than using the project document's Log Frame, the scope of the evaluation will be limited to the revised work plan adopted in 2014, following a substantial cut in the programme budget by DFAT in December 2013.

It will review and build on the final evaluation report prepared for the previous phase of the project (YEPP), and all the main project progress reports prepared throughout TESP up to the period of the evaluation.

The evaluation will cover the full range of stakeholders and beneficiaries to the extent that is practical given the large number of these, as well as the relatively short schedule of the evaluation and the project duration.

Given the short duration of the project, and in line with the stated requirements in the project document (page 43), the focus on impact will remain light, though this aspect may be helped by tracer studies conducted by the project. The feasibility of this exercise, however, will be dependent on the availability, quality and relevance of the said study's data together with national data on employment trends in Timor Leste.

Criteria

In line with the evaluation TOR, the evaluation will "adhere to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards. The evaluation should address the above key evaluation questions and the OECD/DAC quality criteria such as relevance and strategic fit, validity of the design, validity and logical coherence, project effectiveness, efficiency, impact and sustainability".

Methodology

The evaluation will be conducted in compliance with ILO Policy Guidelines for results-based evaluation, 2012. While maintaining independence, the evaluation will be based on

a participatory approach, seeking the views and assessments of all stakeholders. These include government and donor counterparts, local community leaders, beneficiaries, labour and private sector representatives, and other UN organisations (where relevant).

Gender equity and mainstreaming issues will be explicitly addressed throughout the evaluation exercise.

Given the large number of outputs (30 in total in the original project document, and 19 in the revised Work Plan for 2014), and in order to ensure a results-based approach, the evaluation will in the main be focussed on reporting on and identifying indicators at the Outcome level unless issues pertaining to non-delivery require specific reporting on Outputs. Moreover, and to the extent that the project design allows¹², the Outputs will be assessed as indicators contributing to Outcomes.

Data collection methods will range from desk reviews (relevant national strategy and development plans, ILO project and programme documents, progress reports, etc.) to individual stakeholder interviews, focus group discussions, project visits to at least three project sites outside of Dili, training centres in Dili and observation.

In line with the project document's stipulation, "the primary reference for the final evaluation will include the project logical framework, project document, as well as progress reports" (page 44), as well as the revised Work Plan for 2014.

Attention will be paid to ensuring an unbiased and objective approach and to the validation of data through triangulation of sources, methods, data, and theories.

Per the TOR requirements, "at the completion of the field mission, a preliminary findings, conclusion and recommendations of the evaluation will be presented during a stakeholder meeting. The evaluation will be based on analysis of empirical evidence to establish findings and conclusions in response to specific questions".

Upon completion of the report, the evaluation team will take part in a debriefing to SEPFOPE, DFAT and ILO on the evaluation process, findings, conclusions and recommendations.

3. Key evaluation questions & data collection plan

The following key questions are derived from the evaluation TOR as well as the TESP project document's stipulations pertaining to the final evaluation (pp 43-44).

1. Examine performance against expected outcomes and results in terms of relevance, effectiveness, efficiency, impact, and sustainability. Specific reference to cross-cutting gender issues is to be addressed throughout.

¹² This is not practical for several Outputs (e.g. Outputs 2.1-3 & 3.1-2) that are formulated in the format of activities.

In assessing the results, consider the following areas for specific examination:

2. To what extent the recommendations of the YEPP final evaluation have been taken on board under the TESP project?

3. To what extent has TESP contributed in the development of an accredited vocational training in Timor-Leste that is demand-driven?

- To what extent improvement in the policy and institutional framework has supported the implementation of the TVET Plan?
- Has a support structure for building a pool of training providers led to improvement in the expansion and quality of trainings?

4. To what extent has TESP supported provision of employment services and linkages with the private sector? In this regard, consider a) the role of CEOPs; b) role of Industry Sub Commissions; and c) the extent that the Labour Market Information System has supported policy and decision making.

- Whether engagement with the private sector and industries has led to development of market responsive skills development plans?

• 5. What has been the impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance (TA)? How has the technical assistance worked in such environment?

- To what extent improvements in services provided by career and counselling centres is leading to better employment opportunities for the clients?

The data collection plan and questions are outlined in the table below.

All data collection and analysis will be conducted by the evaluation team through the ILO project office and EVA, interviews and focus group discussions with stakeholders and beneficiaries, stakeholders documentations made available to the team as well as online and government resources.

The indicators identified in the table represent a selection of those identified in the project document's Log Frame as well as additional or alternative indicators identified by the evaluation team, designed to enhance the evaluability of the project.

Table 1 DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
<p>Overarching task: Examine performance against expected outcomes and results in terms of relevance, effectiveness, efficiency, impact, and sustainability. Specific reference to cross-cutting gender issues is to be addressed throughout.</p>			
<p>Project formulation and design:</p>			

Table 1 DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
<p>The extent to which:</p> <p>a. the project was formulated in a participatory manner with various stakeholders</p> <p>b. the Log Frame and project design:</p> <ul style="list-style-type: none"> - are logically coherent - use SMART indicators - facilitate results oriented M&E - analyse risks and mitigation factors <p>c. the project work plan and targets were realistic within the given timeframe</p> <p>d. Recommendations of the YEPP final evaluation have been taken on board under the TESP project</p>	<p>Number and range of stakeholders consulted at formulation stage</p> <p>Clarity of linkages between inputs, activities, outputs and outcomes</p> <p>Achievement of results in a timely fashion</p> <p>Correlation between project design & the recommendations of the evaluation report</p>	<p>Stakeholders Report of the project design workshop in Sept 2012 Project document M&E plan</p> <p>Progress reports Implementation plan Stakeholders</p> <p>Evaluation report Project document Stakeholders</p>	<p>Interviews with stakeholders Document review</p> <p>Document analysis</p> <p>Document reviews Stakeholder interviews</p> <p>Document review</p>
Relevance and strategic fit			
<p>The extent to which the project is aligned with:</p> <p>a. ILO's mandate and country strategy in TL</p> <p>b. TL's development priorities and strategies</p> <p>c. The needs and priorities of various categories of beneficiaries</p> <p>d. The priorities of the donor</p> <p>e. The UN Development Assistance Framework in TL</p>	<p>Degree of alignment</p>	<p>ILO's Decent Work Programme in TL</p> <p>National Employment/TV ET Plan SEPFOP strategy documents</p> <p>Beneficiaries</p> <p>Country Plan of DFAT</p> <p>UNDAF</p>	<p>Desk review of documents</p> <p>Interviews with beneficiaries and stakeholders</p>
Efficiency			

Table 1 DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
<p>The extent to which:</p> <p>a. the quality of ILO services (expertise, training, equipment, methodologies, etc.) was as planned and led to the production of outputs;</p> <p>b. the resources and inputs were converted to results in a timely and cost-effective manner</p> <p>c. coordination amongst and within components of TESP led to synergy effects</p> <p>d. Objectives were achieved on time.</p> <p>e. The project's management arrangements supported efficiency in implementation</p>	<p>Degree of counterpart satisfaction</p> <p>Delivery of planned outputs</p> <p>Timeliness of results Adherence to budgetary targets</p> <p>Level of correlation among project components leading to core capacity needs of SEPFOPE</p> <p>Delivery of results versus the project Work Plan</p> <p>Clarity in roles and responsibilities across ILO units in Dili, Bangkok and Jakarta</p> <p>An enabling environment for project implementation</p> <p>Satisfaction of project personnel with regard to management arrangements</p>	<p>Stakeholders</p> <p>Project progress reports</p>	<p>Document review</p> <p>Interviews with stakeholders</p> <p>Site visits</p>
Effectiveness			

<p>Effectiveness</p> <p>The extent to which objectives established in the project documents were achieved with regard to:</p> <p>a. the established policy framework</p> <p>b. the enhanced capacity of SEPFOPE in the generation and use of labour market information for training plans</p> <p>c. Expanded delivery of TVET</p> <p>d. Responsiveness of TVET to industry and labour needs</p> <p><u>Related key questions:</u> <i>TESP has contributed in the development of an accredited vocational training in Timor-Leste that is demand-driven?</i></p> <p><i>TESP has supported provision of employment services and linkages with the private sector, with due consideration for i) the role of CEOPs; ii) role of Industry Sub Commissions; and iii) the extent that the Labour Market Information System has supported policy and decision making.</i></p> <p><i>Engagement with the private sector and industries has led to development of market responsive skills development plans</i></p> <p><i>improvements in the policy and institutional framework have supported the implementation of the TVET Plan</i></p> <p><i>To what extent improvements in services provided by career and counselling centres is leading to better employment opportunities for the clients?</i></p> <p>e. Expanded, quality career services at the district level</p> <p><u>Related key question:</u> <i>a support structure for building a pool of training providers led to improvement in the expansion and quality of trainings</i></p> <p><i>How has the technical assistance worked in such environment?</i></p>	<p><u>relating to a.:</u> Status of: - NES policy action plan - organic laws for SEPFOPE & INDMO - FEFOP law - relevant guidelines</p> <p><u>relating to b.:</u> No., quality and frequency of data, labour market surveys and analytical reports generated by the LMI department pertaining to economic sectors and districts No. of training plans incorporating LMI</p> <p><u>relating to c.:</u> Trends in development of qualifications, TVET delivery rates and no. of trainees and accredited trainers.</p> <p><u>relating to d.:</u> Level of satisfaction & participation of industry leaders in Industry Sub Committees</p> <p>Trends in recruitment of SEPFOPE trainees by industry</p> <p>Trends in the number of industry-led training initiatives and public private partnerships (e.g. apprenticeships and specialized training for middle-higher skill levels)</p> <p>No. of training plans incorporating LMI</p> <p>Aspects in delivery of the TVET Plan attributable to TESP-supported institutions and policies</p> <p><u>relating to e.:</u> Trends in use of CEOP services Trends in employment rates, higher education and competency qualifications, and business start-ups among CEOP clients</p>	<p>Stakeholders</p> <p>Project six monthly reports M and E framework</p> <p>Related government decrees, directives and guidelines</p> <p>LMI department publications</p> <p>SEPFOPE training plans</p> <p>National statistics</p>	<p>Analysis and structured interviews with Project advisers. TL govt. officials and system clients</p> <p>Document reviews.</p> <p>Field visits to training centres and employment centres</p>
<p>Impact</p>			

Table 1 DATA COLLECTION PLAN & KEY QUESTIONS

Evaluation Questions	Indicator	Sources of Data	Method
a. What has been the impact of the policy and legislative development (particularly on the FEFOP legislation and guidelines) that received capacity building support through technical assistance (TA)?	Adoption of policy and legislative frameworks	Government decrees	Desk review Interviews Visits to the field
b. Is the project likely to contribute to economic development and employment growth in TL through the development and delivery of demand-driven skills training?	Trends in employment and self-employment rates among trainees.	Tracer studies SEMU data Stakeholders	
Sustainability			
Are SEPFOPE, INDMO, CEOPS and training centres likely to be able to continue their various TVET and employment generation functions beyond the end of the project?	Government budget allocation to SEPFOPE, INDMO, CEOPs, FEFOP and training centres Adoption of related TVET laws, regulations and policies	Stakeholders Capacity assessment study of TESP Government decrees and laws	Stakeholder interviews Document reviews
Is the government committed to supporting these institutions and the policy framework?	Expected donor support for TVET institutions	Approved state budget	
Are the institutions established through YEPP and TESP likely to enjoy adequate resources in the medium term?	Medium-term business plans for training centres Regular involvement of industry leaders in ICSs	Donor country programmes and agreements with SEPFOPE	
Are business leaders committed to supporting competency based systems in TL?			

4. Limitations and matters arising

The timeframe of the evaluation posed a challenge in terms of preparations for the evaluation mission. This was compensated for by intensive document reviews in the initial phase of the mission.

The complexity of the project and dispersed nature of its area of coverage limited the range of CEOPs and training centres that could be visited, with the field visit sites being selected by the project team rather than the evaluation team.

The direct beneficiaries of the training institutions and CEOPs were not within reach of the evaluation team other than those present in training during the visits, and no survey of the beneficiaries could be organised in the allotted timeframe. However, focus group discussions were held where possible, including with the staff of CEOPs visited.

Regardless, the mission plan included visits to three separate project sites (districts) outside of Dili, including 2 CEOPs, three training centres and two business start-ups, as well as a number of training centres in Dili, and the evaluation team consider this sample

to be fairly representative as it included districts in the north east (Baucau) and south (Ermera and Ainaro) of the country. The visits also provide the team with a good understanding of the logistical challenges faced by the counterparts and the project team. Due to the planned visit of the ILO Director General to Jakarta and Timor Leste, the final debriefing will rescheduled to a later date and will be held through a conference call with interested parties.

5. Work Plan and Deliverables

The evaluation work plan and deliverables remain the same as stated in the Evaluation Terms of Reference with no specific comments or additions from the evaluation team other than necessary updates regarding the timeframe for the evaluation team's work, which began on the date of the issuance of contracts on 17 November 2014. This in part contributed to the need for this inception report to be drafted during the mission to East Timor.

Output 1: Inception report (3 December)

The inception report outlines the evaluative approach, key activities, interview questionnaires, list of key actors and timeframe together with details of field visits to Timor–Leste and stakeholders briefing in the field to present preliminary findings conclusions, and recommendations

Output 2: Draft evaluation report (31 December)

The report will provide specific feasible recommendations guided by ILO checklist on preparing such reports.

Output 3: Final evaluation report (31 January)

The final report will be submitted to the evaluation manager within one week after the receiving final comments on the draft report. The report will follow EVAL format template, including a title page (refer to standard title page) and be no more than 35 pages in length + annexes. Annexes of the report will include the evaluation TOR, a list of people interviewed and; a list of documents reviewed.

An evaluation Summary (using ILO standard evaluation summary template) will also be submitted with the final report

All draft and final outputs, including supporting documents, analytical reports and raw data will be provided in electronic version compatible with WORD for Windows.

Day	Time	Activity
Nov 24	09.00-10.00	Roberto Pes, ILO Liaison Officer/Head of Mission
	10.15-12.15	Fred Brooker, Adelaide Camoes, DFAT
	14.00-16.00	Owais Parray, OIC/CTA TESP
	16.00-17.00	Mr. Jacinto Gusmao, SEPFOPE, Director General
Nov 25	09.00-12.00	Presentation Trace Study: Results from survey on TVET graduates- JL Villa
	12:00-12:20	Ms. Siti Rohani, Consultant for TESP Tracer Study
	14.00-15.45	Ligaya Valmonte ILO, CBT Expert & Dewanta Manik, ILO TVET Expert
Nov 26	09.00-10.00	Mr. Filomeno Soares, Chief of DNA
	10.45-12.00	Mr. Rui Pinto, President, ISC Agriculture.
	14.30-15.30	Ms. Isabel Delima, Executive Director of INDMO
	15.30-16.30	Owais Parray, Oic/CTA TESP
Nov 27	09.00-10.00	Albano Salem, Director General for Vocational Training, Ministry of Education & ex-Director of DNAFOP
	10.30-12.00	Ricardo Monterio, ILO FEFOPE Grants Adviser
	14.00-15.00	Junior Indart, ILO Management Information Systems Adviser
	16.00-17.00	
Nov 28-30	National holiday & weekend	
Dec 1	09.00 - 11.30	With Fernando Encarnacao, ILO Community & Employment Expert (Trip to Baucau)
	14.00-14.20	
Dec 2	09.00-13.00	Return to Dili
	14.00-15.30	Mr. Jenifer Pui, Chief Department of Labour Market Information
	17.00-18.00	
Dec 3	09.00	Trip to Ermera, Ainaro, Aeilu with Fernando Encarnacao, ILO Community & Employment Expert (stay overnight)
Dec 4	Morning	Return to Dili
	16.00-17.00	Mr. Elias dos Santos, Director (General Directorate Statistics)
Dec 5	09.00-14.00	Visit Training Providers in and around Dili (half day), STVJ & Senai with Dewanta Manik, ILO TVET Expert
	15.00-16.00	Mr. Belarmino, Chief of FEFOP Department.
	16.00-17.00	Mr. Jose Maria, Director of Internal Affairs, Chamber of Commerce and Industry, TL
Dec 6	Saturday	
Dec 7	Sunday	
	10.30-12.00	Skype interview with Lynne Butler, ILO YEPP/TESP CTA 2012-13

Dec 8 (Government Holiday but not for ILO)	10.00-11.00	ADB Mid-Level Skills Programme (skype with Ms Sunhwa)- 15.00 Manila Time (cancelled)
	12:00-1400	Owais Parray, OiC/CTA TESP & Tomas
	15.00-17.00	Emma Coupland, Consultant (Capacity Assessment, TANA)
Dec 9	09.30- 10.30	Debbie Wong, DFAT @ DFAT Program Office, Opp Palm Spring
	10.30-11.00	
	11.00-12.00	
Dec 9	14.00-15.00	Mr. Jose da Conceicao, KSTL (cancelled)
	16.00-17.00	Mr. Simao Tito Bareto, Director of Training Centers Tibar
Dec 10	09.00-10.30.	Mr. Eginio Ferreira , Director of DNAFOP
Dec 10	15.15-18.00	Debriefing Meeting (SEPFOPE, DFAT, ILO): Presentation by Evaluators
Dec 11	Fly to Jakarta	
TBC	Debriefing with ILO Director	



Annex 6 - List of interviewees - TESP evaluation November-December 2014

Organisation	Name	Position
SEPFOP	Mr. Jacinto Gusmao Barros	Director General
	Mr. Belarmino da Cruz	Chief of FEFOP Department.
	Ms. Isabel Delima	Executive Director of INDMO
	Mr. Igino Ferreira	Director of DNAFOP
	Mr. Dewanta Manik	TVET Expert
	Mr. Jenifer Pui	Chief, Department of Labour Market Information
	Mr. Filomeno Soares	Chief of DNA
Ministry of Education	Mr. Albano Salem	Director General for Vocational Training & ex-Director of DNAFOP, SEPFOP
Baucau District Administration	Mr. António A. Guterres	District Administrator
Baucau SEPFOP	Romualdo Antonio de Sousa	Chief
Baucau CEOP (Focus Group Meeting)	Ms. Veronica Freitas	Baucau CEOP Coordinator and Case Manager
	Celestino dos Santos Neto	Case Manager
	Sidonia Fernandes da Silva	Case Manager
	Basilio Ramos das Neves	Case Manager
	Gaspar Jose Ximenes	Case Manager
	Elisa Lobo	Administration and Finance Staff
Baucau TC: Centro Treino Integral e Desenvolvimento (CTID)	Ms. Ligaya Paderon	Curriculum Officer
Baucau TC: Visaun Foinsae	Mr. Silvino dos Reis Freitas	Director
Ermera CEOP & Training Centre	Mr. Joserimo dos Santos	Ermera CEOP regional coordinator
	Noelia Fatima Babo de Carvalho	Ermera CEOP case manager
Ermera Small Enterprise (Brick Production & Construction)	Mr. Francisco de Jesus	SME coordinator
Ainaro Small Enterprise (Women's tailoring NGO) "Haburas"	Ms. Rosalia Magno Pereira	Director
	Ms. Constantina Orleans Ms. Terezinha Magno Ms. Grasinda Freitas da Conceicao (Focus group meeting)	Trainees (staff)
Dili Training Centres	Director	STVJ
	Director	Senai Training Centre

Annex 6 - List of interviewees - TESP evaluation November-December 2014

	Mr. Simao Tito Bareto,	Director of the Tibar Training Centre
Chamber of Commerce & Industry	Mr. Jose Maria	Director of Internal Affairs
Industry Sub-Commissions	Mr. Arlindo da Costa	Vice President of the Training and Assessment Sub-Commission (Hedeshi)
	Mr. Rui Pinto	President, ISC Agriculture.
Labour representative (KSTL)	Mr. Jose da Conceicao	KSTL
General Directorate Statistics	Mr. Elias dos Santos	Director
AUSAID/DFAT	Ms. Debbie Wong	Education Sector Team Leader
	Fred Brooker	Education Adviser
	Adelaide Camoes	National Officer for Education
Asian Development Bank	Mr Antonio Benevides	ADB Middle Level Skills Team Leader
ILO Country Office for Timor Leste, Jakarta	Mr. Peter Van Rooij	Director - ILO Country Office for Indonesia and Timor Leste
	Ms. Michiko Miyamoto	Deputy Director ILO Country Office for Indonesia and Timor Leste
	Ms. Lita Octavia	Programme Officer for Timor Leste - ILO Country Office for Indonesia and TL
ILO Field Office	Mr. Roberto Pes	ILO Liaison Officer/Head of Mission
ILO TESP staff	Mr. Owais Parray	Officer in Charge/Chief Technical Adviser & Labour Information Management Adviser
	Ms. Lynne Butler	YEPP& TESP CTA 2012-13
	Mr. Fernando Encarnacao	ILO Community & Employment Expert
	Mr. Antonio Indort Junior	ILO Management Information Systems Adviser
	Mr. Dawanta Manik	DNAFOP Adviser
	Mr. Ricardo Monteiro	FEFOPE Grants Adviser
	Ms. Ligaya Valmonte	Competency Based Training Expert
ILO Regional Office, Bangkok	Ms. Akiko Vandenberg	Regional ILO TVET Adviser (till April 2014)
ILO consultants	Ms. Emma Coupland	Capacity Assessment Consultant, (TANA)
	Ms. Siti Rohani	Tracer Study Consultant

Attendees at final debriefing workshop 10 December 2014

Organisation	Name	Position
SEPFOP	Mr. Jacinto Gusmao Barros	Director General
	Mr. Belarmino da Cruz	Chief of FEFOPE Department.
	Ms. Isabel Delima	Executive Director of INDMO

Annex 6 - List of interviewees - TESP evaluation November-December 2014

	Mr. Iginio Ferreira	Director of DNAFOP
	Mr. Dewanta Manik	TVET Expert
	Mr. Jenifer Pui	Chief, Department of Labour Market Information
	Mr. Filomeno Soares	Chief of DNA
	Sonio A. S.	INDMO
	Venancio Freifas	DNAFOP
	Mariano da Costa	LMI
	Gil da Costa	DNAFOP
	Amandio Belo	INDMO
	Cezarina Guterres	DAE
	Paulo Alves	
	Isabel F. de-Lima	
General Directorate Statistics	Mr. Elias dos Santos	Director
AUSAID/DFAT	Ms. Debbie Wong	Education Sector Team Leader
	Fred Brooker	Education Adviser
	Adelaide Camoes	National Officer for Education
ILO Country Office for Timor Leste, Jakarta	Lita Octavia	Programme Officer for Timor Leste - ILO Country Office for Indonesia and TL
ILO Field Office	Mr. Tomas Stenstrom	ILO Officer in Charge
	Ms. Marestela Marques	Administration Officer
ILO TESP staff	Mr. Owais Parray	Officer in Charge/Chief Technical Adviser & Labour Information Management Adviser
	Ms. Lynne Butler	YEPP/TESP CTA 2012-13
	Mr. Fernando Encarnacao	ILO Community & Employment Expert
	Mr. Antonio Indort Junior	ILO Management Information Systems Adviser
	Mr. Dawanta Manik	DNAFOP Adviser
	Mr. Ricardo Monteiro	FEFOPE Grants Adviser
	Ms. Ligaya Valmonte	Competency Based Training Expert
ILO consultants	Ms. Emma Coupland	Capacity Assessment Consultant, (TANA)

Annex 7 - Data collection instruments

Data collection methods ranged from desk reviews (relevant national strategy and development plans, ILO project and programme documents, progress reports, etc.) to individual stakeholder interviews, focus group discussions, project visits to at least three project sites outside of Dili, training centres in Dili and observation.

In line with the project document's stipulation, "the primary reference for the final evaluation will include the project logical framework, project document, as well as progress reports" (page 44), as well as the revised Work Plan for 2014.

Attention was paid to ensuring an unbiased and objective approach and to the validation of data through triangulation of sources, methods, data, and theories.

In addition, a stakeholder workshop was conducted at the end of the field mission to present, review and debate the findings in a participatory manner with the project staff, SEPFOPE management and staff as well as the donor counterparts.

The instruments used therefore included direct and participatory observation, interviews, focus groups, expert opinion, case studies, and literature search, including online resources of the government, donor and ILO, as well as alternative sources such as the IMF, World Bank, UN agencies, local and international media and academic institutions, as needed.

Annex 8- Selected Bibliography

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