



Government of Timor-Leste

Timor-Leste Development Partners Meeting

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BACKGROUND PAPER



Prepared by the Ministry of Finance

Contents

Preface	3
Introduction	4
Historical Background	5
Instability Persists – 2002-2006	7
The Crisis of 2006	7
Turning Point – February 2008	8
Securing Peace & Promoting Development	9
International Partnerships	10
The National Priorities Process	11
Background	11
National Priority Identification	13
Process	13
Positive Outcomes	14
Evolving Priorities	14
National Priorities 2008-2010	14
Case Study: Reestablishing Safety and Security	15
Challenges & Lessons Learned	15
Alignment with the State Budget	15
Follow through with commitments	16
Collaboration with civil society	16
Keep targets focused	17
Better monitoring means regular reporting on clear targets	17
Communication	18
Alignment with longer term strategic planning frameworks	19
Successful implementation of the National Priorities 2009	19
National Priorities 2010	21
Closing	23
Annex 1: 2009 National Priorities Consolidated Symbols Matrix	25
Annex 2: 2010 National Priorities Consolidated Matrix	28
Annex 3: 2010 National Priorities Matrix	30

Preface

1. The Paris Declaration was endorsed on March 2, 2005. An international agreement to which over one hundred Ministers, heads of agencies and other senior officials adhered and committed their countries and organisations to continue to increase efforts in aid harmonisation, alignment and managing for results with a set of actions and indicators which could be monitored. The Paris Declaration was based on five core principles of:

Ownership:	<i>Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.</i>
Alignment:	<i>Donor countries align behind these objectives and use local systems</i>
Harmonisation:	<i>Donor countries coordinate, simplify procedures and share information to avoid duplication</i>
Managing for Results:	<i>Developing countries and donors shift focus to development results and results get measured</i>
Mutual Accountability:	<i>Donors and partners are accountable for development results</i>

2. Three years later with many lessons learned by both development partners and developing countries, the Accra Agenda for Action was endorsed which was a commitment to reform the way aid was given and spent, most importantly the agenda included an additional four guiding principles to accelerate progress including:

Predictability:	<i>Donors will provide 3-5 year forward information on their planned aid to partner countries</i>
Using country systems:	<i>Partner country systems will be used to deliver aid as the first option, rather than donor systems.</i>
Conditionality:	<i>Donors will switch from reliance on prescriptive conditions about how and when aid money is spent to conditions based on the developing country's own development objectives.</i>
Untying aid:	<i>Donors will relax restrictions that prevent developing countries from buying the goods and services they need from whomever and wherever they can get the best quality at the lowest price.</i>

3. All monitored analysis on progress of development activities in Timor-Leste should be based against the obligation and commitments by both the Government and development partners within these guiding principles. Successful outcomes will only be realized through open and honest dialogue, ensuring that there are no palpable arguments for fault in a process which by nature continuously evolves against the global tide of changing conditions and that the spirit of good faith is nurtured by mutual accountability, honesty and understanding.

4. Timor-Leste is on the verge of changing the perceptions and labels which have marred its reputation as a fragile state imbrued by conflict and has embarked on a journey intent on making the country a story of success as voiced by the people in Vision 2020. These ambitions are equally shared amongst international actors who have consistently demonstrated their dedication to the progress of the nation through:

- A democratic country with a vibrant traditional culture and a sustainable economy.
- A prosperous society with sufficient food, shelter, clothing and security for all its' people.

- All towns and villages with access to adequate and appropriate roads, transport, electricity and communications.
- All Timorese to be literate, skilled and participating in the economic, social and political life of the nation.
- Increased productivity in all sectors, creating job opportunities for all.
- Living standards and services improved and income fairly distributed.
- Stable prices for goods and services with sound and sustainable management of natural resources.
- A nation justly applying the rule of law, and managing the economy and finances efficiently and transparently.
- The government, private sector, civil society and community leaders fully responsible and accountable to the people.¹

5. It is in the context of these shared values, between development partners and the Government, that the 2010 Timor-Leste Development Partners Meeting (TLDPM) Background Paper has been prepared; to bring greater understanding and multi-stakeholder views, to give those views a historical context from which to reference and to commence a dialogue which will allow for a greater cohesion of awareness, participation and action for the betterment of aid effectiveness in Timor-Leste.

Introduction

This Background Paper is divided into four sections:

- The first section provides background information on the past 10 years for contextual reference;
- The second reviews the annual National Priorities Process, the platform for planning and coordination constructed and initiated at a time when flexibility and the immediacy of response was a priority;
- The third section highlights the economic and social developments that have been achieved within the context of the National Priorities set in coordination with Timor-Leste's international partners
- The fourth and last section describes the Government's National Priorities for 2010 and those policies which will lead to successful outcomes.

6. To compliment this document and subsequent to contextualizing the State of the Nation, the Government has published a full report outlining its achievements, to date. The report also adequately reflects the successful outcomes of the long term partnership between the Government and international actors active in Timor-Leste.

7. For stakeholder review, the future vision of Timor-Leste is provided in the summary of the draft national Strategic Development Plan (SDP) 2010-2030, which will road map a path according to the inalienable rights of Timorese citizens as outlined in the Constitution and manifested through the collective voice expressed in Vision 2020.

¹ Vision 2020 - Democratic Republic of Timor-Leste. "East Timor 2020: Our Nation, Our Future." 2002. <http://siteresources.worldbank.org/INTTIMORLESTE/Resources/Our%2BNation%2BVision.pdf>

Historical Background

8. In 2009, Timor-Leste celebrated the 10th Anniversary of the Popular Consultation. This celebration prompted a reflection on the decade; both the challenges the nation has experienced and the progress it has achieved.

9. Timor-Leste (formerly East Timor) is a small half island nation located in Southeast Asia with a population of approximately 1.1 million inhabitants. Portuguese explorers first initiated trade with the island in the early 16th century colonizing the island soon after.

10. Following continued feuds with the Dutch, also a prominent regional military and trading power, an 1859 treaty saw the island's western half ceded to the Dutch with the Portuguese maintaining a loose foothold in the nation's east.

11. A brief period of occupation by Japan during World War II rendered a death toll of an estimated 60,000 Timorese, or 13% of their population at the time. Portugal regained control and remained the colonial authority until 1975.

12. Timor-Leste today is still strongly affiliated with the traditions and richness of an amalgamation of cultures. Portuguese is now one of the official languages and Timor-Leste continues to have strong ties with Portugal and the Portuguese speaking communities around the world.

13. In 1974 Portugal began the divesting process of the Portuguese colonies. On November 28, 1975, after a brief civil war, unable to engage with the Portuguese administration, the Fretilin party unilaterally declared the independence of East Timor. Days later, on December 7, 1975 Indonesia invaded East Timor.

14. By 1980, the occupation had left more than 100,000 dead from military action, starvation or disease, with some experts claiming numbers ran as high as 230,000.²

15. In the years leading up to East Timor's independence, several events conspired to bring about significant shifts in the Indonesian financial, political and policy landscapes, eventuating in a UN administered referendum securing East Timor's status as a sovereign nation.

16. One key regional event which triggered the decision to proceed with the referendum (referred to in Timor-Leste as the Popular Consultation) was the 1997/98 Asian Financial Crisis. The crisis began with the rapid, unexpected collapse of the Thai baht, and quickly spread to neighboring economies with Indonesia following soon after. The collapse of Indonesia's economy provided a platform which many used to express a wide variety of social and political discontent, often in the form of popular protest. Such protests soon spread from the nation's capital to regional centers and provided a morale boost to Timorese independence activists both in the country and in the international community.

² Adam Schwarz, *A Nation in Waiting: Indonesia's Search for Stability* (Boulder: Westview Press, 2000) page205; On November 12, 1979, Indonesia's foreign minister, Mochtar Kusumaatmadja, estimated that 120,000 people had died in East Timor since 1975; Amnesty International estimates that 200,000 died from military action, starvation or disease from 1975-1999. See Amnesty International, "200,000 Dead. Enough is Enough." *New York Times*, September 23, 1999.

17. What began as an economic crisis quickly spiraled into social turmoil resulting in the resignation of President Suharto and the dismantling of his administration's 'New Order' policy of Government centralization and militarization.
18. After being replaced by Vice-President Dr. B.J. Habibie, Indonesia's policy toward East Timorese autonomy shifted with an offer of 'wide ranging autonomy' presented were its population to vote in favor, as part of a proposed referendum, of remaining part of the Indonesian Republic. Alternatively, if Timorese were to vote for full independence, Indonesia was willing to withdraw peacefully. A multilaterally administered referendum was eventually arranged with Portuguese, Indonesian and UN assistance.
19. The Popular Consultation, officially administered by the United Nations Mission in East Timor (UNAMET) took place on August 30th, 1999, with the United Nations putting Indonesian officials in charge of security.
20. While 78.5% of Timorese voted in favor of independence, the international community which hosted the Popular Consultation was not prepared for the nation-wide violence which ensued following the withdrawal.
21. The widespread violence led to a near total collapse of the country's infrastructure; 100 % of the power grid and 95 % of schools.
22. An Australian led mission (INTERFET) entered the country soon after outbreaks of violence began and secured peace within the capital and surrounding areas within days. A transfer of command from INTERFET to a national administration took place soon after and was supported by the new UNTAET civilian administration and an international policing force.
23. On December 2, 1999 through UNTAET support, the National Consultative Council (NCC), a mixed political decision making body, was mandated with the overall decision-making power to pave the way toward full independence.
24. Despite some difficulties, and sporadic violent outbursts, institutional needs were identified and a general blueprint for a national unity administration was developed. On July 12, 2000, the NCC adopted a regulation establishing a Transitional Cabinet jointly led by both Timorese and UN representatives and attempted to prepare the state for the transfer at independence in May 2002. The process was noted as the United Nations first experiment in building a new nation.³
25. There were problems in the lack of contextualization and prioritization within the Timorese framework and the obvious inability to extricate serious issues that fell outside the international terms of country engagement.
26. One Timorese development expert noted that when the international community entered the country, they prioritized their own mandates and systems secondary to the three pillars of national cohesion; the veterans, the church, and the recommendations of those leaders who not only had the influence and moral authority in the country, but understood the

³Seth Mydans, *Ruined East Timor Awaits a Miracle* (New York Times April 22,2000)
<http://www.nytimes.com/2000/04/22/world/ruined-east-timor-awaits-a-miracle.html?pagewanted=1>

complex and highly organized, albeit unconventional, networks and operations that led the small nation to independence.

27. At the time of the transfer the foundations of institutions were weak; there was a distinct lack of human capacity to execute a long-term strategic plan for an independent Timor-Leste, and an ill-prepared civil service to meet the demands of imported foreign systems. Political divides and undercurrents of civic unrest due to unimproved conditions contributed to the uncertainty.

28. Decisions to divert responses to the overarching issues which potentially could spur instability, especially in addressing the security sector, set the path for continued bouts of violence.

29. Ten years later the process of aid effectiveness has taken a distinctive turn and lessons learnt have encouraged the concept of taking country context as a priority to channel statebuilding.

30. Despite the transience after 400 years of occupation, the Timorese gained their sovereignty with a remarkable cohesion of strong national identity, culture and self-determination.

31. As a people, Timor-Leste chose democracy, put diplomacy over repudiation, and despite having endured significant loss under occupation, received the hand extended in solidarity by the global community with a profound effort of trust and partnership.

Instability Persists – 2002-2006

32. History shows that recurring violence is part of the intrinsic cycle emerging from conflict to a post-conflict state. The new nation, now officially known as Timor-Leste, continued to experience bouts of tension and instability throughout its early history.

33. Socio-economic conditions were unstable, highly centralized systems hindered service delivery, unemployment, poverty and political tensions were all conflict animators which contributed to civic apprehensions about the functions of the newly acquired independence.

34. Whether acts of violence were organized en-mass or organized sporadically by small groups; both represented pockets of civil anxieties that continued to deter the path to successful state building. The discord climaxed in the crisis of 2006.

The Crisis of 2006

35. One of the most destabilizing security incidents occurred in early 2006 as a result of the government's inability to address the long-standing concerns of the nation's defense force, (F-FDTL) regarding alleged cases of discrimination and unfair working conditions. In the case of PNTL, unresolved issues around cases of alleged political favoritism and discontent over recruitment and promotion processes also contributed to an overall weakening of the state's ability to provide security.

36. Unrest flared in April 2006 following a rally in support of 400 soldiers from Timor's West (*Loromonu*) who had left their barracks citing discrimination and unfair working conditions by those hailing from the East (*Lorosae*). Soldiers and civilian supporters carried out protests throughout the city that soon descended into rioting.

37. Clashes continued into the following month culminating in a confrontation between elements of the F-FDTL and unarmed members of the PNTL. The breakdown in law and order caused over 20,000 to flee from their homes into the hills, seeking out the perceived safety of schools and churches.

38. In late May 2006, the Alkatiri Government requested an Australian led stabilization force (ISF) to deploy to restore security. This deployment was followed by a new United Nations Integrated Mission in Timor-Leste (UNMIT) arriving in August that same year.

39. On 26 June 2006, Prime Minister Mari Alkatiri resigned amidst popular protest, yet tension persisted with local rebel leader Major Alfredo Reinado escaping from Becora Prison in Dili and armed clashes between youth gangs, some of which were significant enough to force the closure of Presidente Nicolau Lobato International Airport, the country's only functioning airport, in October of that year.

40. By the time this period of instability was over, there were an estimated 150,000 Internally Displaced Persons (IDP's), a further 6,000 homes and buildings had been damaged or destroyed, the country was polarized within a highly politicized environment, rebels continued to threaten national security and the issues that launched the crisis remained unresolved.

41. Nobel Peace Prize recipient and former foreign minister His Excellency José Ramos-Horta became acting Prime Minister which contributed a level of diplomacy and balance to the country and the Government.

42. Subsequently, with restored levels of stability Presidential and Parliamentary elections were held in April and June 2007. His Excellency José Ramos-Horta became the President of the Democratic Republic of Timor-Leste and His Excellency Xanana Gusmão became the Prime Minister leading a coalition of political parties representing a new level of tolerance and political multi partisanship necessary to transition into a more democratic state of political convergence inclusive of a higher level of national participation.

Turning Point – February 2008

43. On February 11, 2008 Alfredo Reinado's rebel group staged coordinated attacks on President José Ramos-Horta and, separately, Prime Minister Xanana Gusmão. President Ramos-Horta was seriously wounded and had to be evacuated to Australia for life-saving surgery. Major Reinado was killed. Prime Minister Xanana Gusmão survived unharmed. Given Timor-Leste's history of cycles of instability, many observers feared that a new "crisis" would ensue.

44. The country remained calm for a number of reasons. Firstly, the Government had made considerable efforts in reforming the mentality of the security forces and professionalizing them as a body, which allowed for a swift response to the events.

45. On the evening of February 11, the law “Authorizing the President of the Republic to declare a State of Siege” was promulgated, pursuant to Article 95(3)(j) of the Constitution and the Government with the approval of National Parliament, authorized by then Acting President Vincente da Silva Guterres, imposed a State of Siege. The Government fully understood the risk of further instability in a country that was already fragile given that, at the time, many Timorese were still internally displaced as a result of the 2006 crisis.

46. The Government created a Joint Command of the F-FDTL (Defense Forces) and the PNTL (National Police Force). The Joint Command performed well, coordinating security activities and maintaining dialogue with the population, thereby avoiding further crisis. Through the Joint Command, the F-FDTL and the PNTL demonstrated that they could work together efficiently, removing many doubts raised in 2006 on whether they would be able to cooperate and coordinate effectively when faced with a major crisis.

47. The presence of the ISF and UNPOL, worked effectively to support the National Defense and Security Forces (F-FDTL and PNTL) in ensuring stability and preventing possible new disturbances.

48. Another critical factor was the continuous operation of state institutions, departments and services during the period immediately after the assassination attempts (February 2008 – May 2008). Finally, the courts continued to operate and the Office of the Prosecutor General monitored the situation. As a result, another potential crisis was averted. All of the rebels surrendered peacefully and the issues of the petitioners were resolved through dialogue and financial measures.

49. The country has since enjoyed its longest period of peace and stability – albeit fragile – since gaining independence. Indeed, many observers argue that this was the turning point for Timor-Leste to be able to state “goodbye conflict, welcome development”.

Securing Peace & Promoting Development

50. In terms of strengthening the democratic foundations of this peace, there have been two Presidential elections (2002 and 2007) and two Parliamentary elections (2001 and 2007) both conducted relatively peacefully with voter turnout consistently reaching higher than 80 percent. Even more recently, successful Suco (village) elections have been held (October 2009) with plans for municipal elections to take place in 2010. These significant events have helped to deepen Timor-Leste’s democratic foundations and have helped enhance the likelihood of this current peace holding.

51. Many stakeholders, both Government and development partners, see another significant marker of Timor-Leste’s ability to sustain and expand the current peace in the creation and management of the Petroleum Fund. Timor-Leste’s Petroleum Fund, recently voted the world’s third best managed sovereign fund, regulates investments and withdrawals, ensuring that Government draws upon the Estimated Sustainable Income (ESI), with any additional withdrawals requiring an explanation to the National Parliament, thereby allowing for prudent use of Timor-Leste’s oil wealth for long term gain. However, much more needs to be done if the high levels of poverty, particularly in rural areas, are to be reversed.

52. The nation remains one of the poorest countries in Southeast Asia. Policies and reforms of the Xanana Gusmão Government have significantly contributed to improve the conditions of the Timorese. The Government has increased public spending to address some of the most immediate needs and to spur economic growth; which has been consistently high for the past three years.

53. Decentralization to improve service delivery, social welfare initiatives to meet the needs of the most vulnerable through pensions, increased public spending in capital works, empowering the agriculture sector through innovations, supporting new technologies and industries and a fairer distribution of budget allocations have led to achieving a modicum of stability in communities.

54. Although the ongoing challenges are significant, international partners still hope that it is possible for Timor-Leste to meet some of the Millennium Development Goals (MDG) poverty reduction targets if the potential revenue from oil and gas fields in the Timor Sea is channeled responsibly into rural development programs along with education, health care and job training.

International Partnerships

55. Throughout the past decade, Timor-Leste has achieved much progress through the generally positive and constructive nature of Government relations with its international partners.

56. Now, after the immediate post-conflict stabilization phase, Timor-Leste is pushing forward with its peacebuilding and statebuilding agenda.

57. After two years of relative peace and stability, there is now an agreed greater need for multi-dimensional engagement and coordination to ensure that Timor-Leste is able to consolidate its peace dividend. The Government's affirmation that it is time to say "goodbye conflict, welcome development" reflects its wish to ensure that the current transition toward longer-term development be sustained without a reversion to conflict.

58. In this regard, Government and international partners alike identify increased coordination along with a renewed emphasis on context-specific approaches as necessary to ensure that all segments of the population across the country benefit from the continued economic growth and development.

59. This willingness to increase situational awareness and contextual understanding displayed by international actors has paved the way for a new spirit of engagement with Government.

60. This, in turn, has allowed for several initiatives to begin, including practical coordination mechanisms such as the National Priorities Process (NPP) mentioned in detail later in this document.

61. The NPP has been successful in ensuring that the "3Ds", i.e., the diplomatic, defence and development actors work together to ensure the sustainability of peace. Coordination among the three has improved considerably through the NPP process and, coupled with the current climate of relative peace, the success of their interactions with this model has

contributed to the gradual downgrading of safety and security from the highest priority in 2008 to the 7th (last) priority in 2010.

62. With the Government firmly focused on addressing the immediate needs like food security in the midst of the global food crisis, navigating the economic crisis, reforming institutions while executing budgets which constituted more expenditure than all previous Governments combined; development partners have made strong steps to align their programming with Government priorities.

63. It is clear that only now that immediate instability concerns have been addressed, can Timor-Leste shift its attention from immediate stabilization measures to development activities. Therefore, the decision to produce a medium to long term strategic plan within the Office of the Prime Minister is welcomed by international partners.

64. A good example of alignment with local mechanisms is the multi-donor Planning and Financial Management Capacity Building Program (PFMCBP) within the Ministry of Finance which has reduced the number of discrete aid-funded activities that may have previously duplicated some efforts and left out others.

65. It has been noted that this program should be seen as a model which other Ministries and partners should aim to replicate, in particular given the fact that some Ministers still report a lack of information on partner projects operating within their ministries as hampering their ability to coordinate their programs.

66. Overall, most stakeholders agree that international actors have tried to respond quickly in response to crises or emergency situations. It is felt that a more in-depth understanding of the country context and closer partnership with Government have been enabling factors allowing international actors to respond to changing circumstances.

67. There is a degree of agreement that the Government has displayed its capacity to respond to a range of pressing priorities while establishing a longer-term focus on development issues. For example, the Government was able to respond effectively to the immediate humanitarian aspects of the IDP crisis following the outbreak of violence in May 2006 while seeking to address the root causes of this violence through dialogue and mediation.

The National Priorities Process

Background

68. The IVth Constitutional Government, sworn in on the 8th of August 2007, inherited a range of complex political, social and economic challenges, each vying for the Government's attention. At that time, 65 IDP camps still dotted the city and surrounding areas; some 400 ex-F-FDTL known as 'the Petitioners' were campaigning – sometimes violently – for reinstatement into the military; a rebel group headed by Major Alfredo Reinado was roaming the countryside threatening law and order; and martial arts gangs made up of disaffected youth were terrorizing citizens with random acts of violence and civil disobedience. Each issue posed serious and immediate threats to public safety and security.

69. There was a general consensus amongst stakeholders that the public's confidence in state institutions had been lost. The Government had inherited an economy contracting at a rate of 5.8 percent, i.e. 'negative growth'. Some political scientists went as far as to label Timor-Leste a 'failed state' while referencing what seemed like an endless catalogue of challenges and obstacles that the young nation would have to overcome before a solid platform of security and development could be established upon which to base further, longer term peacebuilding and statebuilding programs.

70. With a myriad of problems all demanding urgent attention, the Government realized that it needed a mechanism with which to prioritize these challenges, re-establish safety and security and restore functioning public institutions in a considered and coordinated manner.

71. Both Government and Development Partners were in agreement that to bring about peace and stability – the two elements most necessary to begin the longer-term statebuilding and development process – Timor-Leste would have to first identify and address the most pressing issues hampering the safety of its citizens and devise solutions to address both the root causes of these issues and their immediate effects. The thinking went that only the swift, targeted and coordinated efforts of all stakeholders could restore confidence in the country.

72. At the time, the number of issues demanding the attention of the Government was overwhelming, it was sometimes difficult to take the time to analyze and reflect upon what must be done first. Yet, by making the best of the few systems and processes available, by employing a whole-of-government approach, and with the support of development partners, the Government was quickly able to identify and address priority issues. The National Priorities Process represents the outcome of this effort.

73. At the March 2008 Timor-Leste Development Partners' Meeting (TLDPM), both Government and its Development Partners came together to present the National Priorities identified by Government and approved by the Prime Minister and the National Parliament for that year.

74. The first set of Working Groups for each National Priority, chaired by relevant Ministers, were established with the World Bank, UN and AusAID offering assistance to the Ministry of Finance in the creation of a National Priorities Secretariat to monitor implementation.

75. And so, Timor-Leste embarked upon this ambitious priority-setting program, serving as the nation's sole interim planning mechanism to address pressing challenges, while work on a medium- to long-term national Strategic Development Plan (SDP) could progress.

76. Today, the NPP is in its third year and has matured into a flexible mechanism for monitoring the effectiveness of shared government and development partner programs. During this time, the process has been utilized as a tool to guide government development efforts while strengthening relationships with development partners through a process of open and genuine engagement in priority and target setting as well as in monitoring these targets.

77. The flexibility that this process affords is critical when a country is in the midst of, or just recovering from, a crisis. In those circumstances, a longer-term (3-5 year) strategic plan is not realistic and cannot possibly reflect the situation at hand, nor can it hope to predict how

the situation might evolve in the years ahead. In that context, a government simply does not have the luxury to sit back and reflect on the development of a long-term plan. In such emergency situations, a government's primary concern – much like that of a human being – is how it will continue to function from day to day and, therefore, it must retain a significant degree of flexibility so that it can immediately mitigate problems as they arise, thus preventing them from evolving into larger problems which might apex into crisis at a later date.

National Priority Identification

78. Identifying the National Priorities for a given year involves a Government-led process taking into account a wide range of inputs from a variety of stakeholders. As part of the lead-up to priority identification, Ministers and high level representatives of Government agencies are called to attend a two-day workshop co-facilitated by the Office of the Prime Minister and the Ministry of Finance.

79. At this workshop, Ministers are asked to reflect and speak candidly on the successes and challenges faced by their Ministries over the previous year. The workshop includes presentations on how the nation has fared economically and on other relevant topics. A lively discussion follows between the Prime Minister and members of the Cabinet which helps identify priorities for the next year.

Process

80. In order to guide this effort, assist with policy recommendations, and address any performance issues, a National Priorities Secretariat was created. The Secretariat, headed by the Ministry of Finance, is supported by the World Bank, the UN and AusAID, and reports directly to the Minister of Finance and the Council of Ministers.

81. The most important bodies established as part of the National Priorities Process are the National Priority Working Groups. These groups bring together the various Ministries, Secretaries of States, autonomous agencies and other arms of government around each of the Government's National Priorities identified for the year. Working Groups meet on a regular basis and are chaired or co-chaired at a Ministerial level.

82. Development Partners are also called upon to attend these meetings and those who are already working in close partnership with the relevant Government Ministry are invited to take up the role of Lead Assistant to support the Ministerial Focal Point in the day-to-day administration of the Group.

83. Overall goals, objectives and targets are identified for each Working Group and compiled into a matrix. In doing this, attention is paid to ensuring that identified targets are sufficiently budgeted for so that their completion is a realistic prospect for the relevant Ministry. Given this, it is important that the National Priorities Secretariat and various Ministerial planning departments are able to liaise closely with the State Budget Office throughout the target setting process.

84. Appropriate monitoring, tracking and evaluation systems are established with the Secretariat also providing guidance to Working Groups to ensure that a common standard of operational performance is maintained amongst all Groups. In this regard,

information/training sessions and workshops are organized by the Secretariat for all those involved with the NPP to improve connectivity and draw upon local knowledge and experience for the benefit of the process overall.

Positive Outcomes

85. The set of priorities identified by the Government has served as a mechanism for enhanced coordination and improved government services delivery. Through this process many of the complex problems the Government faced when it came in to power have been contained or resolved completely.

86. It was only due to the hard work and focused effort of all stakeholders that safety and security were gradually restored and public trust in the institutions of Government was rebuilt. In Timor-Leste today people walk freely at night and engage in trade during daytime but most importantly, they do so without fear.

87. However, although the National Priorities Process has been successful, it still requires the focused attention, regular monitoring, and proactive efforts of all parties to enable progress and resolve challenges. With only two years remaining to complete its five-year mandate, this Government is committed to delivering services to the Timorese people with a sense of respect, collaboration and responsibility through this process. Although the National Priorities Process has been successful, it still requires the focused attention, regular monitoring, and proactive efforts of all parties to enable progress and resolve challenges.

Evolving Priorities

88. Some have criticized the changing nature of the Government’s National Priorities but the priorities identified each year have reflected the changing needs and circumstances of the time. For example, public safety and security as the most important priority for 2008 was replaced with food security and agriculture in 2009 and with roads and water in 2010 with each change a reflection of Timor-Leste’s progress and short-term development success.

National Priorities 2008-2010

2008 National Priorities	2009 National Priorities	2010 National Priorities
NP1: Public Safety & Security	NP1: Food Security & Agriculture	NP1: (Infrastructure) Roads & Water
NP2: Social Protection & Solidarity	NP2: Rural Development	NP2: Food Security (Focus on Productivity)
NP3: Addressing the Needs of Youth	NP3: Human Resources Development	NP3: Human Resources Development
NP4: Employment & Income Generation	NP4: Social Services & Social Protection	NP4: Access to Justice
NP5: Improving Social Service Delivery	NP5: Public Safety & Security	NP5: Social Services & Decentralized Services Delivery
NP6: Clean & Effective Government	NP6: Clean & Effective Government	NP6: Good Governance
	NP7: Access to Justice	NP7: Safety & Security

89. With regard to the IDP situation, covered in National Priority #4 in 2009, there was at the time a pressing need to prevent the IDP camps becoming entrenched or normalized as part of the cityscape. Today, Timor-Leste is entering Phase II of its IDP resettlement program and is set to resolve the IDP issue for good in 2010, a decade earlier than many had expected. When developing a response to the issue in 2008, the Ministry of Social Solidarity assured all that this process would take just 1-2 years to complete and was able to honor this promise. Within a matter of just 1.5 years, Dili no longer hosts IDPs populations within its public parks and thoroughfares.

Case Study: Reestablishing Safety and Security

90. Security is undergoing a variety of fundamental reforms as noted and monitored by the National Priorities Secretariat. Both the PNTL and F-FDTL are being trained to take responsibility for maintaining peace and security as international forces take initial steps in preparation for their eventual departure. The Government has noted the significant progress that has been made on this front since 2006. To date, national security has been generally guaranteed, particularly in the capital Dili, and the PNTL and F-FDTL have rebuilt a close working relationship and will continue to focus on this.

91. It is important to note that the reclassification of safety and security as National Priority #7 in 2010 does not imply that safety is no longer a high priority. Four years after the initial violence, safety and security remain key priorities of the Government and will continue to be held in this regard into the foreseeable future. However, in consideration of the improved security environment, in 2010 the focus will be on community policing (*policia comunitaria*) – in addition to formation, training and raising public awareness.

92. A critical aspect in relation to rebuilding security is the need to ensure that the PNTL is increasingly becoming the public face of policing operations, with UNPOL remaining in close support if the need arises. The PNTL must be seen as the key actor in handling public safety and security in Dili and rural areas not only for the sake of increasing public faith in this important institution, but also as a way of building morale within the institution itself.

Challenges & Lessons Learned

Alignment with the State Budget

93. Throughout 2008 and 2009 there were several occasions where targets could not be completed due to insufficient government funding. In these situations, given the close working relationship between Government and international partners through the NPP, development partners were, on occasion, able to provide supplementary funding to ensure the achievement of targets. However, on other occasions, such funding was not available and the target remained unachieved. These situations usually occurred because target setting was done without sufficient attention to Ministerial budgetary realities, or because the priorities identified in the NPP were not those budgeted for by that Ministry.

94. While the National Priorities provides a short term framework through which Ministries and Government can harmonize their approaches to development challenges, such a framework is only useful if it also assists in directing requisite budget allocations toward those priorities. In this regard, Timor-Leste has taken significant steps toward promoting the National Priorities as a guiding force in the development of Ministerial Annual Action Plans (AAPs) which then serve as a tool for budget planning. In fact, the National Priorities were brought closer to full alignment with the 2010 State Budget through the use of these Ministerial Annual Action Plans (AAPs) which assisted Ministries in identifying and sequencing their activities for the year. As 2010 budget allocations were based on AAP submissions, the Secretariat helped to ensure that National Priority targets identified for 2010 were financially supported.

Follow through with commitments

95. One of the challenges to the National Priorities Process seems to revolve around lack of clarity on, or poor communication and/or understanding of, partners' financial commitment to a specific Priority Area – an issue that was raised within both the education and the security sectors. In some instances, it appears as though development partners are pushing projects and priorities onto the Government that are not shared by the latter. In both these instances, communication and collaboration are key; and the NPP should be used to facilitate this.

Collaboration with civil society

96. Collaboration between Government and international partners is critical to the success of the National Priorities Process. However, the free and open exchange of ideas regarding the country's most pressing needs is a process that should also involve civil society actors as civil society, both local and international, are in a position to provide a valuable insight into development challenges and should be included in all stages of the process.

97. In regards to improving collaboration with civil society, there are ways to criticize, elaborate and contribute to the national cause and civil society is still coming to grips with this reality and how to engage with government in a way that is effective. The current Government understands the problems faced by civil society and engages with them to help solve problems at the national level.

98. The presence of civil society in Working Group meetings benefits the process in several ways. Firstly, civil society often possess a 'grass-roots' understanding of the issues and challenges faced by the nation's population and can therefore offer insights to Government and development partners.

99. Secondly, civil society is generally always seeking closer and more substantial communication channels with government. The inclusion of civil society into the NPP provides such a channel.

100. Timor-Leste's experiences have shown that when sharing responsibilities for addressing the nation's development priorities among all three groups, the solutions proposed are more efficient, effective and provide greater measures of transparency.

101. Timor-Leste began the National Priorities Process in 2008 making steady progress toward increased involvement of civil society groups. However, the level of involvement across groups was not consistent.

102. In 2010, the National Priorities Secretariat has been pro-active in ensuring that civil society representation for all Working Groups was identified early in the year, thus allowing for these groups to provide input and advice into the goal, objective and target setting process from the outset.

Keep targets focused

103. In 2008, of 188 national priorities targets, 117 were completed with most targets listed as ongoing at year's end, well underway for completion soon into the following year. In 2009, however the matrix ballooned to 300+ targets.

104. It was clear that many Working Groups and Ministries had become increasingly ambitious in assessing their capacity to complete a larger number of targets. The large number of targets did demonstrate that the Government and line Ministries had identified a much broader number of measures and initiatives necessary for poverty reduction and development.

105. A stronger emphasis; however, needs to be on prioritization of targets. Failing to achieve them comprises the agenda of the Ministry and the government's overall development agenda for the year.

106. In the final quarter of 2009, only 36 percent of targets were listed as completed with another 60 percent listed as ongoing.

107. In 2009, the National Priorities Secretariat encouraged all Working Groups to ensure that targets included in their matrices were truly representative of their highest and most pressing priorities. The Secretariat was successful in this effort with the 2010 National Priorities Matrix once again hovering around the 190 target mark.

Better monitoring means regular reporting on clear targets

108. Monitoring and reporting is very difficult, if baselines are not available and if targets are not clearly defined and measureable. In addition, maintaining regular reporting on progress toward targets is critical.

109. While the Secretariat was able to produce quarterly reports with relative ease, maintaining this momentum within Ministries throughout the entire year often became difficult. Development partners and the Government might now need to look at new avenues for engagement; Key Performance Indicators (KPI) could be streamlined into a simpler process.

110. When Ministerial Focal Points did not have consistent access to high level decision makers within Ministries and/or when these Focal Points were not part of Ministerial planning departments, it weakened the ability to report and monitor. As most Ministries have technical assistance funded by development partners; more collaboration could be used to ensure reporting channels are strengthened and unified through those avenues.

Communication

111. Communication is a central issue and key weakness that the government is working on as an overarching priority, communication within Government, with other institutions, with civil society and international actors.

112. In turn, the Government has voiced serious concerns about various communication issues that relate to development partners.

113. Firstly, information from development partners, represented in country reports, is often sourced from outdated material that has little relevance to the current events in Timor-Leste and is not a reflection of the Government and International partners' work on the ground.

114. This in turn produces analysis based on outdated sources. Often the Government is told that Development Partners on the ground were not consulted before the reports are issued; greater importance needs to be given to consulting the in-country representatives who have the largest knowledge base on Timor-Leste.

115. Often this is a bi-product of differing opinions by international actors on the country-regional and international (head office) levels, nonetheless the communication causes confusion to the public and inadequate reporting of the state of the nation.

116. This year the Ministries were required to report directly to the Prime Minister with the most accurate data and statistics which can be used as a valuable resource. The depth of these reports is a true reflection of partnership between international actors and the Government and more consistency at this level is needed to ensure civil society and the international community has better access to current information.

117. The Government has recommended that development partners update their broader community more regularly on program achievements for a more robust country assessment by third parties.

118. Lastly, harmonization efforts are not only critical on the program level, but on the day to day communications between international actors and their Timorese counterparts.

119. There is a need to examine and change deeply embedded preconceived attitudes by international actors towards Timorese counterparts with a conscious effort to innovate their approach, language and tone to maintain a high standard of equalization and respect in their working relationships.

120. All international actors should work through the lens of the Timorese context and ensure that each party is able to contribute their unique and valuable insight into the spectrum of state building.

121. In 2010, the Government will be conducting a study on the communiqué between Development Partners and the Government to investigate the role of language and how it affects capacity building with a comprehensive case study; providing a meaningful examination into this sensitive issue.

Alignment with longer term strategic planning frameworks

122. It has been noted on several occasions that the flexibility of the NPP is one of its major strengths. The fact that such a process is well positioned to respond to the changing national context and priorities of Government from year to year ensures that the process maintains a relevance to realities on the ground.

123. However, in the absence of a medium-long term planning framework, the initial flexibility offered by the process has the potential to limit the process to one that merely reacts to situations on the ground without providing any longer term solutions to address the root causes of issues.

124. The Government has implemented social and economic policies which form the framework of long term strategies; considering the success of the programming which is heavily supported by international actors; a long term strategy and vision based on the national consultations of Vision 2020 can be clearly aligned.

125. By example, the building of strong institutions required decentralization. The decentralization process has begun through reforms; phased in the areas of fiscal decentralizations, administrative decentralization and decentralization to local governance. In comparison to first world economies of scale; the devolution could take up to two decades to empower the public sector, establish the necessary measures of oversight and periphery institutions to ensure legitimacy of autonomous activities. This is a long term strategic venture amalgamated in phases beginning in the short term planning of the National Priorities Matrix.

126. Although the Paris Declaration is clear in harmonization to the Government Agenda; development partners still contend the lack of an overall planning process to which the National Priorities Process can align makes it difficult for them to take concrete steps to align their programming with the priorities identified by the Government.

127. International partners understand that when seeking to align their programs with the priorities of the Government, international partners require a set of priorities which they can be assured will last longer than a year. In tandem, the Government needs to be assured long term funding will be available, commitments met and flexibility guaranteed for national interest.

128. Going forward, the 2011 National Priorities will reflect the activities needed for the implementation of the Strategic Development Plan (SDP).

Successful implementation of the National Priorities 2009

129. In regards to Timor-Leste's top priority in 2009, **agriculture and food security**, domestic rice production increased to 72,000 tons, which was considerably higher than the original year-end target of 52,500 tons. This increase in rice production was achieved through the adoption of best practices and crop intensification systems promoted by agricultural extensionists trained in such methods. Approximately 5,000 small storage silos were distributed to farmer groups with many being registered under a female household member.

Finally, approximately 1,800 handheld and medium-sized tractors were distributed to farmers along with training on how to use them.

130. Significant progress was also made in the area of **rural development**, Timor-Leste's second National Priority for 2009. By the year's end, there was a 50 percent increase in new clients from low-income populations (80 percent women on average) accessing financial services. Rural livelihoods continued to be improved through the creation of temporary jobs for more than 11,250 men and women. These jobs were created through the use of labor-intensive programs. In addition to this, 26 mini-markets in rural areas were constructed. As part of Timor-Leste's Referendum Package some 12,500 persons were engaged in basic road infrastructure projects. A focus on rural roads rehabilitation (395km) also promoted development by enhancing the capacity of local contractors. Finally, more than 60,000 rural dwellers now have access to improved water sources with 103 water/sanitation systems becoming operational in 2009.

131. Timor-Leste also continued to make robust progress in the area of **human resources development**, in particular in relation to improving basic education and vocational training with over 9,000 teachers completing intensive training courses, 30 percent of which are estimated to be women. During this period, approximately 1,300 young men and women benefitted from skills training courses and labor-market-oriented training schemes, again with high rates of women's participation. Solid progress was also made in the near eradication of illiteracy in Atauro with preparations currently underway to finalize this pilot program in Oecussi by the second half of 2010. Through close collaboration with employers, vocational competency standards were developed in the areas of tourism and hospitality, while quality standards were approved for training providers. Finally, the newly established Youth Parliament was officially launched in January 2010, with preparations being made for its election and first seating.

132. The provision of **social services and social protection** made strong progress in the areas of basic health, social recovery and community assistance programs. This success culminated in the closure of 65 IDP camps and most transitional shelters paving the way toward implementation of Phase II of recovery packages to IDPs and various other support payments. The *Bolsa da Mãe* conditional cash transfer program benefitted over 9,000 women. In another positive development that is set to continue into 2010, work begun on the establishment of a permanent Ministry of Social Solidarity Peace-Building Unit within the National Directorate for Social Assistance (DNAS) – set to be established in spring 2010.

133. With the Health Management Information System (HMIS) strengthened at both national and district levels, supervision of immunization programs and nutrition facilities by the Ministry of Health was improved to monitor maternal mortality and child health and nutrition and 30 percent of SISCa posts were operating in accordance with national standards.

134. Timor-Leste's fifth national priority for 2009, **public safety and security**, continued to improve through the promotion of professionalism within the Nation's security forces. A final draft of the National Security Policy was consolidated and overarching security legislation was submitted as a package to Parliament for approval. F-FDTL approved its draft concept of employment and commenced preparations for a National Defence Institute paving the way for 600 new F-FDTL male and female recruits from all districts to be trained. With regards to PNTL, three specialized PNTL Units and four districts were handed over responsibilities from UNPOL to national control. In addition, Timor-Leste's Council of

Ministers approved a revised PNTL Organic Law and, as part of the implementation of the new PNTL promotions regime, district and sub-district commanders have been provisionally appointed. Finally, the Special Police Unit and Border Patrol have been successfully restructured, and efforts promoting community policing expanded in all districts.

135. Efforts toward the promotion of **clean and effective government** (the sixth priority) have continued consistently throughout 2008 and 2009. Specific progress has been made within the Ministry of Finance regarding the tracking of Development Partner spending, submitted to the National Directorate for Aid Effectiveness (NDAE) as part of the 2010 Combined State Budget. Community elections were successfully conducted simultaneously in 442 Sucos in all 13 districts. Parliament adopted a law on establishing the Anti-Corruption Commission and an ACC Commissioner has now been appointed. In addition, the Public Service Commission President and Commissioners were appointed and implementation of the civil service career regime began. Finally, a package of three key laws for decentralizing local government was submitted for parliamentary approval.

136. The seventh – and final – priority for 2009 was the promotion of **access to justice**. The Minister of Justice approved a Justice Sector Strategic Plan in consultation with stakeholders and fundamental legislation such as the Penal and Civil Codes were successfully adopted. Another successful landmark was the submission of the Law on Domestic Violence to the National Parliament. A draft Land Law was prepared after a series of well-attended public consultations and rehabilitation and construction of key district judicial infrastructure (including Notary and Registry) was progressing well with the Legal Training Center nearing completion. Steps toward streamlined business registration procedures were taken through the creation of a new Inter-Ministerial Commission tasked with promoting private sector development. Finally preparations are well underway for the first training of 66 private lawyers and ten (10) new judges; prosecutors and public defenders graduated and were posted to various districts.

National Priorities 2010

137. In 2010, the National Priorities Process began a gradual shift: from a specific emphasis on addressing immediate threats to social instability towards a greater focus on rebuilding and rehabilitating the basic infrastructure, both physical and social, necessary to sustain the ‘peace dividends’ gained over the past two years of successful implementation of this process.

138. Today, with many of Timor-Leste’s immediate challenges to safety and security being addressed, more focus is being placed on the 74 percent of the nation’s population who reside in rural areas. This increased focus on the laying of basic infrastructure, such as main and feeder roads necessary for enabling rural access to markets and other district centers, represents this shift in approach. The construction of key bridges, the rehabilitation of rural roads as well as expansion of both rural and urban access to improved water and sanitation are all key focuses of the first 2010 national priority, **roads and water**.

139. As part of this greater emphasis on rural populations is the second national priority for 2010, **food security with a focus on productivity**. The development of a food security policy and tracking system, crop diversification, land management, market-oriented training and increasing rural incomes form the cornerstones of this second priority area. Building on gains made in 2009, the development of this vital element of Timor-Leste’s economy will

continue with a focus on increasing livestock management and rice paddy cultivation as well as mung beans, soya and maize. In addition, as the first national priority focuses on improved water management at the household level, this second priority focuses on increasing access to agricultural irrigation at a community and district level.

140. Gains made over the past few years cannot be sustained without the development of a skilled and capable population who are able to support Timor-Leste's efforts toward a peaceful and sustainable future. A focus on the basic institutions responsible for delivering quality basic primary school curriculums, effective literacy and vocational programs, and increasing enrolment of those seeking such opportunities are the main areas covered in this third priority area for 2010, **human resources development**. This year, there is an even greater focus not just on increasing participation in education and vocational training but also on ensuring that access is equal among men and women with gender being a crucial element in almost all targets.

141. As Timor-Leste's security situation becomes normalized, an environment is created for new essential priorities to ascend. **Access to justice** is one of these and takes position as the fourth national priority in 2010. In a crisis situation it is simply not possible for a nation's justice institutions to concentrate on reforms and long-term measures that would enable the system to serve the population more effectively. It is only once security is established that issues pertaining to improving the judicial system can be addressed.

142. The development and eventual approval of the Justice Sector Strategic Plan and Organic Law by the Council of Ministers are two key target areas in 2010. In addition, the creation of an inter-ministerial commission on judicial police, criminal investigation and forensic services with related capacity development plans are also key focuses in this priority area. Another area of focus is the development of various justice infrastructure and human resources capacities throughout the country. Other key achievements planned in 2010 will be the recruitment of judges, key court clerks and staff, along with a variety of training courses for lawyers, judges, prosecutors and public defenders. Finally, the implementation of the Gender Justice Policy including action plans and regulations will continue throughout the year.

143. With most of the immediate IDP and associated social issues successfully dealt with throughout 2009, the need for effective **social services and decentralized services delivery** to support the previous year's efforts has now taken the forefront in the fifth national priority for 2010. The focus on service delivery is gradually shifting from addressing short-term social needs toward the establishment of longer-term social services programs. The establishment of a nationwide social assistance program in 2010 continues with the development of a policy for disability including child protection systems and a decree law for the implementation of the *Bolsa da Mãe* conditional cash transfer program. Another positive longer-term process is the development of a Social Cohesion and Peacebuilding Department within the National Directorate for Social Assistance (DNAS) along with the requisite recruitment of staff and the development of work plans. The establishment of this unit will continue throughout 2010.

144. With regard to the expansion of the nation's health care system, this year's focus will be on increasing access along with strengthening management and support services, ensuring that district health services are improved at the community level, and that monitoring and evaluation systems at the national level are strengthened. A focus on the improvement of the

SISCa program, vaccinations and comprehensive packages of maternal and child health and nutrition programs are also key objectives for 2010.

145. The promotion of **good governance** remains, as it was in 2009, the sixth national priority for 2010. Focus will continue to be on improving Government accountability, transparency and integrity. This will be supported by the operation of Timor-Leste's new Anti-Corruption Commission coming in advance of the planned 2010 municipal elections. A focus on improving the effectiveness of Timor-Leste's development assistance will continue through the development of a dedicated aid policy. Improvements to the quality of statistical services to strengthen the nation's macroeconomic frameworks will also continue.

146. Finally, **safety and security** now holds position as the country's seventh national priority. With safety and security re-established in Dili and throughout the country, in 2010 the focus of this priority has shifted significantly from active conflict suppression and management toward community policing models and increased quality training to military forces. The development of career policies, conflict prevention and leadership training and the eventual total resumption of PNTL executive policing responsibilities from UNPOL are all key target areas for the police in 2010. In regards to F-FDTL, the development of policies, regulations, laws and programs concerning promotions, military procurement, a National Defence Policy and Organic Law will be primary target areas for the nation's military in 2010.

147. A new feature in the national priorities process this year is an emphasis on fostering private sector growth which, at the time of writing, features in both national priority one, roads and water, and national priority four, access to justice. A focus on developing business development including fast tracked business registration procedures along with an Investment Law being submitted to the National Parliament are key private sector development targets in 2010 shared between two national priority areas.

148. In summary, the national priorities in 2010 continue to represent Timor-Leste's constantly changing context while reflecting the country's progress towards its peacebuilding and statebuilding goals. As the situation on the ground continues to improve, priorities are reconfigured accordingly.

Closing

149. Timor-Leste, within the first eight years of its' Nationhood has faced many challenges. The Government has, with assistance from development partners and international actors, the institutions of the State, the civil service and the support of the Timorese people, risen to meet many of these challenges whilst recognizing that the ongoing issues will require continued harmonization, coordination and collaboration to overcome. Within this emerging period of peace and stability, with much achieved in reform and building human and institutional capacity, the future holds promise.

150. The National Priorities framework has clearly created a successful mechanism to channel partnerships toward considered goals within the broader framework of its Vision 2020.

151. Participants are seeking to adapt and improve these mechanisms for even better outcomes and the Timor-Leste Development Partner Meeting 2010 will provide another key

mechanism to vocalize the collective opportunities to improve on the way aid is managed and delivered.

152. The work ahead to bolster economic development and bring the greatest human benefit to the nation's people is one embraced by all actors involved in national development who continue to engage with a spirit of respect for the resilience, determination and dignity of the people of the Democratic Republic of Timor-Leste.

Annex 1: 2009 National Priorities Consolidated Symbols Matrix

NP1: AGRICULTURE & FOOD SECURITY		√	▶	†
Increase domestic food production	25% increase in rice production through improved agriculture techniques including mechanization	11	2	3
	Purchase a minimum of 30,000 tonnes of local agricultural produce	2	1	2
Improve food security monitoring and response	Strengthen district capacity to monitor food insecurity in four pilot districts	4	1	-
	Develop standard operating procedures for communication and response to food insecurity	3	1	-
NP2: RURAL DEVELOPMENT		√	▶	†
Promote rural economy	Improve agribusiness by providing 24 mini-markets in rural areas and business support service to vendors	3	1	-
	Promote rural business initiatives	8	1	-
	Improved rural livelihoods through employment creation for men and women	9	-	-
Improve infrastructure for rural development	Provide safe and sustainable water supply and sanitation for rural communities	5	1	-
	Promote rural development through rural roads rehabilitation and creation of temporary jobs	2	-	3
NP3: HUMAN RESOURCES DEVELOPMENT		√	▶	†
Improve quality of basic and technical professional education	Improve basic education through teacher training and better support for schools	6	3	-
	Quality of technical professional education improved to better equip students for the workforce and life beyond school.	2	1	-
	Halve levels of illiteracy in Oecusse and Atauro	2	2	-
Prepare youth for the labor market	A market-oriented competency-based training system operational through the National Labour Force Development Institute (INDMO)	1	2	-
	Young women and men successfully participate in labor market oriented training with employment outcomes	6	-	-
Youth Participation	Legal Framework for Youth Parliament, Youth Parliament functioned and Youth Parliament established.	5	1	1
	Youth organizational database system is established	3	1	-
NP4: SOCIAL PROTECTION AND SOCIAL SERVICES		√	▶	†
Provide assistance to IDPs	Provide sustainable IDP reintegration and recovery	11	2	-
Protection of Vulnerable Groups	Provide housing to vulnerable groups	5	1	-
	Develop the disability sector	4	3	1
	Strengthen disaster management in 13 districts	5	1	-
	Expand Conditional Cash Transfer programmes	4	-	-
	Create a social security system for all workers	1	2	1
Continued	Provide recognition to veterans and assure social protection to their families	5	3	-

Legend: √ = completed target ▶ = ongoing target † = stalled target

development of the veterans programme				
Strengthen support and management of health systems	Improve data reporting and collation process	3	5	-
	Improve supply chain of medical supplies	2	-	-
Strengthen Health Service Delivery at Community Level	Improve service delivery and quality through increased SISCa Coverage	5	2	-
	Maternal and Child Health	4	4	-
NP5: SECURITY & PUBLIC SAFETY		√	▶	†
Overarching F-FDTL and PNTL reform framework	F-FDTL and PNTL joint legislative framework and roles definition	3	3	-
F-FDTL's transition to an ethical, professional, conventional Defence Force	F-FDTL recruitment, training, (including specialists) and human resources development, with due consideration for gender	6	2	-
	F-FDTL internal administration, morale and discipline systems standardized	1	6	-
Strategic defense development	National Security, Defense Strategy, Military Doctrine, Combat Readiness and Sustainability developed through strategic policy and capability development processes	5	6	-
	CIMIC capacity developed in the context of strengthened regional security relations and MoUs with aid partners	-	5	-
PNTL enabled to secure a safer community	Resumption of executive policing responsibilities from UNPOL	3	3	-
	Preventive policing, reducing conflict and improved control of crime	6	3	-
	Police accountability, internal control and civilian oversight	6	1	-
	PNTL Restructuring	4	2	-
NP6: CLEAN & EFFECTIVE GOVERNMENT		√	▶	†
Improve aid effectiveness	Official aid from Development Partners, harmonized and aligned to Government Priorities	7	-	-
Improve Government accountability, transparency and integrity	Improved efficiency in the management of government funds	6	2	-
	Medium to Long term Strategic Development Plan (SDP) produced	1	3	-
	Improved civil service management and reform	4	9	-
Build capacity of civil servants and local authorities	Enhance capacity of civil servants and local authorities	-	2	-

Legend: √ = completed target ▶ = ongoing target † = stalled target

Fight corruption	Establishment and operation of an Anti-Corruption Commission	2	4	-
Promote Decentralization and Local Government Reforms Process	Laws for establishing municipalities approved by National Parliament and their subsidiary legislations approved by Government	-	3	-
Carry out electoral process	Hold Municipal and Suco elections	7	2	-
NP7: ACCESS TO JUSTICE		√	▶	†
Strengthen the Justice System	Develop Strategic Plan for the Justice Sector, and develop a Gender Justice Policy	2	4	-
	Regulation of the Justice Sector	3	5	-
	Draft of Basic Laws	3	3	-
	Capacity of judiciary actors increased	5	4	-
Bring justice to citizens	Implement the judiciary services in Baucau, Oe-cusse & Suai	3	4	-
	Implement the Notary & Registry District Services	3	1	-
Promote private sector development	Implement the Lands & Proprieties Registration	5	1	-
	Simplify the Business Registry and facilitate the investment	1	2	-

Legend: √ = completed target ▶ = ongoing target † = stalled target

Annex 2: 2010 National Priorities Consolidated Matrix

NATIONAL PRIORITY #1: INFRASTRUCTURE (ROADS & WATER)	
Improve road networks	Repair and rehabilitate national/district roads
	Rehabilitate rural roads
Expand rural access to improved water and basic sanitation	Facilitate equitable and sustainable access to improved water sources and improved sanitation to rural villages in 13 districts
Expand urban access to improved water and basic sanitation	Facilitate equitable and sustainable access to improved water sources and improved sanitation in urban areas
Foster Private Sector Growth	Improve business climate and Business Development Services (BDS)
NATIONAL PRIORITY #2: FOOD SECURITY (FOCUS ON PRODUCTIVITY)	
Increase food crop production, diversification and quality for rural income	Improve food security and nutrition
	Improve service delivery for income generation for rural women, men and youth
Sustainable and efficient forest resource management	Conservation and rehabilitation of critical lands
NATIONAL PRIORITY #3: HUMAN RESOURCES DEVELOPMENT	
Institutional strengthening of quality education and training for all	Escola Basica governance/ management and better qualified teachers
	Establish the National Qualifications Framework (NQF) and accredit training
	Improve the capacity of sports organizations and enhance teachers' ability to provide sports and physical education
Increase participation in education, training and initiatives that contribute to community development	Increase student enrolment and retention towards fulfillment of the Millennium Development Goals (by 2020)
	Young women and men successfully complete labour market orientated vocational training with employment outcomes
	Boost youth participation and creativeness and build civic and arts culture
NATIONAL PRIORITY #4: ACCESS TO JUSTICE	
Institutional Development	Consolidate the judiciary system/ institutions and increase availability of services and staff in districts
	Improve capacity of Human Resources
Promote private sector development	Regulate land ownership
	Simplify citizen identification and business registration procedures
Improve access to justice for women	Implement gender justice policy
NATIONAL PRIORITY #5: SOCIAL SERVICES AND LOCALIZED SERVICES DELIVERY	
Strengthen social protection and disaster	Increased access for eligible beneficiaries to social assistance programs (<i>Vulnerable groups such as widows single</i>)

response mechanisms	<i>mothers, elderly, children, orphans and persons with disabilities)</i>
	The development of a contributory system of social security
	Strengthened disaster preparedness and response
Improve access to quality health services	Strengthened SISCa implementation
	Improved implementation of comprehensive packages of maternal and child health and nutrition programs
Strengthened health management and support services	Strengthened management capacity of district health services (<i>including community health services and hospital managers</i>)
	Improved national health information and M&E systems at the community level
NATIONAL PRIORITY #6: GOOD GOVERNANCE	
Improve aid effectiveness and quality of statistical services to strengthen the macroeconomic framework	Official aid from Development Partners, harmonized and aligned to Government Priorities
	Social and economic and demographic conditions of the country (Census) are carried out –include HIES (Household Income Expenditure Survey), and TL Living Standard Survey
Improve Government accountability, transparency and integrity	Improved efficiency in the management of government funds and anti-corruption- strategies and activities
	Improved civil service management and reform
Promote Decentralization and Local Government Reforms Process	Implement Decentralization policies and municipal elections <i>* subject to Parliamentary approval</i>
NATIONAL PRIORITY #7: PUBLIC SAFETY & SECURITY	
Harmonious complementary roles for TL main security organs and institutions	Overarching F-FDTL and PNTL reform framework improved
Sustainable F-FDTL defense management, professional staffing	F-FDTL legal-institutional framework development
	F-FDTL human resources training & capacity building
Institutional Reform in Police and Security Directorates	Legal framework developed
	Human resources capacity building

Annex 3: 2010 National Priorities Matrix

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #1: INFRASTRUCTURE (ROADS & WATER)						
Improve road networks	Repair and rehabilitate national/district roads	<input type="checkbox"/> 189 km of national/district road rehabilitation and 50 km of periodic maintenance tendered <input type="checkbox"/> 6 Major Bridges (Tonor, Dilor, Taroman, Baer, Belulik, Daudere) tendered <input type="checkbox"/> Road upgrading 5 Year Program (RUP) approved by Mol		<input type="checkbox"/> 90 km of national/district roads rehabilitated and 30 km of periodic maintenance completed	<input type="checkbox"/> 189 km of national/district roads rehabilitated, 50 km of periodic maintenance completed and 1000 km of routine maintenance (rural and urban) with labor base contracting completed (at least 30% women participation) <input type="checkbox"/> 6 Major Bridges Phase I completed (piles, foundation abutment and approach road)	MOI ADB EC JICA ILO
	Rehabilitate rural roads	<input type="checkbox"/> Rural Roads Policy endorsed by Mol, with consultative Gender process	<input type="checkbox"/> Rural Roads Inventory and standards established and Rural Roads Strategy drafted, with Gender consultative process (Master Plan)	<input type="checkbox"/> Rural Roads Master Plan adopted <input type="checkbox"/> 500 km rural roads rehabilitated	<input type="checkbox"/> Cumulatively 750 km rural roads rehabilitated	MOI SEFOPE ILO EC

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESP. ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #1: INFRASTRUCTURE (ROADS & WATER) (CONTINUATION)						
Expand rural access to improved water and basic sanitation	Facilitate equitable and sustainable access to improved water sources and improved sanitation to rural villages in 13 districts	<input type="checkbox"/> Community Water Management through Grupus Maneja Facilidade (GMF) started in all districts	<input type="checkbox"/> Water Resource Management Plan draft completed		<input type="checkbox"/> National Water Policy approved by CoM <input type="checkbox"/> National Sanitation Policy approved by CoM <input type="checkbox"/> Cumulative 200 water facilities with access to improved water sources completed (including GMF with at least 30% women representation incl technical and managerial roles) (100 by Q3) <input type="checkbox"/> 100 Communities Open Defecation Free (ODF) and an additional 50 Communities Certified ODF <input type="checkbox"/> 3600 Latrines constructed in rural communities (2000 targeting vulnerable groups)	Mol AusAID UNICEF USAID Various INGOs
Expand urban access to improved water and basic sanitation	Facilitate equitable and sustainable access to improved water sources and improved sanitation in urban areas	<input type="checkbox"/> All tender documents for urban water improvements completed by DNSAS	<input type="checkbox"/> Bemos intake and raw water main and reservoir improvements commenced <input type="checkbox"/> 3 Dili leakage detection teams training completed	<input type="checkbox"/> 30 Urban water improvements completed <input type="checkbox"/> New Dili sewage ponds completed (first phase)	<input type="checkbox"/> Cumulative 52 Urban water improvements completed <input type="checkbox"/> Master plans for district capitals completed <input type="checkbox"/> Operational training completed in Dili and at 4 town treatments facilities	Mol ADB AusAID JICA

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #1: INFRASTRUCTURE (ROADS & WATER) (CONTINUATION)						
Foster Private Sector Growth	Improve business climate and Business Development Services (BDS)	<input type="checkbox"/> Decree law for 'Invest Timor-Leste' and IADE approved by the Council of Ministers (CoM)	<input type="checkbox"/> Investment Law submitted to Parliament	<input type="checkbox"/> One-stop-services procedure plan developed in 'Invest Timor-Leste'	<input type="checkbox"/> Quality business development services provided for at least 500 entrepreneurs, by newly established BDCs (at least 30% women) <input type="checkbox"/> 7,500 additional/new clients with access to micro-finance (at least 50% women) <input type="checkbox"/> At least 50 civil works contractors capacitated by IADE/BDCs in bidding preparation and management	MED IFC ILO UNCDF/ UNDP

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #2: FOOD SECURITY (FOCUS ON PRODUCTIVITY)						
Increase food crop production, diversification and quality for rural income	Improve food security and nutrition	<input type="checkbox"/> Inter-ministerial National Food Security Committee (NFSC) revitalized <input type="checkbox"/> Additional 5,000 ha maize harvested	<input type="checkbox"/> 2,000 ha additional soya and mung beans cultivated <input type="checkbox"/> Food Security Information System (FSIS) revised <input type="checkbox"/> National Food Commodity Tracking System implemented (NFCTS- developed in 2009) for monthly reporting of imports/exports and existing stocks in MTCI <input type="checkbox"/> Training for 27 water users associations (WUA) in the management and maintenance of irrigation schemes conducted – with demonstrated 25% involvement of women	<input type="checkbox"/> First crop rice paddy of 40,000 ha and second crop 5,000 ha cultivated resulting in 130,000 tons of paddy <input type="checkbox"/> Bebuy Irrigation Project construction completed <input type="checkbox"/> Technical guidelines developed for on-farm storage for maize, rice and pulses incorporated into MAF Extension Strategy	<input type="checkbox"/> Home gardens and nutrition education program expanded including 3,000 rural households at least 50% targeting women's groups <input type="checkbox"/> National Food Security Policy revised and endorsed by NFSC <input type="checkbox"/> Food Security Information System (FSIS) implemented in four targeted districts	MAF - <ul style="list-style-type: none"> ▪ Food Security Unit ▪ Crop Production Dept. ▪ Extension Dept. ▪ Livestock Dept. ▪ Irrigation Dept. MTCI - <ul style="list-style-type: none"> ▪ Commerce and Foreign Export Dept. ▪ Local Product Purchase Section GTZ WFP FAO

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #2: FOOD SECURITY (FOCUS ON PRODUCTIVITY) (CONTINUATION)						
Increase food crop production, diversification and quality for rural income (continuation)	Improve service delivery for income generation for rural women, men and youth	<input type="checkbox"/> MTCI Local Purchase Program Policy, including payment mechanisms, storage plans, redistribution schedules and human resource needs disseminated broadly <input type="checkbox"/> Good practice guidelines for rice and at least 3 more commodities developed and used by extension, research, livestock and crop services	<input type="checkbox"/> Quality standards, grading system and procedures developed with MTCI food purchase program by May 31 st <input type="checkbox"/> National vaccination campaigns for pigs, poultry and cattle launched, targets set and plans prepared <input type="checkbox"/> 14 new Extension/ Mechanization Centers operational at (sub)-district level with training available for farmers - including specific training for women and youth (five extension and nine mechanization centers)	<input type="checkbox"/> 7,500 tons of planned local purchases realized at appropriate quality for the end purpose <input type="checkbox"/> In-service training for at least 200 extensionists (incl. women and youth) in market-oriented food production and good practices <input type="checkbox"/> Livestock breeding centers operational in 3 districts (Manufahi, Lospalos, and Oecusse)	<input type="checkbox"/> Annual total of at least 15,000 tons of locally produced foods purchased at appropriate quality for the end purpose <input type="checkbox"/> At least 5,000 farmers apply good practices for improved productivity (at least 30% women, 20% youth trained) in at least 3 commodities (crops and livestock) <input type="checkbox"/> One rice and maize milling /cleaning plant constructed	MAF - <ul style="list-style-type: none"> ▪ Food Security Unit ▪ Crop Production Dept. ▪ Extension Dept. ▪ Livestock Dept. ▪ Irrigation Dept. MTCI - <ul style="list-style-type: none"> ▪ Commerce and Foreign Export Dept. ▪ Local Product Purchase Dept. GTZ WFP FAO

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #2: FOOD SECURITY (FOCUS ON PRODUCTIVITY) (CONTINUATION)						
Sustainable and efficient forest resource management	Conservation and rehabilitation of critical lands	<input type="checkbox"/> National Action Plan to combat land degradation approved and adopted by COM <input type="checkbox"/> Guidelines for watershed management plans completed	<input type="checkbox"/> 5 additional tree nursery centers established (Los palos, Manufahi, Bobonaro, Viqueque and Ambeno) <input type="checkbox"/> Four additional fresh water fish nurseries established	<input type="checkbox"/> Draft decree on forest resource management reviewed by the Council of Ministers (CoM) <input type="checkbox"/> Forty community nurseries with at least 30,000 seedlings established	<input type="checkbox"/> 200 extension workers including forest guards and environmental offices trained in sustainable land management (min. 15 women involved) <input type="checkbox"/> National Adaptation Plan of Action for Climate Change submitted to Council of Ministers	MAF - <ul style="list-style-type: none"> • Forestry Department/ Sustainable Land Management • Fisheries Department MED - <ul style="list-style-type: none"> • National Directorate of International Environment Affairs (NDIEA) NAPA UNDP

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)	
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010		
NATIONAL PRIORITY #3: HUMAN RESOURCES DEVELOPMENT							
Institutional strengthening of quality education and training for all	Escola Basica governance/ management and better qualified teachers	<input type="checkbox"/> Ministerial instructions on sex-disaggregated data collection and gender balance in new recruitment/training <input type="checkbox"/> Decree Law on Escola Basica School Management drafted and presented to the Council of Ministers (CoM)		<input type="checkbox"/> Relevant certificate courses for teachers developed, compatible with National Qualifications Framework and Bachillerato	<input type="checkbox"/> Escola Basica governance and management introduced in 30 basic education school clusters <input type="checkbox"/> At least 5,000 teachers (min. 40% women) receive credits towards NQF qualifications	MOE SEFOPE - INDIMO UNICEF Portugal Brazil NRC WB AusAID	
	Establish the National Qualifications Framework (NQF) and accredit training		<input type="checkbox"/> Decree Law on establishing the NQF drafted and presented to CoM	<input type="checkbox"/> 15 vocational training providers registered against approved quality standards	<input type="checkbox"/> At least 8 national qualifications on the NQF registered		MOE SEFOPE INDMO ILO
	Improve the capacity of sports organizations and enhance teachers' ability to provide sports and physical education	<input type="checkbox"/> Capacity building needs of sports organizations and teachers of sport and physical education assessed	<input type="checkbox"/> Training modules compatible with NQF delivered to 20 teachers in 4 districts		<input type="checkbox"/> 22 sports organizations and 20 sports federations trained in referee skills and organizational management		SEJD UNICEF

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #3: HUMAN RESOURCES DEVELOPMENT (CONTINUATION)						
Increase participation in education, training and initiatives that contribute to community development	Increase student enrolment and retention towards fulfillment of the Millennium Development Goals (by 2020)	<input type="checkbox"/> 20% more male and female students enrolled in Grade 1 <input type="checkbox"/> Government procurement resumed and resources for its School Feeding Program delivered	<input type="checkbox"/> Continued roll-out of FTI fast-track program including Escola Foun component	<input type="checkbox"/> 85% of the population in Oecusse has basic literacy	<input type="checkbox"/> 10% more male and female students progress in 1 st cycle, and 10% fewer drop out <input type="checkbox"/> School Feeding Program expanded to all Junior Secondary Schools (Grades 7 -9)	MOE UNICEF WB AusAID NZAID USAid WFP Cuba
	Young women and men successfully complete labour market orientated vocational training with employment outcomes		<input type="checkbox"/> 1,000 trainees (50% women) enrolled in skills training courses supported by SEFOPE and its implementing partners <input type="checkbox"/> Achieve 40% employment outcomes for 2009 graduates of skills training		<input type="checkbox"/> Additional 1,000 trainees (50% women) enrolled in skills training courses supported by SEFOPE and its implementing partners <input type="checkbox"/> 2,000 young women and men participating in labour intensive programs have literacy and numeracy training	SEFOPE ILO USAid Portugal
	Boost youth participation and creativeness and build civic and arts culture		<input type="checkbox"/> Candidates for Youth Parliament (YP) selected from each Suco, and training initiated with equal participation of men and women	<input type="checkbox"/> 13 Youth Centres supported by SSYS public transfer fund and first six centres assessed	<input type="checkbox"/> Youth Art Week and youth exchange programmes implemented	SEJD UNICEF

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #4: ACCESS TO JUSTICE						
Institutional Development	Consolidate the judiciary system/ institutions and increase availability of services and staff in districts	<input type="checkbox"/> Draft Plan of Implementation of <i>Câmara de Contas</i> commenced <input type="checkbox"/> Organic Statute of the OPG submitted to the CoM (amended) <input type="checkbox"/> Justice Sector Strategic Plan approved by the CoC members and the Council of Ministers (CoM) <input type="checkbox"/> Approach to development of Case Management System covering all justice sector institutions (Courts, OPG, OPD, Prisons and PNTL) approved by the CoC members <input type="checkbox"/> Inter-ministerial Committee for the development of Judicial Police, criminal investigation and forensic services established	<input type="checkbox"/> Organic Law on the Courts drafted and submitted to CoM <input type="checkbox"/> Establishment of the Planning Secretariat as required by the Justice Sector Strategic Plan <input type="checkbox"/> Plan developed for provision through the Office of the Public Defender of Legal Aid to citizens in all districts <input type="checkbox"/> Designation of the members of the Superior Council of the Public Defender's Office	<input type="checkbox"/> Implementation of capacity development plan on Criminal Investigation and Forensic Services (Inter-ministerial Committee) commenced <input type="checkbox"/> First Access to Justice Dialogue Forum held (Justice Sector Strategic Plan) <input type="checkbox"/> Construction of the Dili District Office for the Prosecution Service Initiated <input type="checkbox"/> Inspectorate of the OPD established and functioning <input type="checkbox"/> Legal Aid Law drafted and submitted to CoM	<input type="checkbox"/> Case Management System (full deployment in OPG, plan of implementation for Courts, OPD, Prisons and PNTL) <input type="checkbox"/> Customary Law drafted and submitted to the Council of Ministers (CoM)	MoJ Courts OPG OPD PNTL Australia Japan/JIC A New Zealand Portugal UNICEF Brazil UNDP US/Asia Found.

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONS. ENTITY (Gov & DP)
		ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	
NATIONAL PRIORITY #4: ACCESS TO JUSTICE (CONTINUATION)						
Institutional Development (continuation)	Improve capacity of Human Resources	<input type="checkbox"/> First Course for Private Lawyers initiated <input type="checkbox"/> Recruitment of court clerks & administrative staff initiated (implementation of Courts Clerks Statute)	<input type="checkbox"/> 1 st Integrated courses for clerks of courts, OPG and OPD implemented <input type="checkbox"/> Courses for notaries implemented	<input type="checkbox"/> Recruitment carried out and organizational chart of the OPG Technical and Administrative Services of the OPG (corporate services) fully staffed <input type="checkbox"/> Training course for legal translators/ interpreters implemented <input type="checkbox"/> IV Course for Judges, Prosecutors and Public Defenders initiated	<input type="checkbox"/> International judges and auditors recruited (Appeal Court & Audit Court)	MoJ OPG LTC Australia Japan/JICA New Zealand Portugal UNICEF Brazil UNDP US/Asia Foundation
Promote private sector development	Regulate land ownership	<input type="checkbox"/> Land Law, Expropriation Law and Law establishing special financial fund for land and property submitted to the Council of Ministers (CoM)		<input type="checkbox"/> Budgetary provisions made for Special Financial Fund for Land and Property included in the RDTL Budget	<input type="checkbox"/> Cadastral Commission (in accordance with Land Law) implemented <input type="checkbox"/> Cadastral Survey completed in 3 sub-districts of Dili (Nain Feto, Cristo Rei e Dom Aleixo)	MoJ USAID
	Simplify citizen identification and business registration procedures	<input type="checkbox"/> Timorese ID Card Project launched in all districts (DMIS system)	<input type="checkbox"/> Fast-tracked business registration procedures in place and needs assessment completed at MOJ		<input type="checkbox"/> Business registration legislative changed and further simplification in place, MOJ registration staff trained	MoJ-R&N MTCI IFC

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #4: ACCESS TO JUSTICE (CONTINUATION)						
Improve access to justice for women	Implement gender justice policy		<input type="checkbox"/> Action plan to increase number of women attending the Legal Training Center courses (Corrective actions)		<input type="checkbox"/> Gender justice policy, including "Safe House" regulations approved by the Minister of Justice and dissemination to all districts initiated	MoJ SEPI MSS LTC
GOALS	OBJECTIVES	ACHIEVED BY 31 MARCH 2010	ACHIEVED BY 30 JUNE 2010	ACHIEVED BY 30 SEPTEMBER 2010	ACHIEVED BY 31 DECEMBER 2010	RESP. ENTITY (Gov & DP)
NATIONAL PRIORITY #5: SOCIAL SERVICES AND LOCALIZED SERVICES DELIVERY						
Strengthen social protection and disaster response mechanisms	Increased access for eligible beneficiaries to social assistance programs (<i>Vulnerable groups such as widows, single mothers, elderly, children, orphans and persons with disabilities</i>)		<input type="checkbox"/> Council of Ministers (CoM) approves Decree Law for the implementation of the <i>Bolsa da Mãe</i> program <input type="checkbox"/> Establish the Social Cohesion and Peacebuilding Department within DNAS through the recruitment of staff and development of work plans	<input type="checkbox"/> Consolidate child protection systems (<i>All districts use referral systems for cases of children at risk</i>) <input type="checkbox"/> National Policy for People with Disabilities approved by Council of Ministers (CoM) <input type="checkbox"/> Strengthen the payment process for support subsidies to the elderly and chronically disabled	<input type="checkbox"/> Host the Inter-City Special Olympics <input type="checkbox"/> Database system of <i>Bolsa da Mãe</i> program improved	MSS UNICEF UNDP, UNFPA, Portugal Special Olympics Committee , IOM, World Bank AUSAID

	The development of a contributory system of social security	<input type="checkbox"/> The Council of Ministers (CoM) approves the establishment of an Inter-Ministerial Commission on Social Security in Timor-Leste including a Technical Working Group and Task Force			<input type="checkbox"/> Technical Working submit a report to Council of Ministers with the different alternatives to develop a contributory social security system	MSS, Portugal, Brazil, World Bank MSATM
	Strengthened disaster preparedness and response		<input type="checkbox"/> Council of Ministers (CoM) approves Decree Law to regulate assistance to communities affected by natural disasters <input type="checkbox"/> Gathering and analysis of data from victims of disaster finalized	<input type="checkbox"/> Data collection and research assessment on the risk of disasters in Timor-Leste commenced <input type="checkbox"/> DDMC structures strengthen to respond to natural disasters		MSS IOM, AUSAID, UNDP

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NATIONAL PRIORITY #5: SOCIAL SERVICES AND LOCALIZED SERVICES DELIVERY (CONTINUATION)						
Improve access to quality health services	Strengthened SISCa implementation		<input type="checkbox"/> 46% of SISCa posts functioning according to national standards (<i>baseline 34%</i>)		<input type="checkbox"/> 60% of SISCa posts functioning according to national standards with 25% of total health consultations through SISCa Post (<i>baseline 34%</i>)	MoH WB AusAID USAID UNICEF UNFPA

	Improved implementation of comprehensive packages of maternal and child health and nutrition programs	<input type="checkbox"/> 48% of deliveries attended by trained health staff (<i>baseline 47%</i>)	<input type="checkbox"/> 75% of children under 1 year immunized against measles (<i>baseline 72%</i>)	<input type="checkbox"/> 50% of deliveries attended by trained health staff (<i>baseline 47%</i>) <input type="checkbox"/> 60 sub-districts implementing Community Management of Acute Malnutrition (CMAM) (<i>baseline 36 sub-districts</i>)	<input type="checkbox"/> 80% of children under 1 year immunized against measles (<i>baseline 72%</i>) <input type="checkbox"/> Basic emergency obstetric care (BEOC) implemented in 18 community health centers (<i>baseline 4 CHC</i>)	MoH WHO WB AusAID UNICEF UNFPA USAID
Strengthened health management and support services	Strengthened management capacity of district health services (including community health services and hospital managers)		<input type="checkbox"/> Gender sensitive curriculum for health management and leadership training developed and approved		<input type="checkbox"/> 40% of District Health Service Managers trained on management and leadership	MoH WHO WB AusAID
	Improved national health information and M&E systems at the community level		<input type="checkbox"/> 60% of monthly statistics data submitted timely and completely from Community Health Centres and hospital including sex disaggregated data	<input type="checkbox"/> First 6-monthly Health Statistic Reports published	<input type="checkbox"/> Comprehensive monitoring and evaluation tools developed	MoH WHO WB AusAID USAID

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #6: GOOD GOVERNANCE						
Improve aid effectiveness and quality of statistical services to strengthen the macroeconomic framework	Official aid from Development Partners, harmonized and aligned to Government Priorities		<input type="checkbox"/> Implementation of Dili International Dialogue on State-building and Peace-building and TLDPM	<input type="checkbox"/> Aid Information Management system conceptualized and finalized	<input type="checkbox"/> Country Report on State-building and Peace-building submitted to OECD <input type="checkbox"/> Final draft Aid Policy submitted, approved by the CoM and then disseminated	MoF Australia Japan/JICA UNDP WB EC

	Social and economic and demographic conditions of the country (Census) are carried out –include HIES (Household Income Expenditure Survey), and TL Living Standard Survey		<input type="checkbox"/> District Census Committees established in preparation for Census including training, recruitment of interviewers; logistics and population awareness campaign	<input type="checkbox"/> Census operation completed in the field	<input type="checkbox"/> Analysis and dissemination of preliminary results (Census and HIES)	MoF UNFPA WB EC
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NATIONAL PRIORITY #6: GOOD GOVERNANCE (CONTINUATION)						
Improve Government accountability, transparency and integrity	Improved efficiency in the management of government funds and anti-corruption- strategies and activities	<input type="checkbox"/> Implementation of monthly execution reports by Expenditure Review Unit – report data generated from PB (Performance Budgeting Module)	<input type="checkbox"/> Implementation of procurement module on the FMIS completed <input type="checkbox"/> New Procurement Regime Law approved by CoM <input type="checkbox"/> Recruitment process for 20 Anti-Corruption Commission (CAC) Staff advertised	<input type="checkbox"/> 80% of the work to Establishment of Commission to oversee procurement processes completed. <input type="checkbox"/> 50% Reconciliation of payroll accounts complete <input type="checkbox"/> Implementation of contract management modules on the FMIS completed <input type="checkbox"/> Appointment of 20 CAC Staff finalized	<input type="checkbox"/> Establishment of debt management unit – with at least one local staff and one international adviser <input type="checkbox"/> Board of 1 extra autonomous agency established <input type="checkbox"/> To have an operational Corruption Investigations Unit fully Staffed and trained	MoF Civil Service Commission (CSC) UNDP ACC WB Australia USA UNMIT EC

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #6: GOOD GOVERNANCE (CONTINUATION)						
Improve Government accountability, transparency and integrity (cont.)	Improved civil service management and reform	<input type="checkbox"/> Civil Service Commission structure in place, secretariat, staff recruited and inducted, governance systems established, strategic plan & directorate annual work plan approved <input type="checkbox"/> First CSC Annual Report submitted to the National Parliament	<input type="checkbox"/> Review of laws, decree laws and other regulations relating to the employment of civil servants completed <input type="checkbox"/> Policy on management of temporary employees developed <input type="checkbox"/> Scholarship & Study leave policy and guidelines developed <input type="checkbox"/> HRM Manual format developed & progressive release of chapters commented	<input type="checkbox"/> Development of a framework for salaries, allowances and other conditions of service bringing consistency across the public sector <input type="checkbox"/> Development of Professional Development capacity building framework for the civil service and supporting implementation plan	<input type="checkbox"/> Disciplinary procedures finalized and implemented across all civil service agencies <input type="checkbox"/> Establishment of HRM Units in ministries/agencies <input type="checkbox"/> Report/recommendations on civil service pension scheme presented to government <input type="checkbox"/> PMIS in use across all government agencies with internet connection	CSC INAP/MSA MoF UNDP UNMIT Australia

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #6: GOOD GOVERNANCE (CONTINUATION)						
Promote Decentralization and Local Government Reforms Process	Implementing Decentralization policies and municipal elections <i>*Subject to Parliamentary approval</i>		<input type="checkbox"/> Remaining 2 local government laws and subsidiary legislation (Organic Law on Local Government Law and Municipal Elections Law) approved and promulgated by the President* <input type="checkbox"/> Capacity Development Strategy has been approved by MAET and implementation started		<input type="checkbox"/> Phase I on Municipal Elections implemented (October)*	CSC MSA /STAE MoF UNDP/UNC DF CNE UNMIT USA

GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #7: PUBLIC SAFETY & SECURITY						
Harmonious complementary roles for TL main security organs and institutions	Overarching F-FDTL and PNTL reform framework improved	<input type="checkbox"/> Package of Security Laws (NSL, ISL, NDL) approved by the National Parliament <input type="checkbox"/> National Security Policy (NSP) approved by the Council of Ministers (CoM) and sent to the National Parliament	<input type="checkbox"/> Civil Protection Law (Lei Protesaun Civil) approved by CoM	<input type="checkbox"/> National Security Policy (NSP) approved by the National Parliament and promulgated by the President of the Republic <input type="checkbox"/> Maritime Security Institutional Framework developed		Ministry of Defence and Security SoS Defense SoS Security F-FDTL PNTL
Sustainable F-FDTL defence management, professional staffing	F-FDTL legal-institutional framework development	<input type="checkbox"/> New F-FDTL Force Structure and Disposition of Forces approved by Minister of Defence <input type="checkbox"/> Military Program Law drafted	<input type="checkbox"/> Military Procurement Law drafted <input type="checkbox"/> Draft Framework for National Defence Policy <input type="checkbox"/> Revise the F-FDTL Organic Law	<input type="checkbox"/> Defence partnerships and networks with friendly nations and research institutes created	<input type="checkbox"/> Draft F-FDTL regulations for honors, decorations and medals	Ministry of Defence and Security Secretary of State for Defense F-FDTL Australia Portugal New Zealand USA Malaysia

	F-FDTL human resources training & capacity building		<input type="checkbox"/> F-FDTL military regimental discipline system institutionalized, integrating human rights protection and gender <input type="checkbox"/> F-FDTL Recruitment Strategy for 2011 planned, integrating best practices of gender perspective	<input type="checkbox"/> Capacity and governance for the leadership of the Superior Council for Defence strengthened <input type="checkbox"/> Capacity built for participating in joint training and military exercises (regional, international) <input type="checkbox"/> National Defence Institute (NDI) established and Organic Law drafted	<input type="checkbox"/> Build civilian capacity with training in 10 targeted areas <input type="checkbox"/> Build capacity in peacekeeping aimed at deploying one platoon with regional defense partner contingent (UN PKO in 2011)	
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GOALS	OBJECTIVES	QUARTERLY TARGETS				RESPONSIBLE ENTITY (Gov & DP)
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NATIONAL PRIORITY #7: PUBLIC SAFETY & SECURITY (CONTINUATION)						
Institutional Reform in Police and Security Directorates	Legal framework developed	<input type="checkbox"/> Restriction of visas on arrival presented to CoM	<input type="checkbox"/> Migration and Asylum Law approved by the Council of Ministers (CoM) <input type="checkbox"/> Personnel status of the Police prepared	<input type="checkbox"/> Rules of engagement drafted <input type="checkbox"/> PNTL Disciplinary Law revised and presented to CoM	<input type="checkbox"/> Migration and Asylum Law approved by the National Parliament and promulgated by the President of the Republic <input type="checkbox"/> Organization Norms and Procedures for PNTL, incl. police attributes	Ministry of Security and Defense PNTL SoS for Security Australia New Zealand UNMIT/UNPOL Portugal U.S.
	Human resources capacity building	<input type="checkbox"/> Training on conflict prevention for DNPCC Focal Points delivered (3 Regions: Baucau, Maliana, Oecusse) <input type="checkbox"/> Training on PNTL investigation and maritime navigation	<input type="checkbox"/> Leadership training provided for PNTL (continuation) <input type="checkbox"/> Completion of promotions	<input type="checkbox"/> Completion of certification of PNTL Officers	<input type="checkbox"/> Completion of PNTL resumption of executive policing responsibilities from UNPOL <input type="checkbox"/> Training for PNTL new recruitment <input type="checkbox"/> Multifunction border post building project completed (Batugade, Salele, Sakato)	