International Labour Organization

iTrack Evaluation Unit (EVAL)

ILO EVALUATION

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This evaluation has been conducted according to ILO's evaluation policies and procedures. It has not been professionally edited, but has undergone quality control by the ILO Evaluation Unit

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Acronyms

ADB	Asian Development Bank
ADN	Agencia do Desenvolvimento Nacional (National Development Agency
BoQ	Bill of Quantities
CTA	Chief Technical Adviser
DFAT	Department of Foreign Affairs and Trade
DRBFC	Directorate of Roads Bridges and Flood Control
DUA	Design Update Annex
GoA	Government of Australia
GoTL	Government of Timor-Leste
ILO	International Labour Organisation
IMG	Independent Monitoring Group
M&E	Monitoring and Evaluation
MPWTC	Ministry of Public Works, Transport and Communications
MTR	Mid-Term Review
PDD	Project Design Document
PSC	Project Steering Committee
R4D	Roads for Development
R4D-SP	Roads for Development Support Program (R4D Phase 2)
RRMPIS	Rural Roads Master Plan and Investment Strategy
RRWG	Rural Roads Working Group
SSF	Social Safeguards Framework
TA	Technical Assistance
ToR	Terms of Reference
USD	United States Dollar

Executive Summary

Background and Context

The Roads for Development (R4D) program is a Government of Timor-Leste (GoTL) program which the Government of Australia (GoA) supports with technical assistance. R4D seeks to support the development and management of the rural roads network in Timor-Leste. The International Labour Organization (ILO), as the delivery organisation, provides technical and managerial expertise to implement the program in partnership with GoTL. The program combines physical works, including the rehabilitation and maintenance of rural roads, institutional support and development and associated capacity building initiatives both within GoTL and at local contractor level.

The goal of the R4D is: ***Women and men in rural Timor-Leste are deriving social and economic benefits from improved road access.*** The goal statement is supported by three outcome statements:

- Outcome 1: The GoTL is effectively planning, budgeting and managing rural road works using labour-based methods, as appropriate
- Outcome 2: Local civil works contractors effectively implement investments in rural road works, using labour-based methods where appropriate
- Outcome 3: Rural road development adequately resourced and planning and implementation of investments effectively coordinated between Government agencies and (donor)projects

Program Strategy

The programme strategy of R4D phase 1 was to develop and institutionalize adequate capacities in the public sector – in particular within the Directorate of Roads, Bridges and Flood Control (DRBFC) of the Ministry of Public Works, Transport and Communications (MPWTC) – and in the private sector, that will enable GoTL to effectively and equitably plan, budget and implement investments in rural road construction, rehabilitation and maintenance using local contractors.

Evaluation Scope

The primary purpose of the final evaluation was to *evaluate the achievement and progress of R4D against its objectives and targets. Furthermore, it provides the opportunity to identify the lessons learned and make recommendations that will guide the implementation of second phase of R4D (i.e. in R4D-SP), also building on the design of R4D-SP as reflected in the R4D Design Update Document*.

Evaluation Methodology

In addressing the ILO evaluation criteria, the final evaluation focused on the following five key evaluation questions:

- To what extent has the program made appropriate choices about the use of labour-based approaches and technologies?
- To what extent has the program contributed to the development of a viable contracting industry?
- How appropriate were R4D's capacity building approaches with the MPWTC?
- How adequate was GoTL ownership? What constraints was GoTL facing in terms of budget and human resource allocations? What alternative strategies are recommended to improve progress for phase 2?
- What are the implications of GoTL's emerging decentralization agenda for the rural roads sector? How can R4D respond to these? Are there any other major changes in the context that require adjustments from the program for phase 2?
- Based on the lessons learned from phase 1 of R4D, what are the recommendations for R4D-SP (i.e. phase 2)?

The evaluation maintained a participatory approach. Data and information collection processes included: (i) an initial desk review of all documents related to R4D and key stakeholders; (ii) an in-country mission from 5-10 February 2017; (iii) interviews and group discussions with key informants and stakeholders from R4D, MPWTC, DFAT and other relevant GoTL agencies; (iv) synthesis and analysis of other secondary data sources available through R4D.

Main Findings and Conclusions

Relevance and Strategic Fit: The overall strategic direction of the program outlined in key planning, implantation and management documents is consistent with the strategies and priorities affirmed by the Government of Timor-Leste (GoTL), DFAT and the ILO. The program continues to reinforce the GoTL's efforts to maintain its road network and reaffirms the importance of rural road investments as part of the overall strategy.

Validity of Project Design: The R4D project design is a comprehensive and detailed document that retains a high level of relevance and validity. Development objectives and outcomes remain relevant and implementation and management arrangements are aligned to GoTL approaches, policies and priorities. An important recognition has been provided in the acknowledgement of the design's validity as part of R4D Phase 2 Design Update Annex (DUA). It is important for R4D to continue reviewing progress and engagement to ensure its implementation and management arrangements remain relevant and appropriate, particularly in light of the transition to technical advisory support in a decentralised operating context.

Project Progress and Effectiveness: The R4D program is effective in that planned activities were implemented and results (in some cases were exceeded). However, achievement was not equally distributed across the results framework with some under achievement in key areas, often due to external and extenuating circumstances outside the control of the program.

Efficiency of Resource Use: R4D's resources were allocated strategically and for the most part effectively to achieve defined outcomes. The decision to implement more expensive pavement treatments needs to be evaluated to determine overall economic-cost benefit and reaffirmation of the decision to strategically shift the program away from quantity (i.e. #km of roads) to focus on quality (i.e. pavement treatments).

Effectiveness of Management Arrangements: Overall the R4D team has sufficient skills and experience to implement and achieve desired outcomes, however the program has at times suffered with key positions remaining unfilled which has resulted in some implementation delays. In terms of governance, R4D would have benefitted from the formulation and implementation of a high-level steering committee but in moving forward would be better served by two strategically placed groups to support technical and management requirements.

Impact Orientation and Sustainability: R4D has made tentative steps towards the realisation of positive impacts for both men and women along the rural road network. However, additional work is required to consolidate the immediate gains at the institutional level through on-going capacity, systems and process development. For sustainability, R4D has sought sustainable outcomes from the commencement of the program and has sought to effectively and efficiently measure sustainable results both at the institutional and operational level applying a range of methodologies and in close consultation with MPWTC.

Key Conclusions

The R4D provides a critical link in the implementation of an effective and efficient rural roads network within Timor-Leste. R4D operates in a challenging contextual environment with generally weak institutional arrangements and often changing governance frameworks. R4D is closely aligned to the strategies and policies of both GoTL and DFAT. Overall R4D has made considerable progress in its effort to support MPWTC but challenges remain, namely ongoing financial contributions by GoTL and the ability to support a developing contractor industry. R4D needs to continue to reaffirm its ongoing relevance and to provide strategic leadership and guidance to MPWTC in ensuring they remain committed and follow the priorities and investment strategies outlined in the Rural Roads Master Plan and Investment Strategy (RRMPIS).

The strategic directions established in the Project Design Document (PDD)are entirely consistent with the priorities of both the GoTL and DFAT. Investments in infrastructure and in particular rural roads continue to remain highly relevant for the Timor-Leste context. The project continues to align itself to emerging priorities and focus. The DUA recognised the on-going relevance of the program and its PDD and reaffirmed DFAT's commitment to on-going support, albeit in a slightly different focus. R4D enters a new proposed phase well positioned to continue supporting MPWTC and has the management structure and team to continue delivering benefits into the longer term

The overall strategic intent and focus of R4D remains valid. R4D was designed with the intention not only to provide rural road infrastructure but also to strengthen the institutional arrangements around which rural roads are prioritised, planned and supported. The approach remains consistent and the recent DUA validates the original design by using the PDD as a basis for on-going engagement and support by DFAT. The strategic intent of the original PDD, whilst ambitious, was not overtly unrealistic. The combination of institutional and technical support and works is highly relevant in DFAT's current aid investment strategy and importantly, the PDD also outlined R4D's role in providing pivotal infrastructure to support other DFAT and GoTL led investments (e.g. agriculture, health and water and sanitation).

R4D has made solid progress towards the achievement of key outputs and outcomes. The initial design and associated M&E Framework presented clear and tangible outputs linked to defined outcomes. Progress was sound despite a number of key implementation challenges. The project effectiveness tables presented good progress towards the achievement of outputs. Evaluation studies have attempted to demonstrate higher level results and impacts. Further work is required to strengthen institutional arrangements underpinned by implementation of the capacity development plan. This remains a focus for R4D-SP. The decision to remove a focus on the "km of roads rehabilitated and maintained" was supported by earlier IMG missions and the Mid-Term Review. The decision to focus on quality over quantity was positive and has resulted in a more visible and usable product. On-going evaluation work needs to continue to assess the viability of this decision through studies on access, travel times and an assessment of cost-benefit.

R4D project resources were allocated strategically for the most part effectively to achieve defined outputs and outcomes. Further work is required to assess the cost effectiveness of applying paved sections and the use of different road surfaces in certain sections. A breakdown of contracts between rehabilitation and maintenance is required as it is unclear at present as to whether or not funds are being used effectively through this modality. The decision to work on certain sections of roads without consideration of broader connectivity issues needs to be reviewed. GoTL uncertain and fluctuating financial contributions were an external influence and undermined R4D's ability to efficiently operate and plan effectively. The implementation of the RRMPIS should support an improvement in this areas but requires the continued engagement of R4D.

As indicated in the report, management arrangements were sound. The management structure was appropriate for the scope of work. Much of the decision-making power and leadership was vested in the CTA role. Key positions were in some instances left vacant which reduced the effectiveness of interventions. The engineering team has remained relatively stable during the entire period and is well resourced and functions accordingly. Institutional aspects around advisory support. require strengthening.

R4D is well positioned as it enters a new phase of implementation. Consistent and conscientious review of current R4D strategies, policies, documents and approaches to work are actively encouraged so as to ensure the gains made under R4D phase 1 are continued and the program retains its flexible and responsive nature to meet the developing priorities of the MPWTC.

Key Recommendations

Relevance	**Recommendation 1:** To maintain continued relevance, R4D need to coordinate and plan a strategic and operational approach towards the DUA for R4D-SP. Work should involve an updated review of existing documents, policies, the DUA priorities to a small retreat to discuss and prioritise work programming and planning.
	Recommendation 2: R4D Advisers to be assigned key management counterparts to devote effort into ensuring the full implementation and adherence of the RRMPIS.
Validity of Design	**Recommendation 3:** R4D to undertake annual reviews of all relevant strategies, policies and commitments to ensure continued alignment to MPWTC and DFAT priorities and programmes.
Effectiveness	**Recommendation 4:** R4D and MPWTC to consider options to strengthen the governance arrangement of R4D-SP through the establishment of two government groups – a

	"steering committee" and a "technical working group" each with their own strategic intent and purpose underpinned by clear terms of references. **Recommendation 5:** R4D to develop in consultation with MPWTC standardised drawings, specifications and manuals for rehabilitation and maintenance works. This is an essential product of support from R4D to the MPWTC. **Recommendation 6:** R4D to immediately strategically engage with Estatal to determine the current status of decentralisation and to ensure alignment to Estatal processes and procedures with regards to working with municipalities and the role of rural roads in the process.
Efficiency (Resources and Management)	**Recommendation 7:** R4D to initiate a cost-benefit analysis to determine the efficiency of use of different road surfaces. In addition, R4D to analyse the cost effectiveness of combining rehabilitation and maintenance works under single contracts. This will determine further contracting arrangements. **Recommendation 8:** R4D to analyse assess the option of separating rehabilitation and maintenance components of contracts into separate items to promote a greater sense of transparency, accountability and cost efficiency.

Introduction and Background

This report documents the main findings and conclusions of an independent final evaluation of the International Labour Organisation (ILO)'s managed and Department of Foreign Affairs and Trade (DFAT) funded *Roads for Development (R4D) Program* in Timor-Leste which was carried out in February 2017.

Program Context

The Roads for Development (R4D) Program

The Roads for Development (R4D) program is a Government of Timor-Leste (GoTL) program which the Government of Australia (GoA) supports with technical assistance. R4D seeks to support the development and management of the rural roads network in Timor-Leste. The International Labour Organization (ILO), as the delivery organisation, provides technical and managerial expertise to implement the program in partnership with GoTL. The program combines physical works, including the rehabilitation and maintenance of rural roads, institutional support and development and associated capacity building initiatives both within GoTL and at local contractor level.

R4D reflects the joint development priorities of the GoTL and GoA in providing rural Timor-Leste with a functioning and appropriate rural road network. R4D provides direct implementation support and investments in rural road rehabilitation and maintenance and, where appropriate, applies labour-based approaches and technologies.

R4D commenced in March 2012 and the first phase ends in March 2017. The donor contribution for the first phase of R4D was USD 32 million (for capital works and for TA) and the GoTL contribution was USD20.6 million (for capital works). An independent mid-term evaluation was conducted in late 2014. In accordance with ILO's evaluation requirements, R4D is subject to a final independent evaluation prior to the completion of the current phase of implementation.

R4D is currently preparing for an extension phase. The program will be re-named as the R4D Support Programme (R4D-SP)[1]. The second phase of R4D has been designed in principle as a 4-year program (starting not later than 1 April 2017), with a stop-go decision to be taken after 2 years of implementation. The stop-go decision will depend on the commitments realized by GoTL/MPWTC during the first 2 years of the second phase of R4D. The GoA/DFAT contribution to R4D-SP will be AUD 6.5 million per year and the draft Subsidiary Agreement between the GoA and the GoTL mentions that the GoTL/MPWTC expected contribution will be not less than USD 13 million during the first two years of implementation as well as the provision of sufficient staff inputs (52 staff, including staff at central level and at municipal level).

Program Strategy

The programme strategy of R4D phase 1 was to develop and institutionalize adequate capacities in the public sector – in particular within the Directorate of Roads, Bridges and Flood Control (DRBFC) of the MPWTC – and in the private sector, that will enable GoTL to effectively and equitably plan, budget and implement investments in rural road construction, rehabilitation and maintenance using local contractors.

The strategy included a holistic capacity building approach, focused at strengthening capacities in the public and private sector. This was to be done by supporting DRBFC in establishing functional management and technical capacities and operational tools, in supporting policy/strategy dialogue and development, by providing leading coordination support and by supporting the development of a performance culture and knowledge management capability.

Capacity building of the MPWTC has been integrated within the institutional structure of DRBFC and ILO R4D specialists have worked embedded and in-line with DRBFC staff. Capacity building of the private sector focused on strengthening the planning, technical and managerial capacities of district-based contractors

[1] The GoTL will continue to refer to the program as Roads for Development (R4D)

through a combination of class-room training and on-the-job training and coaching. Capacity development activities for the local contractors were implemented in close collaboration with the EU-funded Enhancing Road Access (ERA) project (2011-2016), which main objective was to strengthen the capacity of local contractors. ERA also provided support to a Timorese Private Training Institute (Don Bosco Training Centre) in strengthening its capacities in delivering training and coaching to local contractors.

Program Management

R4D is managed by an ILO Chief Technical Adviser who is responsible for overall management and technical implementation of the ILO-TA to the program. Whereas the project design outlined the intention for a Project Steering Committee (PSC), such a PSC has not been formed, primarily as a result of consultations between R4D, DFAT and MPWTC deciding that a PSC was not an immediate priority. Instead, it was agreed between stakeholders that regular communication would occur on a quarterly basis. R4D also sought to strengthen and enhance coordination in the rural roads sector through a Rural Road Working Group (RRWG). Representatives of MPWTC (as chair), SEPFOPE, Ministry of State Administration, CARE, ERA, ADB, the Ministry of Commerce, Industries and Environment, and other stakeholders, were invited to the meetings of the RRWG.

Independent Final Evaluation

Evaluation Purpose

The primary purpose of the final was to *evaluate the achievement and progress of R4D against its objectives and targets. Furthermore, it provides the opportunity to identify the lessons learned and make recommendations that will guide the implementation of second phase of R4D (i.e. in R4D-SP), also building on the design of R4D-SP as reflected in the R4D Design Update Document*. The final evaluation built upon considerable evidence generated through previous Independent Monitoring Group (IMG) reviews and an independent Mid-Term Review (MTR) process led by DFAT.

Evaluation Methodology

This final evaluation incorporated a desk review and validation of key results and achievements identified through earlier reviews and evaluations. The evaluation ustilised existing reports to inform key findings and provided a forward looking assessment to support continuing work under R4d-SP. A site visit was scheduled to confirm some of these findings and to speak with R4D staff and other key stakeholders. The site visit occurred to Laulara and was selected due to close proximity to Dili and also due to a number of community based and contractor factors that provided useful insights.

The evaluation adhered to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards and ILO Guidelines for the completion of evaluations. In addressing the ILO evaluation criteria, the final evaluation focused on the following five key evaluation questions:

- To what extent has the program made appropriate choices about the use of labour-based approaches and technologies?
- To what extent has the program contributed to the development of a viable contracting industry?
- How appropriate were R4D's capacity building approaches with the MPWTC?
- How adequate was GoTL ownership? What constraints was GoTL facing in terms of budget and human resource allocations? What alternative strategies are recommended to improve progress for phase 2?
- What are the implications of GoTL's emerging decentralization agenda for the rural roads sector? How can R4D respond to these? Are there any other major changes in the context that require adjustments from the program for phase 2?
- Based on the lessons learned from phase 1 of R4D, what are the recommendations for R4D-SP (i.e. phase 2)?

In addressing the five key questions above, additional questions were also included as part of the evaluation process. Table 1 presents the criteria and questions utilised.

Table 1 Key Evaluation Questions and Criteria

CRITERIA	SUMMARY OF QUESTIONS AND ISSUES ADDRESSED
RELEVANCE	Did the program align to GoTL, DFAT policies and strategies and support ILO-DWCP strategic objectives? Did the program address stakeholder needs? Did the R4D program align with ILO's mainstreaming strategy on gender equality and make explicit reference to it?
VALIDITY OF DESIGN	Was the R4D program design (objectives, strategies, outputs, activities) relevant to the situation on the ground? Did the design need to be modified in the second half of the project? Was the strategy for sustainability of impact defined clearly at the design stage of the R4D program? Was the intervention logic coherent and realistic? How appropriate was the M&E system in tracking progress and reporting against key results and achievements?
EFFECTIVENESS	To what extent the project has achieved the defined outcomes? What were the main constraints, problems and areas in need of further attention both internal and external? Have the quantity and quality of the outputs produced been satisfactory? To what extent have gender considerations have been mainstreamed throughout the program cycle (design, planning, implementation, M&E) To what extent has the institutional support (i.e. support to Rural Roads Master Plan and capacity development approach) provided through R4D for MPWTC has been effective? On R4D capacity development: to what extent has the MPWTC institutionalized the support provided by R4D, including ensuring that practices and procedures are embedded within the MPWTC
EFFICIENCY (RESOURCES AND MANAGEMENT)	Have resources (funds, human resources, time, expertise etc.) been allocated strategically to achieve immediate objectives? Have resources been used efficiently and cost-effective for each component? Did R4D program management facilitate good results and efficient delivery? Was there a clear understanding of roles and responsibilities by all parties involved including among R4D team? Assess the current feasibility/ viability of an establishment of the Program Steering Committee as per the original design in supporting the implementation of the R4D program; and explore the functioning of the Rural Road Working Group (RRWG) in becoming a platform for providing strategic engagement with all key stakeholders of rural road sectors in Timor-Leste?
SUSTAINABILITY	To what extent the project's benefits continue after the project ended? What are the major factors which will have or will influence the continuity of the project's benefits'? To what extent has the project built a sense of ownership and enhanced capacity of government and social partners in supporting the development and management of the rural roads network in Timor-Leste?

Limitations of the Evaluation

All evaluations and reviews have limitations in terms of time and resources. The R4D program has been operating for 5-years and evidence from previous reports and reviews do indicate that substantial progress has been made regarding the delivery of key outputs.

The final evaluation process also recognises that efforts in institutional strengthening and capacity building are long-term in nature. Flexibility was maintained to identify areas and approaches that are positive and add value to the development context

Questions and information requests were carefully considered so as not to cause offence or embarrassment to the government. The evaluation consulted with the R4D team and DFAT prior to meetings with senior GoTL officials. Other key limitations noted for the final evaluation included:

- ***Time and Resources:*** the rigour of the data gathering analysis was constrained to some degree by the time available. The final evaluation was not in a position to meet with all key stakeholders, particularly for follow-up meetings and discussions. However, the evaluation worked closely with the ILO to identify and select key stakeholders to meet with during the in-country mission.
- ***Access to work sites****:* Travel to the field locations was impeded by the availability of stakeholders and time constraints.
- ***Judgements:*** the time limitations mean that professional judgements needed to be employed to interpret stakeholder perspectives, particularly a reliance on previous knowledge and experience with the program.
- ***Attribution****:* R4D works in a fluid and dynamic environment (particularly for capacity development and institutional strengthening) and many factors have influenced the performance and operational efficiency. Defining and identifying specific areas of attribution remain challenging at best.

Key Evaluation Findings

The scope of the evaluation required that the analysis consider perceptions derived through interviews, as well as tangible data and information, across a range of stakeholders. This approach relied upon considerable investment in document review, including consideration of the recently completed Rural Roads Masterplan and Investment Strategy (RRMPIS) and the Design Update Appendix (DUA) which provided guidance on the future strategic directions of the program into the next phase.

The data analysis involved the triangulation of information between different data sources. Both qualitative and quantitative data were reviewed to assess the overall performance against the evaluation questions. The following findings were arrived at following the document review ad collation and analysis of feedback from interviews and group discussions. The evaluation findings are organised into key headings: relevance and strategic fit, validity of the project design, project progress and effectiveness, efficiency of resource use, effectiveness of management arrangements, impact orientation, and sustainability.

Relevance and Strategic Fit

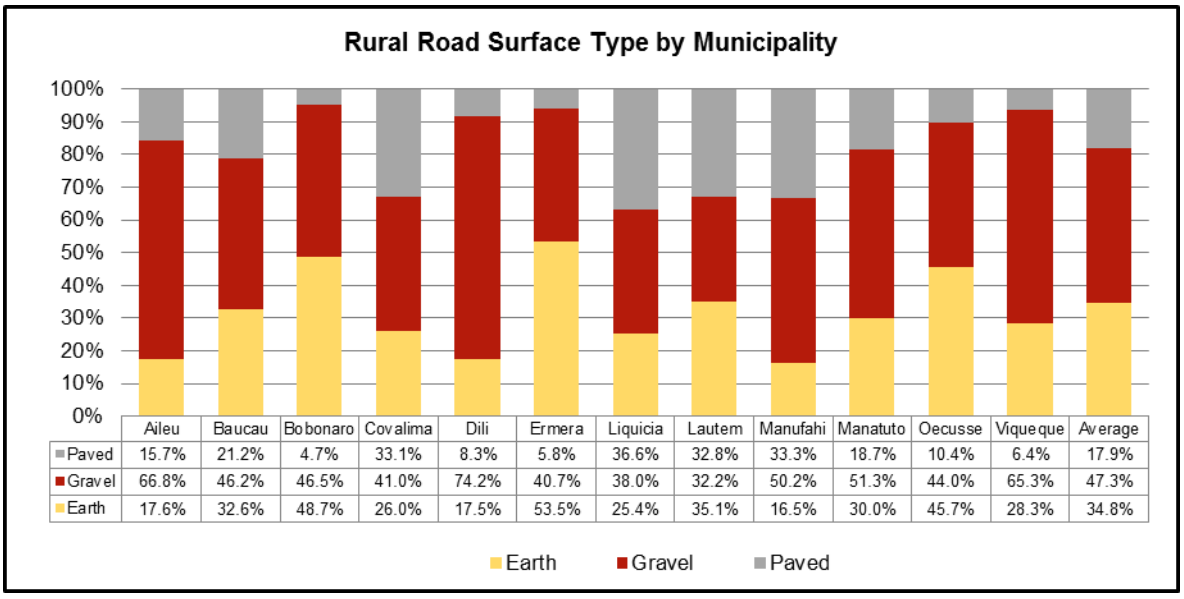
Key Finding 1: The overall strategic direction of the program outlined in key planning, implementation and management documents is consistent with the strategies and priorities affirmed by the Government of Timor-Leste (GoTL), DFAT and the ILO. The program continues to reinforce the GoTL's efforts to maintain its road network and reaffirms the importance of rural road investments as part of the overall strategy.

Rural roads remain a priority for the GoTL and the R4D program is fully in line with the national priorities of VI Constitutional Government of Timor-Leste. The GoTL has nominated rural road improvements, enhancements and maintenance as a continued and important area for investment. The R4D program is acknowledged both by the GoTL and GoA as a priority vehicle for the delivery of assistance to the rural roads sector.

According to the recently completed RRMPIS, there is approximately 3,855km of surveyed rural roads. A total of 35% of the network has an earthen surface and 47% a gravel surface. Only 18% of all rural roads are paved

but in many cases road surfaces have deteriorated to an extent they could be classified as unpaved. Figure 1 highlights the breakdown by municipality.

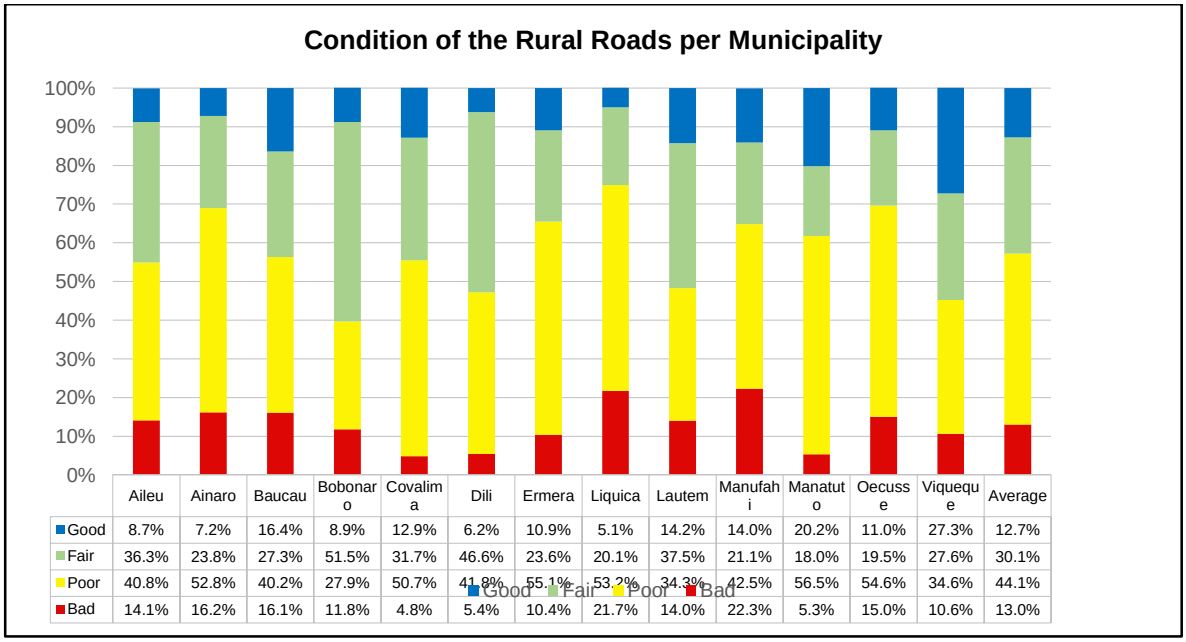
Figure 1: Percentage of Earthen, Gravel and Paved Rural Roads by Municipality



	Aileu	Baucau	Bobonaro	Covalima	Dili	Ermera	Liquicia	Lautem	Manufahi	Manatuto	Oecusse	Viqueque	Average
Paved	15.7%	21.2%	4.7%	33.1%	8.3%	5.8%	36.6%	32.8%	33.3%	18.7%	10.4%	6.4%	17.9%
Gravel	66.8%	46.2%	46.5%	41.0%	74.2%	40.7%	38.0%	32.2%	50.2%	51.3%	44.0%	65.3%	47.3%
Earth	17.6%	32.6%	48.7%	26.0%	17.5%	53.5%	25.4%	35.1%	16.5%	30.0%	45.7%	28.3%	34.8%

In terms of rural road condition, only 12.7% of the total rural road network is in good condition. Rural roads in a fair condition (i.e. requiring periodic maintenance) constituted 30.1%. A total of 57.1% of rural roads are in poor or bad condition requiring some form of rehabilitation. Figure 2 provides a breakdown of conditions by municipality.

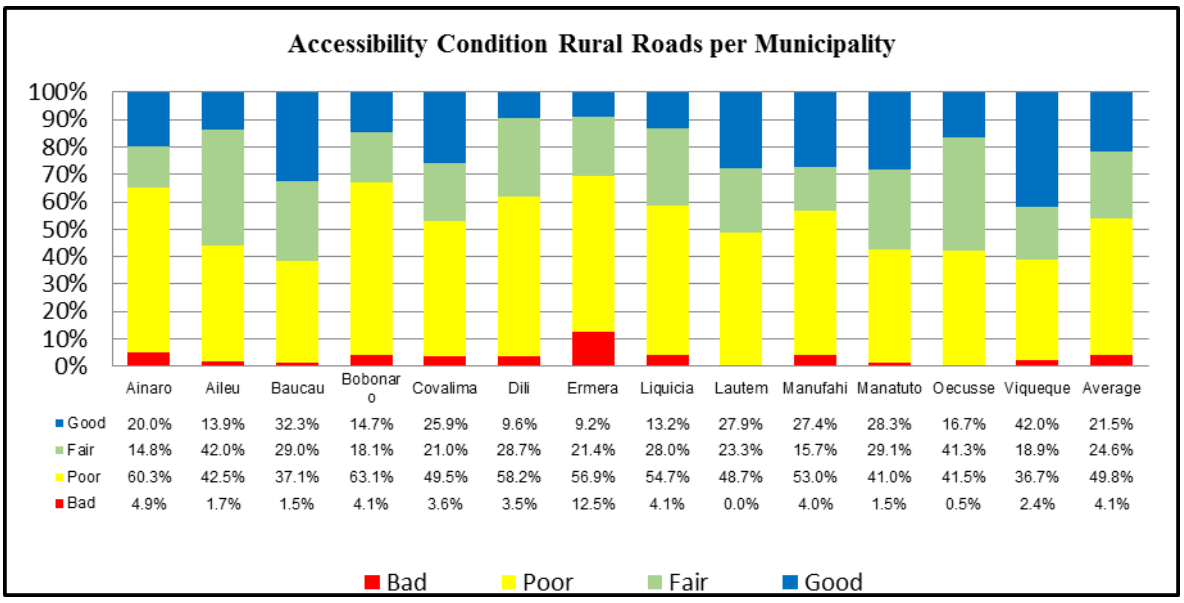
Figure 2: Road Conditions by Municipality



	Aileu	Ainaro	Baucau	Bobonaro	Covalima	Dili	Ermera	Liquica	Lautem	Manufahi	Manatuto	Oecusse	Viqueque	Average
Good	8.7%	7.2%	16.4%	8.9%	12.9%	6.2%	10.9%	5.1%	14.2%	14.0%	20.2%	11.0%	27.3%	12.7%
Fair	36.3%	23.8%	27.3%	51.5%	31.7%	46.6%	23.6%	20.1%	37.5%	21.1%	18.0%	19.5%	27.6%	30.1%
Poor	40.8%	52.8%	40.2%	27.9%	50.7%	41.8%	55.1%	53.2%	34.3%	42.5%	56.5%	54.6%	34.6%	44.1%
Bad	14.1%	16.2%	16.1%	11.8%	4.8%	5.4%	10.4%	21.7%	14.0%	22.3%	5.3%	15.0%	10.6%	13.0%

For accessibility, rural roads in Timor-Leste are generally bad. This is not to say the entire network is bad but roads in good condition can be inaccessible due to a potential link or junction that is in bad condition, thus affecting the entire network. However, if roads are generally in bad condition it is to be expected that accessibility will be challenging. Figure 3 below presents a summary of the accessibility conditions.

Figure 3: Accessibility Condition of Roads by Municipality



Based on the figures presented above, it is apparent that considerable investments are required to bring the rural road network into fair condition. The rehabilitation of works does not necessary include on-going maintenance which is essential for the on-going viability and connectivity of the network.

A detailed analysis of operating and institutional context for rural roads has been provided as part of the original project design document (PDD) and updated further in the RRMPIS. R4D continues to align to the priorities outlined in GoTL's Strategic Development Plan (SDP) which emphasises the critical importance of making substantial, long-term, cost-effective and quality investments in the rehabilitation and maintenance of rural roads. Importantly the SDP highlights the importance of using locally based contractors and labour-based technologies as a cornerstone on the delivery of investments in rural road infrastructure.

Under the IV Constitutional Government, the Ministry of Public Works, Transport and Communications (MPWTC) was formed following the merging of the Ministry of Infrastructure into the Ministry of Public Works and the Ministry of Transport and Communications. Under its mandate, the MPWTC nominally retains responsibility for rural roads and has a leading role to play as part of its overall responsibility for the management of the road network as a whole. However, in recent years, the GoTL has channelled significant funds through other sources, namely the Secretary of State for Employment Policy and Vocational Training (SEPFOPE), the Integrated District Development Plan (PDID) and the National Program for Village Development (PNDS).

Added to the mix has been the rise and influence of the National Development Agency (ADN) which was established in 2011 to: evaluate the merit and feasibility of all capital development projects; monitor, verify and certify the quality of all capital works; manage the execution of construction works and provide support to village programs. Rural roads implemented by MPWTC, PDID and SEPFOPE are subject to ADN verification and certification.

The GoTL is currently in the process of commencing implementation of a decentralisation program. A draft decree law establishing administrative and financial regime including guiding principles is currently under implementation. The decentralisation will have impacts upon investments in rural roads as responsibilities are most likely to be transferred to relevant municipalities. However, given responsibility for rural roads were not initially officially defined or classified prior to the RRMPIS it is important to determine the classification of roads and which roads will fall under Municipalities and which roads remain under the management of MPWTC.

The increased complexity of GoTL arrangements heightens the relevance of a program such as R4D but places greater importance on the need for high-level strategic engagement amongst all state actors to ensure effective and efficient implementation and management and to ensure the program continues to align to the evolving nature of state administration, particularly the decentralisation of key tasks and responsibilities.

The program is highly relevant to DFAT's Aid Investment Plan 2015-2019. Australia has an enduring interest in a stable, peaceful and prosperous Timor-Leste. Australia's aid program in Timor-Leste has the three strategic objectives: improving livelihoods; enhancing human development; and strengthening governance and institutions. The R4D program contributes to all three objectives as rural roads form a sound foundation to contribute in a positive manner to the improvement of access for communities and also seeks to strengthen institutional arrangements as part of broader governance and development initiatives. R4D also forms an integral component of DFAT's overall investment in Timor-Leste through actively engaging with other DFAT funded programs. Opportunity exists for further engagement and alignment as R4D enters a new phase of implementation.

R4D also complies with the International Labour Organisation (ILO) own strategic objectives and outcomes outlined in its Decent Work Country Program (DWCP) and Programme and Budget, as well as Outcomes 1,5,8,9 and 16 of the United Nations (UN) Sustainable Development Goals (SDGs).

United Nations Development Assistance Framework. The United Nations Development Assistance Framework (UNDAF) 2015-2019 for Timor-Leste is the result of joint efforts by GoTL and the UN System to establish a strategic program framework to support national development priorities as outlined by the GoTL in the Timor-Leste Strategic Development Plan 2011-2030. R4D clearly aligns with and contributes to UNDAF Outcome 2 "People of Timor-Leste, especially the rural poor and vulnerable groups, derive social and economic benefits from improved access to and use of sustainable and resilient infrastructure".

Sustainable Development Goals. R4D is in line with the majority of the seventeen (17) United Nations Sustainable Development Goals (SDGs). It dovetails perfectly with five of the goals, namely:

- Goal 1: End poverty in all its forms everywhere.
- Goal 5: Achieve gender equality and empower all women and girls.
- Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Timor-Leste Decent Work Country Programme (DWCP) 2016-2020. R4D supports GoTL's DWCP priorities and outcomes in particular in the area of improved access to employment services and income opportunities, strengthening national capacity for the adoption of labour-based methods to implement employment-intensive infrastructure programs that also integrate rights, social protection and social dialogue aspects of the Decent Work Agenda. More women and men with emphasis on youth, have access to productive and decent employment through inclusive job-rich growth. The DWCP provides a platform for dialogue between government, workers and employers organisations on matters concerning the strengthening of an enabling environment for private sector development, for issues related to social protection and working conditions and other institutional matters relevant to the development of the rural roads sector, as outlined in the RRMPIS.

International Labour Organization Program and Budget 2016-2017. The ILO Program and Budget sets out the strategic objectives and expected outcomes for the Organization's work. The program and budget is linked to the Strategic Policy Framework and the priorities August 2016 identified by constituents through the Decent Work Country Programme. The R4D-SP will contribute to the following ILO outcome: More and better

jobs for inclusive growth and improved youth employment prospects, indicator 1.4: Institutional development and capacity programmes in industrial, sectoral, trade, skills, infrastructure, investment or environmental policies for more productive and better quality jobs.

Validity of Project Design

Key Finding 2: The R4D project design is a comprehensive and detailed document that retains a high level of relevance and validity. Development objectives and outcomes remain relevant and implementation and management arrangements are aligned to GoTL approaches, policies and priorities. An important recognition has been provided in the acknowledgement of the design's validity as part of R4D Phase 2's DUA. It is important for R4D to continue reviewing progress and engagement to ensure its implementation and management arrangements remain relevant and appropriate, particularly in light of the transition to technical advisory support in a decentralised operating context.

The R4D project design document (PDD) maintains a high level of validity and continues to drive and guide implementation and management arrangements. The recent Design Update Annex (DUA) for Phase II reaffirms the importance of the existing design in progressing the program into a second phase commencing in April 2017. Key aspects of note with regards to the original PDD:

- Goal, outcome and output statements are clearly defined and logical in content, structure and alignment. Outcomes are realistic and are achievable within the timeframe.
- The design acknowledges contextual realities and remains flexible to address emerging priorities and issues.
- Outputs are tangible and correlate specifically to key outcomes. Indicators are appropriate but in some cases are numerous, placing some pressure on the program in terms of reporting.
- The design (and M&E Framework) place a strong emphasis on institutional reform and capacity building
- Gender and social inclusion are incorporated through the Social Safeguards Framework but could be further enhanced through a broader focus on social inclusion issues, namely disability. The R4D Environmental Safeguards are in use and could also expand to include climate change strategies and plans.
- M&E methods and data collection processes are appropriate and seek to triangulate findings through a range of methods. Importantly, M&E has sought to assess high level outcomes and the goal statement (i.e. impacts of rural roads on both men and women).

In reviewing the PDD[2] it is evident that it is a well-structured, articulated and context specific document aimed at clearly establishing the necessary context, approach and metrics against which the program will be assessed. Validation of the PDD is recognition from DFAT in the DUA that the continuation phase *"is not a new design for R4D and the scope of the program remains essentially unchanged."*

The PDD contains a strong analysis of the enabling environment and operating context in which rural roads are situated. It provides clear arguments for the justification of the intervention and provides a relevant and appropriate implementation plan to achieved defined objectives, outcomes and outputs. The PDD also highlights key planning and implementation constraints namely institutional and capacity constraints within GoTL. Many of the constraints remain relevant, particularly the ability of GoTL to make adequate financial contributions to ensure effective maintenance of the network.

Consultations and interviews with stakeholders reveal that the strategic intent of the program, associated interventions and overall targets remain relevant to the current implementation process. The intervention logic and results framework demonstrate a clear and well thought out structure aligned to workplans and budgets. A key challenge in reaching the targets has been the availability of suitably qualified staff in key positions. This is discussed further in a later section.

In assessing the PDD's strategic intent and objectives it is evident goal and outcomes statements remain as relevant and appropriate now as they were in 2011 during the design process. The goal of the program is:

[2] PDD can also be used interchangeably with ProDoc

Women and men in rural Timor-Leste are deriving social and economic benefits from improved road access.
The goal statement is supported by three outcome statements:

- Outcome 1: The GoTL is effectively planning, budgeting and managing rural road works using labour-based methods, as appropriate
- Outcome 2: Local civil works contractors effectively implement investments in rural road works, using labour-based methods where appropriate
- Outcome 3: Rural road development adequately resourced and planning and implementation of investments effectively coordinated between Government agencies and (donor)projects

Assumptions and risks are considered in the R4D PDD but tend not to be aligned to the program overall and not to specific interventions or outcomes outlined in the results framework. Assumptions are the conditions necessary in order to ensure that defined program activities will produce the results in which they were intended. Mitigating actions are comprehensive but further work could have been considered in testing the assumptions made within the results framework to ensure that risks were aligned to specific outcomes.

The overall logic of the program is clear and is coherent and linked. One suggestion for improvement would be to develop and implement a Theory of Change (ToC) for the upcoming R4D-SP. The purpose of this approach would be to reaffirm the current outcomes and identify new and emerging risks and assumptions that may impact upon the program (both positive and negative). It is sound M&E practice to review, at least annually, and to test current thinking, assumptions and approaches.

In terms of M&E, social, safeguards and other relevant program strategies related to social inclusion and cross-curing themes, these all retain significance and have contributed to the on-going validity of the design. As mentioned above, all documents could be periodically reviewed to ensure they remain current and address the immediate priorities of both MPWTC and R4D.

Project Progress and Effectiveness

Key Finding 3: The R4D program is effective in that planned activities were implemented and results (in some cases were exceeded). However, achievement was not equally distributed across the results framework with some under achievement in key areas, often due to external and extenuating circumstances outside the control of the program.

The analysis of the effectiveness relating to capacity of R4D to achieve its expected results is mapped over the anticipated results and targets described in the R4D results framework and associated program workplans[3] The analysis also draws upon consultations and discussions with relevant R4D team members and stakeholders involved in the implementation of program activities. R4D has made steady progress towards the achievement of defined key outcomes. As a summary and self-assessment, the R4D ranked itself prior to the commencement of the evaluation. A summary of results is included in the following table:

[3] R4D M&E Results Framework July 2014 and Annual Workplans 2012-2016.

Table 1: R4D Self-Assessment of Progress by Outcome and Output

Note: when the achievement has improved compared with the previous period, this is indicated by 'up', if declined by 'down'	Outcome 1	Output 1.1	Output 1.2	Output 1.3	Outcome 2	Output 2.1	Outcome 3[4]	Output 3.1	Output 3.2	Output 3.3
Highly probable/Very Satisfactory **(> 80% of this period indicators met)**		✓ **up**		✓ up						
Probable/Satisfactory (**60-80% of this period indicators met)**	✓		✓		✓ up	✓		✓	✓	✓
Low Probability/Unsatisfactory (**40-60% of this period indicators met)**							✓			
Improbable/Very Unsatisfactory (**<40% of this period indicators met)**										

The findings from this analysis are reported in the following tables. It is important to note that the tables have been prepared as a self-assessment but discussed and verified with the evaluation consultant. A brief assessment of key findings by outcome includes:

Outcome 1 - MPWTC is more effective planning, budgeting and delivering rural roads works using labour based methods, as appropriate: R4D plays a predominant "substitution role" for many aspects of MPWTC. Whilst this assists in the achievement of short-term results it has not promoted longer-term institutional change and sustainability. Government budget contributions over Phase 1 have been inconsistent reducing the effectiveness of the program to adequately plan and prioritise. The recent completion of the RRMPIS is a solid output achievement but its contribution to longer-term reform and planning is in its infancy. R4D continues to play a central role in the planning and prioritisation of rural road investments. The completion of the RRMPIS and the transition to R4D-SP should provide an opportunity for R4D to "hand-over" responsibility somewhat and take on a more advisory support role. It is important that R4D is prepared itself for this transition. It is essential that the R4D team sit and discuss key roles and responsibilities and how they will position and coordinate themselves.

- ***Institutional*** – the development and presentation of the RRMPIS is a key achievement of the R4D program. It provides the strategic guidance and direction necessary for the MPWTC to prioritise, plan and budget for rural roads and provides a framework for engagement in R4D-SP.
- ***Decentralisation*** **-** Additional work is also required to support the Decentralisation Process as it evolves over the next few years. R4D-SP has an opportunity to broaden scope and engagement to determine (i) with whom to engage (ii) at what levels and (iii) on what issues. Engagement with Estatal at a strategic level is vital in terms of planning and prioritisation of works through Municipal Authorities. Consultations

[4] With the Rural Roads Master Plan & Investment Strategy been approved by the Council of Ministers in May 2016, it is expected that this will have a positive effect on outcome 3, i.e. adequate financial resourcing, increasing required HR capacities and effective coordination.

have commenced through engagement on the RRMPIS. The evaluation recognizes that institutional change and reform is a challenge given high levels of uncertainty but should remain a core focus of technical advisory support in Phase II.

- ***Capacity Development –*** during phase 1 has been somewhat ad hoc and based on availability however it is acknowledged that a number of key training activities were planned and implemented during the course of Phase 1. Progress has been made with GIS mapping and work with Regional Engineers and in contract management and procurement. in the district but a concerted effort to capacity development based on shared and mutual planning is required, particularly aligned to the RRMPIS. Moving forward, R4D is encouraged to develop capacity development plans for each technical specialist. This will involve all R4D staff identifying key counterparts and to develop a structured program of work with tangible indicators and targets to guide future work in a staged and proactive manner.

- ***M&E System -*** It is important to make special mention of the R4D M&E system as it is a very good model based upon sound principles and based on the use and application of context-specific and practical approaches and methodologies. R4D's M&E system is not overtly sophisticated or complex but rather is tailored in a structure that enables practical information to be collected, analysed and presented. The M&E system provides adequate support to management. An area for improvement would be to increase the visibility of M&E outside of R4D to ensure the information and data collected through various studies and evaluations is shared with a broader audience. The M&E system also requires regular review and new methodologies should be considered as R4D shifts to an advisory focused role in R4D-SP.

The following table provides an assessment of the achievement of key outputs by Outcome.

Key Performance Indicator		Planned Milestone Indicator	Achieved as of 31.12.2016	Reasons for non-Achievement / Comments
Outcome 1: MPWTC is more effective planning, budgeting and delivering rural roads works using labour based methods, as appropriate				
1.1	**Organizational Structure:** Functional MPWTC organizational structure and knowledge management (KM) for planning and delivery of investments in rural road works	• medium, guided and assisted level of functioning	No	• Whereas some progress has been achieved, the ILO-TA is still providing a leading role in planning and delivering investments
1.2	**Staffing**: Number of MPWTC staff assigned as per HR capacity development plan for the planning, budgeting, design, contracting, implementation, reporting and monitoring rural roads investments	• 50 MPWTC staff regularly work on R4D – rural roads	70%	• 35 staff available (8 supervisors, 16 temporary MPWTC staff – as of end June - 3 GIS staff – as of end June, 4 staff from Corporate Services, 4 staff from Roads, Bridges and Flood Control).
1.3	**Planning:** MPWTC annual rural road investment plans (# US$ million) for R4D rehab and maintenance roads (GoTL + DFAT contribution) prepared and approved in time	• US$ 20.0 million	US$ 22.59 million (113%)	• Note: GoTL exceeded its total contribution but there were always delays in release of annual funds thus affecting implementation

1.4	Budgeting and resource mobilization: GoTL's approved MPWTC annual R4D budget for delivery of investments in rural road works in accordance with MPWTC 5-Year Investment Plan for R4D	• US$ 20.0 million for 2012 to 2018	US$ 22.59 million (113%)	• Note: GoTL exceeded its total contribution but there were always delays in release of funds thus affecting implementation
1.5	Surveying, designing and cost-estimation: Detailed technical surveys, designs, BoQs, and cost-estimates completed and approved by MPWTC for # km of rural road rehabilitation and maintenance works by 2016, in time and as per specifications	• 311 km rehab • 335 km maintenance	• 178 km rehab (57%) • 400km maintenance (119%)	• Contract awarding for works are usually delayed by 1-2 months due to late confirmation of available budget
1.6	Procurement & implementation: Procurement and implementation of # US$ million capital investments in rural road works done by MPWTC through local contractors, as per plan, and in accordance with specifications, standards, procedures and labour-based work methods	• 311 km rehab • 455km maintenance	• 178 km rehab (57%) • 400km maintenance (88%)	• Contract awarding for works are usually delayed by 1-2 months due to late confirmation of available budget

Outcome 2 - Local civil works contractors more effectively implement investments in rural road works, using labour-based methods as appropriate: The support of local contractors has been a central theme of R4D Phase 1. Calculations reveal 882 contractors and their technical staff have received substantive training (including 6-weeks of pre-bid training, labour based technologies, business management and on-going mentoring). The training has been well received (despite the duration of training decreasing from 7 weeks to 1 week[5]) and regarded and is acknowledged by both contractors and the National Procurement Commission (NPC). Whilst work assessments (i.e. tracer study) indicate improvements in works, evidence suggests additional work (through the appointment of more staff and capacity development) is required to improve site supervision, assessment of works and compliance of contractual requirements (BoQ). Evidence also suggests that contractors still struggle to manage business operations (i.e. cash flows) and private sector growth (e.g. turnover and profitability) has stalled due to late payments for completed works and also the rising costs of materials at site. There is scope to maintain focus on training for technical works and both business coaching and mentoring which has already commenced under R4D through Don Bosco.

[5] The evaluation notes that the 1-week course was intended as a refresher course.

Key Performance Indicator		Planned Milestone Indicator	Achieved as of 31.12.2016	Reasons for non-Achievement/Comments
Outcome 2: Local civil works contractors more effectively implement investments in rural road works, using labour-based methods as appropriate				
2.1	**Increase in business turn-over:** R4D trained contractors show x% increase in yearly business turn-over after completion of their initial R4D contracts	• 20%	No	The 2015 draft report of the Contractors' Tracer Study shows a decrease in turn-over of contractors. This is due to the low annual budget allocated by GoTL in 2014 and 2015 for investments in rural roads – which is one of the key reasons why the environment to develop a viable construction industry is not enabling.
2.2	**Improved quality of tenders:** At least 2 tender compliant bids received from contractors for x% (in terms of US$) of R4D tendered rural road works contract packages	• 85%	Yes	The average number of compliant bids per tendered contract package was 4.2 in 2016. The evaluation of bids for the 2016-2017 R4D works was completed on schedule.
2.3	**Quality of delivery of initial R4D contracts**: x% of value of awarded contract packages are delivered by the contractors in time, within budget and as per specifications	• 65%	No	Due to delays in signing contracts and in processing invoices of contractors, unnecessary delays in implementation occurred, slowing down the progress.
2.4	**Improvement in subsequent work quality indicators:** Subsequent work undertaken by contractors after completion of initial R4D contracts do not show more than x% defects (as US$ value of completed works) attributable to poor workmanship	• 60%	Yes	The final report of the 2015 Contractors' Tracer Study (end-line) shows a significant improvement of the quality of the subsequent works undertaken by contractors after the completion of their initial R4D contracts.

Outcome 3: Rural road development adequately resourced and planning and implementation of investments effectively coordinated between concerned Government agencies and (donor) projects. There has generally been a fragmented GoTL approach to rural roads in the past four years. The lack of an overarching governance structure has meant some contributions (financial capital and budgets and technical staff from GoTL) has constrained progress and works supervised under R4D. R4D needs to continue to work with MPWTC to realise the importance of broader coordination and engagement. R4D needs to develop appropriate standards and guidelines to drive continued engagement.

The lack of consistent application of uniform standards across the program leads to inefficient use of resources and heightened costs as work needs to be revised and in some cases, redone. Planning, prioritization and implementation by various rural road programmes has been somewhat uncoordinated in approach thus reducing overall effectiveness and cost efficiencies. Capacity development in engineering standards, designs and guidelines should be a core focus in Phase II.

Key Performance Indicator		Planned Milestone Indicator	Achieved as of 31.12.2016	Reasons for non-Achievement/Comments
Outcome 3: Rural road development adequately resourced and planning and implementation of investments effectively coordinated between concerned Government agencies and (donor) projects				
3.1	**Uniform approaches:** Concerned agencies and projects have access to and apply uniform systems (including guidelines, criteria, procedures, standards, specifications, the	• 50% of investments in rural roads done using R4D	No	• Not yet achieved because of the still existing fragmentation of funding for the rural roads sector, the absence of an effective high-level coordination

	MPWTC/R4D Rural Roads Master Plan (RRMP) and work methods) in the planning, design and implementation of rural road investments	standards		mechanism, and not all concerned parties have shown political willingness to coordinate and cooperate (in particular SEPFOPE). Issue to be pursued in R4D-SP
3.2	**Coordination:** Effective coordination mechanisms in place between concerned agencies and projects involved in the planning and delivery of investments in rural road works, including a functional Steering Committee for rural roads	• Medium	No	• Awaiting the establishment of inter-ministerial Steering Committee for the rural roads sector (one of the recommendations of the RRMPIS and outputs of Phase 2)
3.3	**Effective delineation of roles and responsibilities of concerned government agencies:** Roles and responsibilities of concerned Government agencies involved in planning and delivery of rural road investments clearly distinguished and don't overlap	• Medium	No	• GoTL realizes the need for clear delineation of roles and responsibilities and the RRMPIS includes recommendations in this respect
3.4	**Adequate investment budget available**: Adequate investment budget (US$ million) from GoTL for MPWTC and other concerned Government agencies for planning and delivery of investments in rural road works, in accordance with the RRMPIS (which includes recommendations for optimum annual investment levels)	• US$ 20 million for 2016	Yes	• Although the overall investment level for 2016 rural road works is adequate, investments for 2016 rural road works are still too fragmented (MPWTC, SEPFOPE, PNDS, PDIM). Once the implementation of the RRMPIS starts, it is expected that the situation will improve.

Physical Works – A key finding is the need for R4D to develop standardized drawings, designs and guidelines. This has been a finding of previous monitoring missions and has now been raised as an issue by MPWTC and ADN. It is important that rural road standards are agreed first in consultation with relevant stakeholders. Investment in the development of standardised guidelines would go a long way to promoting a more uniform and cohesive approach to supporting the sector. This approach would also have flow on benefits through the exploration and analysis of reducing unit costs associated with current works.

Through field visits and consultations with the engineering team, the roads are general well-constructed and maintained. The main issue appears to be not only the issues of standardised approaches but also the selection of sections as part of a broader connectivity strategy.

Rehabilitation works are planned and implemented with connectivity of overall the system as a priority. However, some works are often undertaken does not always match the planning process. In other words, some sections are commenced while access to utilise those sections remains challenging. The determination of where and when works commences appears to be vested in community-led decisions. This means often areas of high-priority are not serviced immediately due to the personalised opinions of community leadership. The development of the RRMIS should assist with a return to enhanced planning and coordination of the system as a whole.

On-going works need to be carefully monitored. Two site visits for the evaluation revealed one contractor undertaking works which did not meet contractual requirements. Although this is not conclusive given the very small sample it does raise concerns as to the extent contractors are going to maintain profit through the use of sub-standard materials and the reduction in quantities.

Efficiency of Resource Use

Key Finding 4 – R4D's resources were allocated strategically and for the most part effectively to achieve defined outcomes.

Key Finding 5 – The decision to implement more expensive pavement treatments needs to be evaluated to determine overall economic-cost benefit, reaffirmation of the decision to strategically shift the program away from quantity (i.e. #km of roads) to focus on quality (i.e. pavement treatments) and look at climate resilient aspects related to costs.

According to R4D reports, program expenditure is at approximately 97% (as of 31 December 2016). which demonstrates a sound level of financial management and planning as the program nears the completion of Phase I. The ILO budget for R4D Phase 1 was US$32,437,656

ILO Budget Line	Description	Total Budget (US$)	Expenditures as of 31.12.2016	
			US$	% of Total Budget Line
11.99	International Experts	10,167,283	9,605,674	94%
13.99	Adm Support Staff	956,724	855,905	89%
15.01	Travel cost	388,551	346,171	89%
16.99	Mission cost (incl M&E)	112,550	93,724	83%
17.01	National Staff and Consultants	417,439	385,185	92%
21.99	Sub-contracts*	13,473,300	13,453,263	100%
32.99	Training	623,879	573,492	92%
41.99	Equipment	1,177,389	1,162,389	99%
51.99	O&M Equipment & Misc.	326,350	309,144	95%
53.01	Sundries	757,091	712,635	94%
53.03/4	Media, Visibility, Publ.	182,648	172,110	94%
53.2	Office Rent	57,270	51,270	90%
53.5	Security	65,414	65,414	100%
	Sub-Total	28,705,888	27,786,376	97%
	Program Support Cost	3,731,768	3,612,230	97%
	Total	32,437,656	31,398,606	97%
	Grand Total	**32,437,656**[6]	**31,398,606**	**97%**

The budget expenditure does not adequately reflect the context in which the program operated with a tightening of DFAT commitments during the implementation phase due to budget constraints within the Australian Government. International staff positions were not always filled, for example the capacity development adviser. Sub-contracts were well managed given the shift in focus in December 2013 to focus more on paved surfaces for roads and to respond to the increasing unit cost of materials.

For capital projects which are co-funded by GoTL and GoA, annual expenditures are within planned budgets, however, it does not effectively demonstrate the efficient use of the resources. In analysing the average cost per km it is clear that previous monitoring groups and reviews have recommended increased expenditure on pavements to promote quality but these have not been adequately reviewed or assessed in terms of efficiency

[6] The original budget was AUD 30,000,000. In September 2015 the Contribution Agreement was amended, covering a time extension from 1 March 2016 to 31 December 2016 and an increase in budget with AUD 6,000,000. Based on exchange rates at times of tranche payments, the phase 1 budget for R4D has increased from USD 32,200,200 to USD 32,437,656 due to further gains in exchange rate and other savings, thus has enabled a 3-month no-cost project time extension to 31 March 2017 to be realized.

and cost. R4D has trialled a number of different road surfaces on various sections but there is no immediate data or information available to assess the cost benefit of such approaches, particularly the decision to include pavement sections in some cases (e.g. Laulara). There may also be opportunity to look at other cost savings by cutting back on aspects of road infrastructure, such as drainage works. Table 3 provides an initial snapshot of the costs associated with rehabilitation and maintenance works.

Table 3 Costs Associated with Rehabilitation and Maintenance Works

Year	Works	Project Length (Km)			Contract Value (USD mil)	Funding Source		Progress Payments		Physical Progress	Remarks
		Original	Actual	% Achieved		DFAT	GoTL	USD mil	%	%	
2013/2014	Rehabilitation	91	93.5	103%	10.703	10.703	-	10.41	97.80%	100%	Projects completed
	Maintenance	144	144.8	101%	2.742	0.104	2.638	2.4	87.60%	100%	
	Total 2013/2014	**235**	**238.3**	101%	**13.446**	**10.808**	**2.638**	**12.81**	**95.70%**	**100%**	
2014/2015	Rehabilitation	100	9.9	10%	0.949	0.439	0.51	0.95	100.00%	100%	- Inadequate funding released for captal projects. - 5 roads (18.4 km) dropped due to either upgrade to national road, takeover by other road institution, or conflicts within community. - 5 IPCs of $70,000 (Retention money) under payment process by ÁDN.
	Maintenance	235	229.8	98%	1.127	-	1.127	0.66	58.70%	80%	
	Total 2014/2015	**335**	**239.7**	72%	**2.076**	**0.439**	**1.637**	**1.61**	**77.60%**	**87%**	
2015/2016	Rehabilitation	50	27.9	56%	3.327	0.107	3.22	1.3	38.90%	70%	-136.9 km of ERA roads taken over by R4D for maintenance. '- 23 IPCs totalling $ 0.939 million under payment process by ÁDN.
	Maintenance	235	376.1	160%	1.831	-	1.831	1.18	64.40%	90%	
	Total 2015/2016	**285**	**404**	142%	**5.158**	**0.107**	**5.051**	**2.48**	**48.00%**	**75%**	
2016/2017	Rehabilitation	**70**	**48.1**	69%	**3.972**	**-**	**3.972**	**-**	**-**	**5%**	- 50km of rehabilitated roads in Oecusse District dropped with R4D withdrawal from district. - $ 0.450 million value of IPCs under payment process by ÁDN.
	Maintenance	**235**	**353.2**	150%	**4.436**	**-**	**4.436**	**-**	**-**	**5%**	
	Total 2016/2017	**305**	**401.3**	132%	**8.409***	**-**	**8.409**	**-**	**-**	**0**	
									Average cost/km		
Totals	Rehabilitation	**311**	**179.4**	**58%**	**18.951**	**11.249**	**7.702**	**12.65**		**105,635**	Ranges between USD 80,000 for Gravel sections to 190,000 for Penmac and Plum Concrete
	Maintenance	**305**	**401.3**	**132%**	**10.136**	**0.104**	**10.03**	**4.25**		**25,258**	For both Periodic and routine maintenance. Purely Routine maintenance cost is averagely USD 2,000/km/yr
Grand Totals		**311**	**401.3**	**129%**	**29.087**	**11.353**	**17.73**	**16.9**			

A lack of clarity in the distinction of rehabilitation and periodic and routine maintenance in the planning and packaging of works means that funding is sometimes allocated to contractors who are not in the best position to implement these works. In addition, the combination of elements into the same contracts often leads to a piece-meal approach to implementation meaning priority sections of road are often left unattended. Furthermore, this approach does not lead to generating realistic empirical unit costs for the distinct maintenance interventions that will guide cost-effective future rural roads planning and budgeting.

It is somewhat challenging to assess the efficiency of the decision to shift towards increased unit costs for road rehabilitation (i.e. paved sections). The combination of rehabilitation and maintenance into contracts means that funds are distributed but little is known as to the efficient use of these resources. Site visits revealed that some contractors who are not experienced in rehabilitation were provided with maintenance (and rehabilitation elements) in their contracts. Further consultations on the finding reveal that since 2015, contracts have been awarded through MPWTC procurement processes with eligibility not only limited to R4D trained contractors. The practice of awarding contracts to untrained contractors is beyond the control of R4D but does provide an opportunity for further engagement with MPWTC under R4D-SP.

The use of contractors and labour-based approaches is a long-term investment. While labour-based approaches may be somewhat inefficient when compared with the use of machines (from a contractor perspective), the evidence suggests that with proper planning and coordination, labour-based approaches are efficient. In addition, the provision of income and social benefits through employment is highly regarded.

Table 3 SUMMARY OF R4D TRAINING AND CAPACITY DEVEOPMENT (2012 - 2016)

Item No.	Sector	Category of Training and Capacity Development	Trainees	Training Venue	Trainers/ Institution	No. of Participants			Training Days	Person-days of Trainig	Training Content
						Male	Female	Total			
1	Private Sector (Contractors, their Engineers and Supervisors	Pre-bid training	Directors	Municipalities	REs	135	15	150	3	**450**	Labour based methods, unit rate analysis, tender documentation
2		Pre-bid training	Technical staff	Municipalities	REs	70	10	80	3	**240**	Labour based methods, unit rate analysis, tender documentation
3		Labour based technology training	Directors	Don Bosco	Don Bosco	55	35	90	5-10 day	**710**	Site management, resourcing, payments, cash flow, records
4		Labour based technology training (Full course)	Technical staff	Don Bosco	Don Bosco	275	35	310	20	**6,200**	Full LBT course Construction activities - QC, H&S, site practice; social and environmental, invoicing
		Labour based technology training (Refresher course)	Technical staff	Don Bosco	Don Bosco	65	5	70	5	**350**	Refreshing course in LBT for Construction activities - QC, H&S, site practice; social and environmental, invoicing
5		Pavement technology training	Technical staff	Don Bosco	Don Bosco	20	5	25	21	**525**	Alternative Sealing options for low volume roads
6		Mentoring	Directors and technical staff	Site	Don Bosco	21	9	30	30-50 days	**1,120**	Responding to requests for support for management issues
7		Coaching	Technical staff	Site	Don Bosco	60	9	69	45-75 days	**3,825**	Responding to requests for support for technical issues
8		Community Maintenance Groups (CMG)	CMG members	Site	REs, FEAs, CDOs	12	46	58	15	**870**	Routine maintenance - activities and performance inspections
9	Public Secor (MPWTC-DRBFC and Municipal officials	Management of Labour Base road works	MPWTC Engineers & Supervisors		R4D	83	10	93	32	**2,976**	Basic Technical, Engineering, Planning, Tendering, Contract Management skills
10		On-the-job site training	DRBFC technical staff	Site	REs	20	5	25	60	**1,500**	All aspects of rural road planning, design, construction, maintenance
11		Procurement	CNA staff	CNA	R4D	5	5	10	3	**30**	Tender launch, submission and evaluation, result notiication, contract documentation
12		GIS	DRBFC GIS team	DRBFC	R4D	1	1	2	463	**926**	GIS and Mapping (Trained several times)
13		GIS	DRBFC GIS team	Jakarta	ESRI	1	1	2	5	**10**	Advanced training in GIS - completion of Level 2 and 3 qualifications
14		RRMP	DRBFC Municipality chiefs	DRBFC	R4D	20	0	20	1	**10**	Explanation of RRMP and how to present to Municipalities
15		RRMP	Municipality staff	Municipalities	DRBFC/R4D	90	30	120	1	**120**	RRMP Explanation and adoption/revision of priority rural road list
16		Information Technology (IT)	Municipality staff	DRBFC & Municipalities	R4D	20	10	30	1	**15**	Managing IT equipment, networks, software, etc in the Municipality offices
17		Laboratory	DRBFC laboratory staff	Municipalities & site	R4D consultant	10	1	11	20	**220**	Laboratory testing, site testing, specifiations, management of laboratory and equipment
18		Conflict resolution	CDOs, DRBFC staff	DRBFC	NGO - Ba Futuru	11	4	15	3	**45**	Prevention, Analysis, Resolution of conflicts including various culturally-appropriate methods.
19		M&E	CDO's	DRBFC	R4D M&E / Database Specialist /Social Safeguards Officers	9	4	13	5	**65**	Tablet computer usage for data collection and communication; Data Collection for 2016 Baseline and 2016 Labourers' Survey (Research Methods / Techniques / Protocols); Gender and legal frameworks for social safeguards
20		Finance and Administrative Services	R4D Regional Office Baucau, Maliana & Same	R4D Regional Office Baucau, Maliana & Same	ILO (Margaret Araujo & Elvia Mesquita)	4	0	4	3	**12**	Review implementation of administrative rules recommended by Audits to ILO projects, to shared information to regional projects team and admin staff to address new implementation of IGDS of cash advance for training/seminars and to follow up some outstanding admin/finance issues.
					Grand Totals	**987**	**240**	**1,227**	**663**	**20,219**	

Overall the efficiency of the program was heavily influenced by the ability of the GoTL to make adequate matching contributions. The flow of funds through instalments meant that prioritisation, planning and implementation at times was somewhat ad hoc as R4D could not adequately plan and commit resources. In addition, R4D has sometimes stalled work as confirmation and approvals are sought to proceed with works leading to inefficient use of time and in some specific cases, social unrest in project areas due to delayed payment to workers.

Effectiveness of Management Arrangements

Finding 6: Overall the R4D team has sufficient skills and experience to implement and achieve desired outcomes, however the program has at times suffered with key positions remaining unfilled which has resulted in some implementation delays.

The R4D program has been administered through a separate program office and is overseen by a Chief Technical Adviser (CTA). The R4D program is staffed by a professional, competent and committed team. The former Chef Technical Adviser (CTA), Bas Athmer provided solid leadership and drove high levels of engagement and involvement with MPWTC and other GoTL counterparts and stakeholders. A new CTA, Mr. Augustus Asare has recently commenced and is currently preparing the program for entry into the next phase.

Besides the CTA, the program is staffed by a Senior Roads Engineer supervising the work of four regional engineers. A capacity development adviser is currently being recruited and the position has remained vacant for approximately two-years. A procurement, Social Safeguards (until 31/12/2016), GIS and database advisers are also members of the team and are based with the MPWTC. An M&E adviser is also a core member of the team. The program is well supported administratively and logistically.

The former CTA (Bas Athmer) has recently taken up a new position within the ILO Bangkok and is providing high-level technical backstopping and support. The backstopping support provided by the ILO until recently has been somewhat ad-hoc and reference was made in previous IMG reviews and the mid-term review in September 2014. It is pleasing to see that increase in support, particularly as the program enters a new phase of implementation. Recent changes within the ILO's management structure mean that a full-time ILO Country Manager is unlikely to be appointed, thus meaning greater emphasis is to be provided to the short-term technical assistance provided through the country office in Jakarta, Indonesia and the regional office in Bangkok, Thailand.

R4D is currently preparing to enter a new phase of implementation in April 2017. It is imperative that the R4D team critically appraise and review performance under the current phase and discuss key roles and responsibilities as part of the new phase. Given a new CTA has recently commenced, the need to adequately plan and coordinate becomes paramount. As part of this planning, the evaluation suggests:

- The R4D team meet and clearly plan and strategise key roles and responsibilities and discuss the implementation and management arrangements detailed in the DUA for Phase II.
- The R4D team facilitate inception meetings with key stakeholders to outline the approach to working in Phase II.
- R4D to coordinate with MPWTC on key delivery dates around planning, prioritization and procurement for the course of 2017 and into 2018.

The R4D team maintains good relations with the MPWTC. Three advisers (procurement, database and GIS mapping) are located within the ministry itself. R4D has developed a capacity development plan but implementation of the plan has been constrained somewhat by the vacant capacity development adviser position. Moving forward, it is recommended that all advisers identify key counterparts and prepare detailed capacity development plans

Project Governance

F***inding 7: R4D would have benefitted from the formulation and implementation of a high-level steering committee but in moving forward would be better served by two strategically placed groups to support technical and management requirements.***

In terms of governance, the Project Steering Committee (PSC) proposed in Phase 1 did not eventuate for a variety of reasons (e.g. lack of willingness to engage from GoTL stakeholders). A Rural Roads Working Group (RRWG) was formed with an intent to act as a quasi-PSC but failed to reach expected levels of strategic guidance and leadership. The RRWG was more focused on the sharing of annual workplans and technical issues rather than setting strategic direction.

Through the desk review and consultations in-country it is apparent that the program did suffer somewhat from the lack of a PSC, namely in providing a forum to bring MPWTC to the table and to ensure commitments (both financial and technical were provided). The recent DUA has witnessed DFAT's shift away from the funding of capital works so there is likely less of a need to implement a PSC in a traditional sense, however here is significant benefit in having some form of coordination mechanism which engages with R4D, MPWTC and DFAT.

In response to this, there is a renewed focus to form a joint working group that works similar to a steering committee but is more focused on management issues. There is also a commitment to form another body (like the former RRWG) to address technical and operational issues. In effect a committee for management and another for the discussion and addressing of technical and operational concerns.

R4D should ideally facilitate the development of a Terms of Reference (ToR) for both governance groups to articulate (i) expected levels of engagement (ii) key roles and responsibilities and involvement of relevant stakeholders, and (iii) expected deliverables and decisions. The governance bodies can also provide assessments on the future of the program going forward. Both bodies should ideally be led by MPWTC. In terms of DFAT, it is vital to maintain high-level engagement with other DFAT funded activities, particularly in

relation to the facilitation of consultation and coordination mechanisms with concerned GoTL counterparts as part of the broader decentralization process.

Partnerships and Coordination

R4D has established sound partnership arrangements during the course of implementation. This is particularly noticeable with GoTL counterparts, namely the MPWTC. In accordance with the ILO's tripartite mandate with employer and worker organisations, R4D could look into strengthening these associations. Work with workers and contractors is very strong and good relations have been formed with contractors. However, contractors tend to work independently and their workers are not represented by a core workers' organisation or group. Consultations with KTSL, Timor-Leste's peak union body indicated they have had limited involvement to date. It is noted that this is through no fault of R4D and much can be attributable to KTSL's limited resources to effectively engage and support. Work with employer bodies and the Chamber of Commerce (CoC) are other areas for enhanced engagement. Moving forward into the R4D-SP, there is scope, if appropriate governance structures are established to bring both tripartite partners into the mix for further engagement and consultation.

Impact Orientation

Finding 8: R4D has made tentative steps towards the realisation of positive impacts for both men and women along the rural road network however additional work is required to consolidate the immediate gains at the institutional level through on-going capacity, systems and process development.

Based on the desk review of available documents and consultations with R4D staff, primarily the M&E Specialist a number of positive impacts are starting to emerge.

Level	Beneficiaries	Emerging Impacts
National	Men and Women along the road network	Indicative information from the impact study reveals positive impacts for both men and women in terms of enhanced access and higher levels of income for small businesses.
	MPWTC	The development of the RRMPIS is a significant outcome and has assisted the Ministry in commencing prioritising roads and allocating appropriate levels of financial resources.
Districts	Contractors	The contractor tracer study has shown some short-term improvements but follow-up studies have indicated a slowdown in business activity as many contractors are reliant upon R4D contracts and have not expanded operations to other sources.
Individual	Contractors	Contractors have received intensive training and support in pre-bid and tender preparation in addition to scoping and design works. All contractors have highlighted the positive impacts this training has had on personal knowledge and morale.
	MPWTC	By embedding some advisers into the Ministry, there has been tangible improvements in the capacity of staff, namely around GIS, database development and procurement. The development of capacity development plans should further consolidate the gains in this area.

Additional impact studies are encouraged for R4DSP-II to build upon the tentative gains derived in Phase 1. Considerable investment has been made in developing a practical M&E system aligned not only to key reporting requirements (i.e. outputs) but also to assessing progress towards key outcomes. Safeguard strategies for the next phase include the introduction of case study methodologies to provide further evidence of the development of individual capacity in key corporate and operational areas within the MPWTC. It is important to document the changes in capacity and application of enhanced skills. The formulation of capacity development plans for each adviser and associated counterparts should provide an adequate base to assess individual and institutional impacts moving forward.

Sustainability

Finding 9: R4D has sought sustainable outcomes from the commencement of the program and has sought to effectively and efficiency measure sustainable results both at the institutional and operational level applying a range of methodologies and in close consultation with MPWTC.

Steps have been taken to promote sustainability. The decision to shift GoA contributions from capital works to technical advisory support is a positive move by DFAT to align GoA's strategic interests and support to match appropriate levels of GoTL investment.

The RRMPIS provides a comprehensive framework and sound base for on-going investment in the sector. The products and results derived R4D program have an opportunity for long-term sustainability since the focus is now on instituting change, supporting government planning and prioritisation, engaging MPWTC in key delivery areas (technical advice), and in promoting greater coordination and governance for the roads sector as a whole. A lot depends upon the political willingness of MPWTC.

It is imperative that MPWTC assign proposed staff to district offices and provide appropriate resources to R4D. MPWTC also need to continue streamlining processes and procedures (planning, budgeting, procurement and payment) to continue development of an enabling environment for effective small-scale contractor development. R4D also needs to focus on embedding the systems, standards and tools developed for the project itself over the past 4 years and work towards ensuring these practices are endorsed, adopted and utilised in Phase II.

A key determinant for the on-going sustainability is a renewed commitment by the GoTL and the MPWTC in particular to commitment the necessary financial and technical resources. It is evident from the evaluation process that DFAT is positioning itself in an advisory role to observe the seriousness of MPWTC's commitment to commit funding and resources to maintain their own network. The same applies for the development and involvement of appropriate governance and management frameworks going forward as well.

The use of labour-based approaches for roads is a key contributor to sustainability. R4D has undertaken an analysis of the availability of labour for rural road rehabilitation and maintenance. The study confirmed that approximately 75% of all contractors did not have problems in sourcing local labour.[7] The study observed that contractors who were able to mobilise and manage larger number of unskilled village workers would be able to complete their contracts more cost-effectively.

Key Lessons Learned

The evaluation also considered a number of key lessons learned. The following table provides an outline of the key lessons identified and prioritised.

Lesson Learned Level	Key Lesson Learned
Strategic	Strong political support and commitment from national stakeholder institutions to provision of sustained resources (capital and operational funding, Personnel), are key to successful implementation of capacity development initiatives such as R4D.
Strategic	The adoption and adherence to appropriate and coherent national rural roads policies, strategies and plans such as the RRMPIS developed under R4D, will ensure a unified approach to implementation and prevent different development programs (SEPFOPE, PNDS, etc.) from pursuing different strategies and using different standards.
Strategic	Strong governance arrangements are important in establishing strategic direction and ensuring adequate commitment and buy-in from government counterparts. Without direct

[7] Labour Availability Study. Study on Labour Mobilization and the Availability of Local Labour during 2013/14 R4D Rehabilitation Works. March 2015.

	involvement and oversight program quality, effectiveness and efficiency diminishes as a result.
Strategic	Without Government's efforts to provide complementary enabling environment for small scale Emerging contractor capacity development programs such as streamlining procurement, contracts management and payment processes, all capacity development efforts such as pertains on R4D may not have long-term sustainability.
Technical	Prompt payments by Government to participating small scale contractors who do not have heavy capital base, will ensure corresponding prompt payment by contractors to employed workers on projects, thus preventing unnecessary labour unrest in the project areas. This is very critical and essential to the success of labour based capacity development programs.
Technical	Capacity building in an environment characterized by high shortage of technical skills should be complemented with strategies by government and the private sector, for engaging and retaining dedicated, passionate and committed local technical staff to understudy technical assistance support such as that being provided by the ILO under R4D;
Technical	The use of a number of M&E methodologies to demonstrate change and impacts is essential in communicating clear messages about the success, or lack thereof, of a project intervention are critical. Importantly, simple yet rigorous M&E is critical in promoting effective utilisation-centred studies that generate relevant data and information for use by stakeholders.
Technical	Experiential learning (through theoretical, practical training and on-the-job coaching) is an effective way of fast-tracking stakeholders' knowledge acquisition, attitude change and capacity building in general;
Operational	Staffing arrangements need to be resolved quickly to ensure on-going momentum. Long delays in recruitment and unfilled positions tend to place significant work burdens upon other team members. Technical backstopping is critical for the success of the program, particularly advice and support to senior management (e.g. CTA) level.
Operational	Without effective institutionalization of in-house capacity within the national implementing bodies (MPWTC-DRBFC and Municipalities), external TA projects (including the ILO-TA Support Project to R4D) runs high risks of prolonged engagement.
Operational	Promotion of appropriate labour-based approaches to rural roads construction and maintenance do not only ensure the delivery of good quality and durable road assets, but also significantly contribute to local economic development through the provision of good access to markets and social services like schools, clinics and most importantly the huge wage income paid to the local workforce from the total project cost (about 15 -25%) that remain in the project areas and evenly distributed to the different population groups.

A series of key lessons learned templates is included as Annex 5 which provides greater detail and analysis of the context and benefits of these identified lessons.

Key Conclusions and Recommendations

The conclusions provided below are an effort to summarise the overall effectiveness and level of satisfaction of the program based on the findings and evidence provided. It is not a definitive basement or judgement but does provide a professional sound assessment of progress under R4D Phase 1. The recommendations provided should be viewed in light of the findings and used to help guide implementation and management into R4D-SP.

Key Conclusions

Criteria	Key Conclusions
Overall	The R4D provides a critical link in the implementation of an effective and efficient rural roads network within Timor-Leste. R4D operates in a challenging contextual environment with generally weak institutional arrangements and often changing governance frameworks. R4D is closely aligned to the strategies and policies of both GoTL and DFAT. Overall R4D has made considerable progress in its effort to support MPWTC but challenges remain, namely ongoing financial contributions by GoTL and the ability to support a developing contractor industry. R4D needs to continue to reaffirm its ongoing relevance and to provide strategic leadership and guidance to MPWTC in ensuring they remain committed and follow the priorities and investment strategies outlined in the RRMPIS
Relevance	The strategic directions established in the PDD are entirely consistent with the priorities of both the GoTL and DFAT. Investments in infrastructure and in particular rural roads continue to remain highly relevant for the Timor-Leste context. The project continues to align itself to emerging priorities and focus. The DUA recognised the on-going relevance of the program and its PDD and reaffirmed DFAT's commitment to on-going support, albeit in a slightly different focus. R4D enters a new proposed phase well positioned to continue supporting MPWTC and has the management structure and team to continue delivering benefits into the longer term
Validity of Design	The overall strategic intent and focus of R4D remains valid. R4D was designed with the intention not only to provide rural road infrastructure but also to strengthen the institutional arrangements around which rural roads are prioritised, planned and supported. The approach remains consistent and the recent DUA validates the original design by using the PDD as a basis for on-going engagement and support by DFAT. The strategic intent of the original PDD, whilst ambitious, was not overtly unrealistic. The combination of institutional and technical support and works is highly relevant in DFAT's current aid investment strategy and importantly, the PDD also outlined R4D's role in providing pivotal infrastructure to support other DFAT and GoTL led investments (e.g. agriculture, health and water and sanitation).
Effectiveness	R4D has made solid progress towards the achievement of key outputs and outcomes. The initial design and associated M&E Framework presented clear and tangible outputs linked to defined outcomes. Progress was sound despite a number of key implementation challenges. The project effectiveness tables presented good progress towards the achievement of outputs. Evaluation studies have attempted to demonstrate higher level results and impacts. Further work is required to strengthen institutional arrangements underpinned by implementation of the capacity development plan. This remains a focus for R4D-SP. The decision to remove a focus on the "km of roads rehabilitated and maintained" was supported by earlier IMG missions and the Mid-Term Review. The decision to focus on quality over quantity was positive and has resulted in a more visible and usable product. On-going evaluation work needs to continue to assess the viability of this decision through studies on access, travel times and an assessment of cost-benefit.
Efficiency (Resources)	R4D project resources were allocated strategically for the most part effectively to achieve defined outputs and outcomes. Further work is required to assess the cost effectiveness of applying paved sections and the use of different road surfaces in certain sections. A breakdown of contracts between rehabilitation and maintenance is required as it is unclear at present as to whether or not funds are being used effectively through this modality. The decision to work on certain sections of roads without consideration of broader connectivity issues needs to be reviewed. GoTL fluctuating and inconsistent financial contributions were an external influence and undermined R4D's ability to

	efficiently operate and plan effectively. The implementation of the RRMPIS should support an improvement in this areas but requires the continued engagement of R4D.
Management Arrangements	As indicated in the report, management arrangements were sound. The management structure was appropriate for the scope of work. Much of the decision-making power and leadership was vested in the CTA role. Key positions were in some instances left vacant which reduced the effectiveness of interventions. The engineering team has remained relatively stable during the entire period and is well resourced and functions accordingly. Institutional aspects around advisory support. require strengthening.
Sustainability	R4D has laid the foundations for a suitably sustainable intervention. Challenges will always exist, particularly in relation to the implementation of sustainable practices within MPWTC. However, the R4D interventions do have the potential to embed particular work practices within the Ministry (i.e. GIS, standardised engineering practices, procurement systems). The assessment is based on the factors that R4D can control at present and into the future.

Key Recommendations

Criteria	Key Recommendations
Relevance	**Recommendation 1:** To maintain continued relevance, R4D need to coordinate and plan a strategic and operational approach towards the DUA for R4D-SP. Work should involve an updated review of existing documents, policies, the DUA priorities to a small retreat to discuss and prioritise work programming and planning. **Recommendation 2:** R4D Advisers to to be assigned key management counterparts to devote effort into ensuring the full implementation and adherence of the RRMPIS.
Validity of Design	**Recommendation 3:** R4D to undertake annual reviews of all relevant strategies, policies and commitments to ensure continued alignment to MPWTC and DFAT priorities and programmes.
Effectiveness	**Recommendation 4:** R4D and MPWTC to consider options to strengthen the governance arrangement of R4D-SP through the establishment of two government groups – a "steering committee" and a "technical working group" each with their own strategic intent and purpose underpinned by clear terms of references. **Recommendation 5:** R4D to develop in consultation with MPWTC standardised drawings, specifications and manuals for rehabilitation and maintenance works. This is an essential product of support from R4D to the MPWTC. **Recommendation 6:** R4D to immediately strategically engage with Estatal to determine the current status of decentralisation and to ensure alignment to Estatal processes and procedures with regards to working with municipalities and the role of rural roads in the process.
Efficiency (Resources and Management)	**Recommendation 7:** R4D to initiate a cost-benefit analysis to determine the efficiency of use of different road surfaces. In addition, R4D to analyse the cost effectiveness of combining rehabilitation and maintenance works under single contracts. This will determine further contracting arrangements. **Recommendation 8:** R4D to analyse assess the option of separating rehabilitation and maintenance components of contracts into separate items to promote a greater sense of transparency, accountability and cost efficiency.

Annex 1 – Evaluation Terms of Reference

Draft Terms of reference

Independent ILO Final Evaluation

Roads for Development (R4D) Program

TIM/12/01/AUS

December 2016

I. INTRODUCTION AND RATIONALE FOR THE EVALUATION

1. The Roads for Development (R4D) program is a Government of Timor-Leste (GoTL) programme and aims at supporting the development and management of the rural roads network in Timor-Leste. The program involves contributions from GoTL - through the Ministry of Public Works, Transport and Communications (MPWTC) - and the Government of Australia (GoA) - through the Department of Foreign Affairs and Trade (DFAT). The International Labour Organization (ILO), as the delivery organisation, provides technical and managerial expertise to implement the program in partnership with GoTL. The programme combines physical works, including the rehabilitation and maintenance of rural roads, with capacity building initiatives at both the Government's institutional level and at local contractor level.
2. R4D reflects the joint development priorities of the GoTL and GoA in providing rural Timor-Leste with a functioning and appropriate road network. R4D provides direct implementation support and investments in rural road rehabilitation and maintenance and, where appropriate, applies labour-based approaches and technologies. R4D combines the rehabilitation and maintenance of rural road along with capacity building initiatives at both the institutional and individual/contractor level.
3. R4D commenced in March 2012 and the first phase ends in March 2017. The donor contribution for the first phase of R4D was USD 32 million (for capital works and for TA) and the GoTL contribution was USD20.6 million (for capital works). In accordance with ILO's evaluation requirements, R4D is subject to a final independent evaluation. This final evaluation is planned to be conducted in February 2017.
4. This independent final evaluation will be conducted in accordance with ILO policy guidelines for results-based evaluation, which provides for a systematic assessment of the programme. The final evaluation aims at assessing the progress made towards achieving the Programme's objectives. It also aims at identifying lessons learnt and proposing recommendations to improve effectiveness, delivery of quality outputs, and strengthening the programme for a second phase of R4D, which is currently being prepared and for which ILO has been selected by GoA-DFAT as the implementing partner.
5. The ILO TA to the second phase of R4D will be re-named as R4D Support Programme (R4D-SP) whereas the GoTL/MPWTC will continue to call the programme R4D. The second phase of R4D has been designed in principle as a 4 years programme (starting not later than 1 April 2017), with a stop-go decision to be taken after 2 years of implementation. The stop-go decision will depend on the commitments realized by GoTL/MPWTC during the first 2 years of the second phase of R4D. The GoA/DFAT contribution to R4D-SP will be AUD 6.5 million per year and the draft Subsidiary Agreement between the GoA and the GoTL mentions that the GoTL/MPWTC expected contribution will be not less than USD 13 million during the first two years of implementation as well as the provision of sufficient staff inputs (52 staff, including staff at central level and at municipal level).

6. The evaluation will be managed by an ILO Evaluation Manager of the ILO Regional Office for Asia and the Pacific (ROAP) in Bangkok. The R4D programme will bear the cost of the evaluation, including the cost of the evaluation consultant to be recruited by the ILO. The evaluation report will be in English. The evaluation will comply with evaluation procedures and standards and follow ethical safeguards, all as specified by UN Norms and Standards.

II. BACKGROUND OF THE PROGRAM

7. The GoTL is committed to the development and improvement of rural livelihoods and poverty reduction through strengthening the quantity and quality of infrastructure. The rural road network is an essential element in connecting Timor-Leste to a whole range of services and markets. In accordance to the GoTL's endorsed Rural Roads Master Plan and Investment Strategy (RRMPIS) that was developed for the MPWTC with assistance from the ILO, the road network in Timor-Leste includes 1,427 km of national roads, 812 km of municipal roads, 716 km of urban roads, 1,975 km of core rural roads and 2,727 km of non-core rural roads. The large majority of the rural roads are unpaved and in a poor condition.
8. The GoTL has established targets for rural roads in the Program of the Fifth and Sixth Constitutional Government, the Timor-Leste Strategic Development Plan 2011-2030 (SDP), and the RRMPIS.
9. The Development Objective of R4D phase 1 is: Women and men in rural Timor-Leste are deriving social and economic benefits from improved road access. Its intended outcomes were 1) GoTL is more effectively planning, budgeting and managing rural road works using labour based methods, as appropriate; 2) Local civil works contractors more effectively implement investments in rural road works, using labour-based methods as appropriate; and 3) Rural road development is adequately resourced and planning and implementation of investments is effectively coordinated between concerned Government agencies and (donor) projects.

Project Strategy

10. The programme strategy of R4D phase 1 was to develop and institutionalize adequate capacities in the public sector – in particular within the Directorate of Roads, Bridges and Flood Control (DRBFC) of the MPWTC – and in the private sector, that will enable GoTL to effectively and equitably plan, budget and implement investments in rural road construction, rehabilitation and maintenance using local contractors.
11. The strategy included a holistic capacity building approach, focused at strengthening capacities in the public and private sector. This was to be done by supporting DRBFC in establishing functional management and technical capacities and operational tools, in supporting policy/strategy dialogue and development, by providing leading coordination support and by supporting the development of a performance culture and knowledge management capability.
12. Capacity building of the MPWT has been integrated within the institutional structure of DRBFC and ILO R4D specialists have worked embedded and in-line with DRBFC staff. Capacity building of the private sector focused on strengthening the planning, technical and managerial capacities of district-based contractors through a combination of class-room training and on-the-job training and coaching. Capacity development activities for the local contractors were implemented in close collaboration with the EU-funded Enhancing Road Access (ERA) project (2011-2016), which main objective was to strengthen the capacity of local contractors. ERA also provided support to a Timorese Private Training Institute (Don Bosco Training Centre) in strengthening its capacities in delivering training and coaching to local contractors.

Project Management

13. R4D is managed by an ILO Chief Technical Adviser who is responsible for overall management and technical implementation of the ILO-TA to the program.
14. Whereas the project design outlined the intention for a Project Steering Committee (PSC), such a PSC has not been formed, primarily as a result of consultations between R4D, DFAT and MPWTC deciding that a PSC was not an immediate priority. Instead, it was agreed between stakeholders that regular communication would occur on a quarterly basis. R4D also seeked to strengthen and enhance coordination in the rural roads sector through a Rural Road Working Group (RRWG). Representatives of MPWTC (as chair), SEPFOPE, Ministry of State Administration, CARE, ERA, ADB, the Ministry of

Commerce, Industries and Environment, and other stakeholders, were invited to the meetings of the RRWG.

Progress to date

15. The progress and achievements towards the intended outcome and outputs - against the project document, the detailed logical framework, the capacity development plan, the annual work plans and the M&E plan of R4D - is reported in several reports. These include:

    a. Monthly and quarterly progress reports;
    b. Six-monthly progress reports and certified bi-annual financial statements
    c. Reports of annual joint DFAT/ILO Independent Monitoring Group (IMG) reviews (March and December 2013);
    d. Report of independent joint DFAT/ILO Mid-Term Review (MTR), September 2014;
    e. Annual DFAT Quality at Implementation (QAI) reports;
    f. Report of Concept Development Mission for phase 2 of R4D (June 2015);
    g. Report of Design Update Mission for phase 2 of R4D (June 2016).

    Furthermore various technical reports and impact monitoring reports have been prepared and these reports also provide insight of the achievements of R4D-phase 1 in terms of achieving its development objective, its specific purpose and its intended outputs.

16. The various reports also provide insight in the constraints that R4D-phase 1 encountered in achieving its intended outcomes and outputs. Key constraints related to the weaker than expected capacities within MPWTC, the lack of systematic and effective GoTL budget planning for the rural roads sector and significant constraints related to the Government procedures for paying local contractors, causing long delays in the payment of contractors (which, in turn, caused serious delays in the implementation of works).

III. PURPOSE AND SCOPE OF THE EVALUATION

Purpose

17. The purpose of this final evaluation is to evaluate the achievement and progress of R4D, against its objectives and targets. Furthermore, it provides the opportunity to identify the lessons learned and make recommendations for the design of the second phase of R4D (i.e. in R4D-SP). The final evaluation will also have to assess whether the interventions have been conducted in an efficient and effective manner as per ILO standards and in accordance with the agreed project document.

Scope and key evaluation questions

18. The final evaluation has to cover all the interventions of R4D phase 1, including all outcomes, outputs, activities and inputs that have been produced/provided since the start of the project until the end. Whereas the evaluation will cover all geographical coverage of R4D, the evaluation mission will only be required to visit limited numbers of R4D rural road projects at municipal level.
19. Apart from an overall evaluation of R4D's achievements and progress against the objectives and targets, the final evaluation will focus specifically on the followings key questions:

- To what extent has the program made appropriate choices about the use of labour-based approaches and technologies?
- To what extent has the program contributed to the development of a viable contracting industry?
- How appropriate were R4D's capacity building approaches with the MPWTC?

- How adequate was GoTL ownership? What constraints was GoTL facing in terms of budget and human resource allocations? What alternatives strategies are recommended to improve progress for phase 2?
- What are the implications of GoTL's emerging decentralization agenda for the rural roads sector? How can R4D respond to these? Are there any other major changes in the context that require adjustments from the program for phase 2?
- Based on the lessons learned from phase 1 of R4D, what are the recommendations for R4D-SP (i.e. phase 2)?

Client

20. The primary clients of the evaluation are R4D project management, ILO Office for Indonesia and Timor Leste, the donor (DFAT), Timor-Lester rural development team and management team, ILO DWT-Bangkok, and ROAP. The evaluation process will be participatory. The Office, the tripartite constituents and other parties involved in the execution of the project will use, as appropriate, the evaluation findings and lessons learnt.

IV. EVALUATION CRITERIA AND QUESTIONS

21. The evaluation will adhere to UN System Evaluation Norms and Standards and applies OECD/DAC Evaluation Quality Standards. The evaluation should address the key evaluation questions and the OECD/DAC evaluation quality criteria such as relevance, effectiveness, efficiency and sustainability.
22. The evaluation will also be guided by the *ILO Policy Guidelines for results-based evaluation, 2012* (http://www.ilo.org/eval/Evaluationguidance/WCMS_176814/lang--en/index.htm). Furthermore the relevant ILO evaluation guidelines and standard templates as referred to in Annex 2 need to be considered as guidance for the evaluation.
23. In line with the results-based approach applied by the ILO, the evaluation will focus on identifying and analysing results through addressing key questions related to the evaluation concerns and the achievement of the immediate objectives of the project using data from the logical framework indicators.
24. The specific issues and aspects to be addressed in the final evaluation will be guided by this TOR. The suggested evaluation criteria and questions are included in Annex 1. Other aspects can be added as identified by the evaluation Consultant in accordance with the given purpose and in consultation with the ILO Evaluation Manager.
25. The evaluation plan and instrument (as part of inception report) to be prepared by the evaluation Consultant will indicate and/or may modify (in consultation with the Evaluation Manager), upon completion of the desk review, the selected specific aspects to be addressed in this evaluation.

V. METHODOLOGY

R4D phase 1 has been subjected to independent joint DFAT/ILO IMGs, a MTR, a phase 2 Concept Development Mission and a Design Update Mission for phase 2. During the Concept Development Mission and the Design Update Mission, the performance, achievements and progress of R4D phase 1 have also been review. In view of the extensive reviews to which R4D phase 1 has been subjected, the main focus of the final evaluation will be to consolidate and verify the findings and recommendations of the above mentioned reviews and missions. These are to be supplemented with additional observations and recommendation that may have emerged since the completion of the Design Update Mission in June 2016.

For above reasons, the main element of the methodology will be a desk review of available information. This will be supplemented with a short in-country verification mission during which consultations will be held with the ILO-R4D TA staff, the Head of the ILO Mission in Timor-Leste, the DRBFC of MPWTC and DFAT-Dili. Furthermore, selected project(s) in the vicinity of Dili will be visited. The evaluation Consultant will submit an inception report with an evaluation plan proposing more in detail the methods for the evaluation questions posed. Triangulation of methods should be included to enhance the rigour of the evaluation findings and recommendations.

Consultation and stakeholder engagement

26. Open and transparent consultations will underpin the evaluation. The consultations will be made with project management and staff, DRBFC management, DFAT-Dili, the ILO Head of the Mission in Timor-Leste, the ILO Country Office in Indonesia and the ILO-DWT EIIP Specialist in Bangkok.
27. The independent evaluator will draft a report on the performance and effectiveness of the project and determine areas for possible improvement during phase 2 of R4D.
28. Above mentioned stakeholders will also be given the opportunity to comment on the draft report, which will be circulated for comments. The comments will be taken into consideration by the independent evaluator in preparing the final report.

Evaluation techniques and data collection

29. The evaluator will seek to apply a variety of simple evaluation techniques – desk review, meetings with stakeholders (list to be provided), field visit(s), informed judgement and possible scoring, ranking or rating techniques.
30. The preliminary findings of the evaluation will be presented during a key stakeholders meeting. The evaluation will be based on analysis of empirical evidence to establish findings and conclusions in response to specific questions.

Desk review

31. A desk review will analyse the project document, progress reports, independent monitoring group reports, the report of the MTR, the report of the Concept Development Mission, the report of the Design Update Mission and other relevant documentation that will be provided to the evaluator. The desk review will suggest a number of initial findings that in turn may point to additional or fine tune evaluation questions and plan (to be part of the inception report). This will guide the final evaluation instrument during the in-country mission. The evaluator will review the documents before conducting any interviews/meetings. Key documents to review are suggested in Annex 3.

Interviews with key stakeholders (evaluation mission in Timor Leste will be 5 working days)

32. The evaluation team will undertake individual and group discussions with key stakeholders. An indicative list of persons to interview will be prepared by the ILO-R4D project team.

Field visits

33. The evaluation team will undertake a field mission to Timor Leste and will visit 1 or 2 project sites to meet and do the reality check and also see the real impact of the projects. It is proposed that the field visit(s) take place in a location in the vicinity of Dili.

VI. EVALUATION PROCESS and MAIN DELIVERABLES

34. The evaluation will include a preparatory desk phase (home-based), a field phase (in Timor-Leste) and a synthesis and reporting phase (home-based). Specific tasks and responsibilities of the evaluator include, but are not limited to

a. Preparatory Desk Phase

- Review information and documents as indicated in Annex 3
- Briefing with Evaluation Manager and Sr. ILO EIIP Specialist of DWT-Bangkok
- Prepare and submit an inception report which includes evaluation instrument, evaluation plan for the field phase, proposed data collection and analysis approaches to the Evaluation Manager

b. Field Phase

- Briefing with R4D team DRBFC/MPWT, DFAT
- Conduct the evaluation as per agreed approach and work plan
- At the end of the evaluation mission, conduct a stakeholders workshop to present preliminary findings and recommendations and conduct debriefing to ILO/R4D team

c. Reporting Phase

- Consolidate and analyse/synthesize all the information from the desk phase and the field phase

- Provide a draft report of 10-15 pages (excluding annexes) to the ILO Evaluation Manager, following the suggested content below
- Based on the feedback received from ILO and the R4D team, DFAT and the concerned ILO tripartite constituents (DRBFC), submit the revised report to the Evaluation Manager for quality check. If quality has been met, the Evaluation Manager will consider it to be a final version (subject to approval of the ILO Evaluation unit)

35. The main deliverables of this evaluation are 1) an inception report; 2) draft evaluation report; 3) a final evaluation report with executive summary (in standard ILO format). The contents of the report should include:

- Title page (standard ILO template)
- Table of contents
- Executive summary
- Acronyms
- Background and project description
- Purpose of evaluation
- Evaluation methodology and evaluation questions
- Project status and findings by outcome, outputs and activities
- Conclusions and recommendations
- Lessons learnt and potential good practices (please provide also template annex as per ILO guidelines on evaluation lessons learnt and good practices) and models of intervention
- Annexes (list of interviews, overview of meetings, proceedings stakeholder meetings, other relevant information)

36. The main evaluation report should be concise and not exceed 10-15 pages excluding annexes (supporting data and details can be included in annexes).

37. 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 jointly with the ILO and the consultant. 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 the agreement of ILO. Key stakeholders can make appropriate use of the evaluation report in line with the original purpose and with appropriate acknowledgement.

VII. MANAGEMENT ARRANGEMENTS AND WORK PLAN

38. **Evaluation Manager:** For efficient and effecte coordination in managing this final evaluation, ILO will assign an Evaluation Manager to manage the evaluation. He/she will have the responsibility to plan the evaluation, select and manage the evaluation consultant, manage the finalisation and approval of the evaluation, and disseminate the report. A consultative approach will be used in sharing of relevant information throughout the evaluation process and if needed decisions will be made jointly on a case by case basis. The ILO Evaluation Manager will be:

    a. Ms. Pamornrat Pringsulaka, Regional Evaluation Officer –based at ILO Regional Office for Asia and the Pacific. She will be backstopped by Mr. Francisco Guzman, Senior Evaluation Officer of the ILO Evaluation Unit, Geneva.

Specific tasks of the Evaluation Manager are as follows:

- Planning for evaluation and draft evaluation Terms of Reference (TOR)
    - Briefing with project staff and stakeholders – including consultation with key stakeholders on evaluation TOR, and report.
    - Define the contents of the evaluation Terms of Reference (TOR), define the evaluation criteria and questions, define methodology to be followed
    - Preparing for starting an evaluation – this includes scheduling and budgeting for evaluation, and facilitate with cooperation of R4D project CTA the supply of documentation to the evaluation team.

- Selecting and contracting the evaluation consultant
  - Advertising and searching for evaluators
  - Justifying the selection of an evaluator
  - Evaluation contracts
  - Evaluation consultant briefing

- Managing the consultant
  - Approving the inception report
  - Managing the evaluation process
  - Managing problems and drafting the report

- Approving the evaluation
  - Circulating a draft report to circulate to stakeholders for comments
  - Assisting in the setting up of the final workshop or meeting (for evaluator to present preliminary findings)
  - Circulating the final draft
  - Ensuring the final report is approved by ILO Evaluation Unit

- Dissemination of the evaluation

39. **Evaluator:** The evaluator reports to the Evaluation Manger. The responsibilities/role and required qualifications/experience of the evaluator are as follows:
    a) **Role and Responsibilities:** Responsible for designing the evaluation plan and writing the inception report, the collection and processing of information, presenting the findings at the stakeholders meeting, debrief the R4D management, and writing the draft and final report.
    b) **Required qualifications and experience:** At least 10 years relevant experience in M&E, including experience in the evaluation of similar projects in the infrastructure sector, in particular regarding institutional, capacity development and M&E aspects. Further requirements include:
       - Experience as evaluation team leader
       - Familiarity with ILO evaluation procedures and guidelines
       - Demonstrated skills and knowledge of evaluation methods
       - Demonstrated sensitivity to needs/belief of different group of stakeholders during data collection
       - Familiarity and experience with participatory and inclusive evaluation processes.
       - Strong analytical and conceptual skills
       - Very good communication skills in English, both verbally and in writing
       - Demonstrated ability to facilitate stakeholders workshops/meetings
       - Experience in evaluations of ILO, UN and international development agencies projects is considered an asset
       - Experience with evaluations in Timor-Leste is an advantage
       - A good understanding of ILO's Local Resource-Based (LRB) approaches is an advantage.
40. **R4D ILO Team:** The project team will provide logistic and administrative support to the evaluation throughout the process, ensuring that project documentation is up to date and easily accessible. The R4D ILO team will provide support to the evaluator during the in-country evaluation mission and, as required during the evaluator's desk review phase and reporting phase.

41. **Work plan and Timeframe:**

Task	Responsible Person	Tentative Time Frame
Preparation TOR	Evaluation Manager	December 2016
Sharing the TOR with all concerned for comments/inputs	Evaluation Manager	December 2016
Finalization of the TOR	Evaluation Manager	December 2016
Approval of the TOR	ILO EVAL	December 2016
Selection of consultant and finalisation	Evaluation Manager	Mid-January 2017
Draft mission itinerary for the evaluator and list of key stakeholders to interview	CTA R4D	Mid-January 2017
Ex-col contract based on the TOR prepared/signed	CTA R4D and Evaluation Manager	Mid-January 2017
Brief evaluator on ILO evaluation policy	Evaluation Manager	Second half January 2017
Inception report submission	Evaluator	Second half January 2017
Evaluation's in-country mission	Evaluator	Early February 2017
Debriefing meeting	Evaluator	End of in-country mission
Drafting of evaluation report and submitting to the Evaluation Manager	Evaluator	Second half February 2017
Sharing the draft report to DRBFC, ILO-R4D, ILO CO Jakarta, DFAT-Dili and EIIP Specialist DWT Bangkok	Evaluation Manager	Second half February2017
Consolidated comments on the draft report, send to the evaluator	Evaluation Manager	End February 2017
Finalisation of the report	Evaluator	First week March 2017
Review of the final report	Evaluation Manager	Second week March 2017
Approval of the final evaluation report	ILO EVAL	Third week March 2017
Follow up on recommendations	R4D program, ILO Jakarta	April 2017 onwards

42. The exact time framework for the contract of the evaluation still needs to be confirmed. It is preferred that the in-country mission in Timor-Leste takes place during the first or second week of February 2017.

43. ***Budget:*** The Costs of final evaluation will be borne by the R4D program. These costs will involve fees, Daily Subsistence Allowance (as per UN rate for Timor Leste) and air-tickets of the evaluator as well as the costs of meetings, workshops, interpretation, and transportation cost during the in-country evaluation mission.

Suggested evaluation criteria and questions

1. Relevance and strategic fit
1.1 Did the R4D program address the stakeholders' needs that were identified? Was the R4D intervention coherent and useful to key stakeholders particularly with regards to GoTL priorities, DFAT's priorities and the ILO DWCP and its strategic objectives? Did the R4D align with ILO's mainstreaming strategy on gender equality" and make explicit reference to it?
2. Validity of design
2.1 Was the R4D programme design (objectives, strategies, outputs, activities) relevant to the situation on the ground? Did the design need to be modified in the second half of the project? Was the strategy for sustainability of impact defined clearly at the design stage of the R4D program?
2.2 Was the intervention logic, coherent and realistic? Specifically with regards to: - MPWTC engagement and contributions, - MoUs between ILO and MPWTC particularly on the provision of MPWTC personnel (both at national and at regions/districts levels)
2.3 How appropriate and useful were the indicators and means of verification described in the R4D program document and the M&E matrix for assessing the program's progress, results and impact? Were the targeted indicators' values realistic and could these be tracked? Were indicators gender sensitive?
3. Programme effectiveness
3.1 What progress has been made towards achieving the defined outcomes? How was the program contributing to achieving the GoTL priority and national development plan, DFAT's plan, and relevant ILO DWCP outcomes? What were the main constraints, problems and areas in need of further attention both internal and external?
3.2 Have the quantity and quality of the outputs produced been satisfactory? Did the benefits accrue equally to men and women? Were the MPWTC and partners satisfied with the quality of tools, technical advice, training and other activities delivered by the programme?
3.3 Assess how gender considerations have been mainstreamed throughout the program cycle (design, planning, implementation, M&E). Has the R4D program, where appropriate, adopted approaches and mechanisms to ensure its relevance to women as well as men. Should there be any actions to improve the effectiveness of an intervention to address the different needs of women and men and to contribute to greater gender equality?
3.4 Assess whether the institutional support (support to Rural Master Plan and capacity development approach) that R4D has been provided to MPWTC has been effective. Has there been any duplication and coordination with other technical assistance support being provided to MPWTC?
3.5 On R4D capacity development: to what extent has the MPWTC institutionalized the support provided by R4D, including ensuring that practices and procedures are embedded within the MPWTC.
4. Efficiency of resource use

4.1 Have resources (funds, human resources, time, expertise etc.) been allocated strategically to achieve immediate objectives?
4.2 Have resources been used efficiently and cost-effective for each component? In general, did the results achieved justified the cost incurred? Could the same results have been attained with fewer resources or differently? Did the selected implementing partners provide good value for money in delivering services?
4.3 Have the funds and activities been delivered in a timely manner? If not, what were bottlenecks encountered?
5. Effectiveness of management arrangements
5.1 Did R4D program management facilitate good results and efficient delivery? Was there a clear understanding of roles and responsibilities by all parties involved including among R4D team? Did the management team have adequate expertise to deliver the planned interventions including gender expertise? Was technical expertise and administrative support sought and received appropriately from relevant ILO units e.g. ILO Country Office for Indonesia and Timor Leste, DWT-Bangkok, and ROAP?
5.2 How effectively did the R4D program management operate in monitoring program performance and results? - Was information being regularly analysed to feed into management decisions? To what extent was monitoring information used to facilitate the delivery of technical and operational assistance of program partners?
5.3 Assess the current feasibility/ viability of an establishment of the Program Steering Committee as per the original design in supporting the implementation of the R4D program; and explore the functioning of the Rural Road Working Group (RRWG) in becoming a platform for providing strategic engagement with all key stakeholders of rural road sectors in Timor Leste? How effective was communication among the ILO, GoTL, and DFAT; and among the implementing partners and other key stakeholders in rural road sector?
6. Cross-cutting issues e.g. i) Gender mainstreaming; ii) poverty –alleviation; iii)labour standard; iv) workers' educations, tripartism and social dialogues
7.1 To what extent did the R4D program address the above cross-cutting issues. Were the workers and employers' organizations involved in the design and implementation of the R4D programme? Were (and to what extent) the ILO labour standards and tripartism principles been mainstreamed in the area of rural road works?

Relevant ILO evaluation guidelines and standard templates

2.1 Code of conduct form (To be signed by the evaluator)

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

2.2 Checklist 3 Writing the inception report

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

2.3.Checklist 5 Preparing the evaluation report

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

2.4 Checklist 6 Rating the quality of evaluation report

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

2.5 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

2.6 Guidance note 7 Stakeholders participation in the ILO evaluation

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

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

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

2.8: Template for evaluation title page

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

2.9 Template for evaluation summary:

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

Key documents to review

- R4D Project Document
- R4D Progress reports, financial reports and work plans
- Logical Framework and M&E Framework
- M&E plan and impact reports
- Independent Monitoring Group (IMG) Review Reports
- Capacity Development Strategy and plan
- Quality assurance and quality control guidelines
- DFAT/Australian Aid QIA reports
- ILO Decent Work Country Programme (2009-2013)
- National Strategic Development Plan GoTL 2011-2030
- Key technical reports, including RRMPIS, bio-engineering guidelines, social safeguards framework, environmental safeguards framework, reports/guidelines on contract management systems, GIS system, rural roads specifications and standards
- Report MTR, report Concept Development Mission, report Design Update Mission.
- Other key reports identified by ILO-R4D.

Annex 2: In-Country Mission Schedule

ROADS FOR DEVELOPMENT (R4D) FINAL EVALUATION

Proposed Program for Evaluation Consultant's (Morrissey Consulting International Pty Ltd) Visit to Timor Leste: 06 – 10/02/2017

NO.	DATE	STAKEHOLDER MEETING	REPRESENTATIVES TO BE INTERVIEWED	Designation	TIME	VENUE
1.	06/02/2017	ILO	• Tomas Stenstrom • Bas Athmer	Head of Mission Snr. EIIP Specialist and Ex R4D CTA	08:00 – 11:00	R4D Meeting Room, Public Works Regional Office, Rai Kotuk, Dili
2.		Key R4D International and National Staff:	• A. O. Asare • Simon Done • Laxman, Un Yat, Sam Vanda, Dinesh) • Vanda Day • Amanda Kuppers • Antonio Indart Junior • Sayeed Faheem Eqbali • Elvia Mesquita	Chief Tech. Adviser Road Eng. Specialist Regional Engineers P & CM Specialist M & E Specialist Database Specialist GIS Officer Admin and Fin. Assist	11:10 – 17:00	R4D Meeting Room, Public Works Regional Office, Rai Kotuk, Dili
3.	07/02/2017	NDPWTC- RBRC Staff	• Sr Rui • Joao Pedro • Joao Gama • Simao Laranjinha • Pantaleao Pinto Galhos	Director Head of Maintenance Head of Projects Head of Planning Unit Social Safeguards Officer	09:00 – 11:00	Public Works Regional Office, Rai Kotuk, Dili
4.		NDPWTC	• Sr Mestre	Secretary General	11:30 – 13:00	Corporate Services office
5		Don Bosco Training Staff	• Eav Kong • Fr. Gui • Sr Donato	International Trainer National Trainer National Trainer	14:00 – 17:00	Don Bosco Training Centre
6.	08/02/2017	Project Sites Visit: Laulara road	• Jose Filipe Bernardito • Gaspa • Dirce Correira Martins do Rosario •	Field Eng. Assistant DRBFC Chief & Sup Community Dev. Officer Contractor & Sup	09:00 – 17:00	Laulara road site
7.		Lekisa roads	• Abril Dos Santos da Costa • Devi	Field Eng. Assistant DRBFC Chief & Sup		Lekisa road sites

			• Octaviano Marcal SOares •	Community Dev. Officer Contractor & Sup.		
8.	09/02/2017	DFAT Staff	• Daniel Woods • Paul Regnault • Bareto Horacio	Counsellor – Rural Dev. Second Secretary – Rural Dev. Prog. Coordinator –	09:00 – 12:00	Australian Embassy
9.		ADN	• Aleiso • Rui da Costa	Director 2nd Deputy of Director General	14:00 – 15:00	ADN Offices
10.		MPS	• Krispin Fernandes	Director General	15:10 – 16:00	MPS Offices
11.		NPC	• Abdul Basit • Hermingardo Soares	Consult Director	16:10 – 17:00	NPC offices
12.	10/02/2017	KSTL	• Jose da Conceicao	President - KSTL	09:00 – 09:45	KSTL office
		CCL	• Nuno Trindade		10:00 – 10:45	CCL Office
		Contractors' Meeting	• Contractors		11:00 – 13:00	
		Wrap-up Meeting	• Ty, Bas, Tomas, Augustus & Simon	ILO Officials	14:00 – 15:30	R4D Meeting room.

Annex 3- List of People Met

Name	Position
Mr.Bas Athmer	Senior EIIP Specialist, ILO & Former CTA R4D
Mr Tomas Stenstrom	Head of Mission ILO, Timor-Leste
Mr Augustus Asare	CTA, R4D
Mr Simon Done	Road Engineer Specialist, R4D
Mr. Laxman	Regional Engineer, R4D
Mr Un Yat	Regional Engineer (Bacau), R4D
Mr Sam Vanda	Regional Engineer, R4D
Ms Amanda Kuppers	M&E Specialist, R4D
Mr. Antonio Indart Junior	Database Specialist, R4D
Mr. Sayeed Faheem Eqbali	GIS Officer, R4D
Sr Rui Hernani Freitas Guterras	Director, MPWTC
Mr Joao Gama	Head of Projects, MPWTC
Mr Joao Pedro	Head of Maintenance, MPWTC
Pantaleeao Pinto Galbos	Social Safeguards Officer, MPWTC
Sr. Mestre	Secretary General, MPWTC
Ea Kong, Fr Gul and Sr Donato	Don Bosco Training Staff
Jose Filipe Bernardito, Gaspa, Dirce Correira Martins do Rosario	Project Site visits, Lasulara Road
Abril Dos Santos da Costa, Devi , Octaviano Marcal Soares	Project Site Visit, Lekisa Road
Daniel Woods	Counsellor Rural Development, DFAT
Horacio Bareto	Program Coordinator, Infrastructure, DFAT
Rui da Costa	2nd Deputy Director General, ADN
Abdul Basit	Consultant, NPC
Hermingardo Soares	Director, NPC
Jose da Conceicao	President - KTSL
Contractor Representatives – 10 people	

Annex 4 – Documents Consulted and Reviewed

Document Name	Source
Final R4D Project Design Document (ProDoc)	ILO/R4D
Roads for Development Phase II – Design Update	DFAT
Aide Memoire – R4D Design Update	DFAT
Capacity Development Strategy – Final Nov 2014	R4D
Decent Work Country Program (DWCP) Timor-Leste	ILO
DFAT Partner Performance Assessment	R4D
Logframe and Risk Register	R4D
Mid-Term Review Report, R4D	R4D
R4D Final IMG Review Report – February 2014	DFAT
R4D Six-Monthly Program Report – January – June 2016	R4D
R4D Aide Memoire – Concept development Phase – June 2015	DFAT
R4D IMG Review Report – March 2013	DFAT
R4D Investment Concept Note – Lessons Learned	DFAT
R4D M&E Plan – Final V12	R4D
R4D Updated Design Document – Feedback	R4D
R4D Aid Quality Check (AQC) 2015-2016	DFAT
R4D Workplan 2016	R4D
Rural Roads Master Plan and Investment Strategy (RRMPIS)	R4D

Annex 5: Key Lessons Learned Templates

Lesson No.1: Strong political support and commitment from national stakeholder institutions to provision of sustained resources (capital and operational funding, Personnel), are key to successful implementation of capacity development initiatives such as R4D.

Project Title: Roads for Development
Project TC/SYMBOL: TIM/12/01/AUS
Name of Evaluator: Ty Morrissey
Date: 10 March 2017
The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	
Brief description of lesson learned (link to specific action or task)	Political support is primary condition for the success of any development program. Programs cannot function properly with government support and commitments both in terms of agreement, human capital and financial resources.
Context and any related preconditions	The GoTL's contributions to date have been somewhat inconsistent with considerable uncertainty around the amount of funds to be contributed as well as the frequency and timing of such contributions. In addition, the availability of counterparts has not always been clearly known of defined which leads to uncertainty and an inability to plan appropriate capacity development initiatives within the defined program implementation timeframe.
Targeted users / Beneficiaries	Representatives from the MPWTC and associated R4D technical advisers
Challenges /negative lessons - Causal factors	Lack of financial support means adequate planning cannot occur. Efforts to date have had limited impact to have MPWTC commit adequate resourcing.
Success / Positive Issues - Causal factors	The development of the RRMPIS has provided a framework for the ongoing commitment of both financial and technical resources by GoTL to the maintenance and overall improvement of the rural roads network in Timor-Leste,
ILO Administrative Issues (staff, resources, design, implementation)	N/A

Lesson No.2**:** The adoption and adherence to appropriate and coherent national rural roads policies, strategies and plans such as the RRMPIS developed under R4D, will ensure a unified approach to implementation and prevent different development programs (SEPFOPE, PNDS, etc.) from pursuing different strategies and using different standards.

Project Title: Roads for Development
Project TC/SYMBOL: TIM/12/01/AUS
Name of Evaluator: Ty Morrissey
Date: 10 March 2017
The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	
Brief description of lesson learned (link to specific action or task)	A key component of the institutional support provided through R4D was the development of a RRMPIS. The document is a critical planning and implementation tool which provides greater legitimacy to R4D and provides a sound and productive basis for engagement not only between GoTL, DFAT and R4D but for the roads sector more generally.

Context and any related preconditions	R4D has invested considerable effort, time and resources into the development of this masterplan. Much of the work can be attributed to the former CTA who bought a series of different drafts together to assist in the formulation of a complete master plan.
Targeted users / Beneficiaries	The primary target is the MPWTC but the RRMPIS has broader implications for the GoTL more generally. The document becomes strategically important in supporting the decentralization process in bringing multiple stakeholders together to discuss, plan and prioritise the road network.
Challenges /negative lessons - Causal factors	There are no real negative issues with the RRMPIS. The potential risk is that the document is not used thus leading to a fragmented and under-funded and supported road network.
Success / Positive Issues - Causal factors	There are significant positive factors with the development of the RRMPIS. Although not formally accepted it represents a significant step forward in the commitment of key stakeholders to have a shared sectoral approach to the implementation and maintenance of the rural road network.
ILO Administrative Issues (staff, resources, design, implementation)	R4D need to continue to reinforce the importance of the RRMPIS to MPWTC and align its technical support and advice to the requirements and plans outlined in the document. With the proposed shift towards more advisory services in R4D-SP, it is vital that the R4D team clarity roles and responsibilities as well as the institutional priorities that have been identified and agreed.

Lesson No.3: Strong governance arrangements are important in establishing strategic direction and ensuring adequate commitment and buy-in from government counterparts. Without direct involvement and oversight program quality, effectiveness and efficiency diminishes as a result.

Project Title: Roads for Development
Project TC/SYMBOL: TIM/12/01/AUS
Name of Evaluator: Ty Morrissey
Date: 10 March 2017
The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	
Brief description of lesson learned (link to specific action or task)	The involvement of key stakeholders to strategically engage and support the program is required R4D has struggled somewhat without the involvement of a high level governance/steering committee to help shape policy, strategic intent and direction and provide operational guidance. Without string program leadership R4D has the risk of being quite obsolete and aligned to personal priorities rather than broader strategic direction for the sector as a whole.
Context and any related preconditions	It appears from the outset of R4D there was limited intent to establish a high-level steering committee. Evidence has shown steering committees can be quite effective – if planned, prepared and administered appropriately. Following the review there is a strong consensus and awareness of the need for a high level oversight committee – perhaps two – one to look at technical and operational aspects and the other to drive high level engagement.
Targeted users / Beneficiaries	The main target group is the R4D team and also key stakeholders. There is considerable mutual benefit to having a shared approach to management and oversight of the program.
Challenges /negative lessons - Causal factors	The main challenge is having the time available to schedule meetings. The MPWTC has a number of differing development programs and is also facing a situation of decentralisation which places added pressure upon the Ministry. H

Success / Positive Issues - Causal factors	There is scope and opportunity to reinvigorate high level steering committees and governance mechanisms as part of R4D-SP.
ILO Administrative Issues (staff, resources, design, implementation)	The ILO needs to encourage and support MPWTC to consider establishing appropriate governance and management oversight structures.

Lesson No.4**:** Capacity building in an environment characterized by high shortage of technical skills should be complemented with strategies by government and the private sector, for engaging and retaining dedicated, passionate and committed local technical staff to understudy technical assistance support such as that being provided by the ILO under R4D;

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Project TC/SYMBOL: TIM/12/01/AUS
Name of Evaluator: Ty Morrissey
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LL Element	
Brief description of lesson learned (link to specific action or task)	Capacity development is a popular area of focus, particularly for DFAT funded programs. However, without adequate structure and/or guidance or a detailed understanding of what is required, capacity building interventions are bound to have limited success. R4D has sought to engage and promote capacity development but opportunities have been somewhat limited to date. That said, there are some useful practical examples where R4D advisers have embedded themselves into the Ministry and have established sound working relationships with respective work units.
Context and any related preconditions	The main issue is that many R4D consultants do not have direct or immediate counterparts. This would make the capacity development situation more effective as teams would be able to plan and schedule work and structure interventions and activities accordingly.
Targeted users / Beneficiaries	The main beneficiaries are MPWTC staff but also this extends to R4D staff as well. There are considerable mutual benefits to the development and implementation of a shared capacity development and strategic plan. The R4D CTA is currently planning a series of workshops and engagements to map out the capacity development approach under R4D-SP.
Challenges /negative lessons - Causal factors	No major challenges at this stage of implementation but will need to be carefully monitored over the coming months as R4D moves into a new phase.
Success / Positive Issues - Causal factors	There have been some good practical examples of R4D staff engaging and embedding themselves within MPWTC.
ILO Administrative Issues (staff, resources, design, implementation)	ILO to continue promotion of the capacity development approach.

Lesson No.5: The use of a number of M&E methodologies to demonstrate change and impacts is essential in communicating clear messages about the success, or lack thereof, of a project intervention are critical. Importantly, simple yet rigorous M&E is critical in promoting effective utilisation-centred studies that generate relevant data and information for use by stakeholders.

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LL Element	
Brief description of lesson learned (link to specific action or task)	
Context and any related preconditions	The M&E system has been a key feature of the R4D program from its commencement. The M&E system has been well supported by a high quality project design document which articulated key outcome statements and a clear logical structure.
Targeted users / Beneficiaries	The M&E systems serves a number of key stakeholders, namely R4D, DFAT and GoTL agencies. The methods employ allow a range of stakeholders to participate in studies and also to be involve in dissemination events where information is shared and distributed,
Challenges /negative lessons - Causal factors	The main challenge with any M&E system is the ability to ensure the processes are adequately resourced and funded. Often expectations are high as to what M&E can and will achieve in an environment with defined timeframes and resources. Also expectations around what M&E can deliver can also be problematic. Assessment of institutional and individual capacity development change can be a real challenge when working in limited capacity environments.
Success / Positive Issues - Causal factors	A key positive has been the flexibility and responsiveness of the M&E system to address on-going challenges and shortfalls. The recently established M&E House (funded by DFAT) should provide another technical resource to further strengthen and improve M&E approaches
ILO Administrative Issues (staff, resources, design, implementation)	ILO need to continue supporting M&E functions for R4D. There is possible scope to provide on-going technical backstopping and support to the current M&E specialist. Some form of formal or in-formal training could be provided as part of an ILO in-kind contribution.

Lesson No.6: Staffing arrangements need to be resolved quickly to ensure on-going momentum. Long delays in recruitment and unfilled positions tend to place significant work burdens upon other team members. Technical backstopping is critical for the success of the program, particularly advice and support to senior management (e.g. CTA) level.

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LL Element	
Brief description of lesson learned (link to specific action or task)	The R4D program has relied heavily on the promotion and engagement of high-quality technical specialists and staff. Unfortunately, some positions have remained vacant for a considerable period. This has placed increased workloads and responsibilities and the existing team. The ILO has a global network of technical specialists and staff, however it is unclear as to why it has been a challenge to attract and retain quality consultants and advisors. In addition, Technical Backstopping until recently has been a challenge.
Targeted users / Beneficiaries	The main beneficiaries are the R4D team and also the ILO itself. The reputation of the team and organisation is dependent very much on the quality of the implementation and management team. Core staff are in key positons but there is a renewed effort to focus on two key positions – capacity development adviser and an institutional planning adviser.
Challenges /negative lessons - Causal factors	The potential negative lessons is the current transition moves from an implementation and management model towards a more advisory role in R4D-SP. This may change the possible structure, context and make-up of the team as roles and responsibilities may change. A key lesson is to maintain close communication and draw upon available technical backstopping support.
Success / Positive Issues - Causal factors	The main positive is that there is scope to refine and strengthen the teams structure and cohesion. With a new CTA there is scope to establish a new way of working and engaging with both MPWTC and DFAT.
ILO Administrative Issues (staff, resources, design, implementation)	ILO to continue provision of high-level and quality technical backstopping support and looking to streamline overall processes, particularly for the approval of contracts and key implementation documents.

Lesson No.7: Promotion of appropriate labour-based approaches to rural roads construction and maintenance do not only ensure the delivery of good quality and durable road assets, but also significantly contribute to local economic development through the provision of good access to markets and social services like schools, clinics and most importantly the huge wage income paid to the local workforce from the total project cost (about 15 - 25%) that remain in the project areas and evenly distributed to the different population groups.

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LL Element	
Brief description of lesson learned (link to specific action or task)	The application and use of labour-based approaches is at the heart of all ILO approached. The key lesson is the evidence from the R4D program is that labour-based approaches are effective if applied and managed correctly. The provision of daily allowances provides considerable benefit to rural communities who tend to have limited access to paid labour.

Context and any related preconditions	The provision of training and support to contracts is a welcomed approach and often provides flow-on effects and benefits to labour-based workers who are often instructed on the best approaches to apply when rehabilitating or maintaining a road. The context is also structured in a way that there is a ready-made labour force combined with limited formal employment opportunities so often there is strong demand to participate.
Targeted users / Beneficiaries	The target beneficiaries are often the communities themselves. It is also important to note that it is not just a money driven exercise but rather it is an opportunity for communities to self-mobilise and organize themselves to actively participate and assume ownership of key road infrastructure.
Challenges /negative lessons - Causal factors	The main challenge is for contractors who often have to engage, administer and assume responsibility for labour. Many contactors mention a preference for support to buy more machinery. However, the socio-economic benefits to communities certainly outweighs the short-term challenges to manage and supervise.
Success / Positive Issues - Causal factors	The engagement of both men and women along the road networks is a signature feature of the program and a core component of the overall goal statement.
ILO Administrative Issues (staff, resources, design, implementation)	ILO need to continue supporting training and development of contractors and continue the promotion of labour-based approaches as a core component of work.