



2020-21 TIMOR-LESTE DEVELOPMENT PROGRAM PROGRESS REPORT

The *2020-21 Timor-Leste Development Program Progress Report* summarises progress for the reporting period 1 July 2020 to 30 June 2021 of implementation of the Australia – Timor-Leste COVID-19 Response Plan and program highlights.

Our development program to Timor-Leste contributes towards achieving the following Sustainable Development Goals.

| Program Budget | 2020-21 Budget Estimate \$m* |
|--|------------------------------|
| Bilateral | 73.0 |
| Regional | 19.8 |
| Global | 10.9 |
| Other Government Departments | 1.4 |
| Total | 105.2 |
| Temporary, Targeted and Supplementary Measures (TTS) | 30.8 |
| Total ODA | 136.0 |

*Actual expenditure is expected to be available in December 2021/ January 2022.



CONTEXT

Timor-Leste successfully managed COVID-19 throughout 2020 (44 cases and zero deaths as of 1 January 2021), using quarantine for international arrivals, and isolation facilities for positive cases to prevent community transmission. However, an outbreak in March 2021 from across the Indonesian border led to an increase in cases. This was accelerated by devastating floods in early April, especially in Dili. With the implementation of a series of public health measures by the Timor-Leste Government, including strong progress on the national vaccination rollout, the number of new cases dropped significantly by the end of June. As of 30 June 2021, Timor-Leste was managing 839 active cases, and had recorded 9,222 cases across all municipalities and 24 COVID-19 related deaths. From early August 2021, Timor-Leste suffered a second wave of COVID-19, with the Delta variant driving large increases in severely ill cases. Successful vaccination campaigns and continuing public health measures resulted in a sharp decline in the number of new cases in September and October 2021.

An estimated **33,000 families were affected by the floods on 4 April 2021**, with the majority (80–90 per cent) in Dili. By the end of June, approximately 700 people remained in evacuation centres across Dili (down from around 15,000 at the peak); the death toll from the floods was 32, and nine people remained missing. The Timor-Leste Government estimated the cost of **damage at over USD300 million (AUD412 million)**. The floods damaged essential infrastructure and left an estimated 70,000 people in Dili without water or with limited access to potable water sources.

Communities across Timor-Leste were significantly impacted by the socio-economic costs of COVID-19 and the floods. DFAT-funded surveys undertaken by the Asia Foundation, Oxfam, and other non-governments organisations (NGOs) in 2020 found that **more than half of all households (57 per cent) were surviving without any form of income, compared to 19 per cent pre-COVID-19**. Results indicated that the informal economy, which employs two-thirds of workers nationally, had been hit hard. About 80 per cent of businesses in the sector – including kiosks, market stalls and transport operators – lost two thirds of their income because of early lockdowns. The Asian Development Bank (ADB) estimates the economy contracted by 8.5 per cent in 2020 and forecasts growth of 2.2 per cent in 2021 (September 2021). While the value of the Petroleum Fund reached a record USD19.5 billion (AUD26.8 billion) at the end of June 2021, the outlook for revenue in the longer-term remains uncertain.

AUSTRALIA'S RESPONSE AND PROGRAM HIGHLIGHTS

Australia is Timor-Leste's largest development partner, providing over 30 per cent of Timor-Leste's total Official Development Assistance (ODA). Australia continued to support Timor-Leste's response to the COVID-19 pandemic, including supporting the delivery of a comprehensive vaccination campaign. Australia was also primary provider of humanitarian and recovery support following the floods in April 2021. Despite a difficult operating environment, all investments adapted their activities to suit the COVID-19 context, while still making progress towards expected outcomes.

Health Security

Australian-funded programs made good progress in 2020-21 in strengthening Timor-Leste's health sector to deliver essential services as Timor-Leste adapts to the local and global impacts of COVID-19. Australia worked in partnership with the Ministry of Health to strengthen the quality, accessibility, and inclusiveness of the primary health care system, while maintaining support for the country's COVID-19 response.

In the reporting period, Australia supported the establishment of in-country COVID-19 testing at Timor-Leste's National Health Laboratory (NHL) through the Menzies School of Health Research. This supported the expansion of testing to regional laboratories. The NHL now has improved infrastructure, high-quality biomedical testing equipment, and staff who have the capacity to conduct sustained high levels of quality-assured COVID-19 tests. The improved testing capacity at the NHL and municipal laboratories has enabled Timor-Leste to conduct more than 2,000 tests daily. In May 2021, at the peak of the outbreak, the NHL conducted 30,709 tests.

The Timor-Leste Government prioritised vaccinations as part of its public health response to COVID-19. **As of 30 June 2021, 209,587 people (over 25 per cent of the adult population) had received their first vaccine**, and 25,988 people were fully vaccinated. Australia has committed \$24.3 million over three years (2020-23) for COVID-19 vaccine access in Timor-Leste, including delivery support and vaccine procurement, drawing on Australia's **Regional COVID-19 Vaccine Access and Health Security Initiative (VAHSI)**. **Through VAHSI, Australia has committed to supporting Timor-Leste achieve comprehensive vaccine coverage.** As at 30 June 2021, Australia had shared 135,000 AstraZeneca vaccine doses and associated consumables from Australian supplies with Timor-Leste. This is in addition to Australia's support for the COVID-19 Vaccines Global Access (COVAX) Advance Market Commitment totalling \$130 million. As of 30 June 2021, this global mechanism had delivered 124,800 COVID-19 vaccine doses to Timor-Leste.

Australia's support for Timor-Leste's government-run isolation facilities in 2020-21 was critical in supporting efforts to stave off community transmission, allowing the vaccine rollout to commence before the first wave of cases, and significantly reducing the severity of the outbreak. An Australian Medical Assistance Team deployed was central to Timor-Leste's efforts to prepare its critical care systems and resources to manage future outbreaks.


With Australia's support, the Timor-Leste Government's central medical store (SAMÉS) developed the policy and procurement systems to source essential medical supplies quickly and at internationally competitive prices. Australian assistance ensured that when supply chains were disrupted, SAMÉS was well placed to manage the procurement and donations of medicines, personal protective equipment (PPE) and supplies for COVID-19 testing and treatment.

In 2020-21, despite the challenges posed by the floods (including damage to health infrastructure) and the COVID-19 pandemic, **Australia supported Marie Stopes Timor-Leste to provide 13,797 essential health services** to clients, including supplying 11,714 people with a long-acting reversible contraception method, as well as contraceptive follow-on care, sexually transmitted infection treatment and antenatal care to women across Timor-Leste.

Stability

Building on our long-running partnerships, Australia improved coordination and logistics for the COVID-19 response and fostered more effective and gender-responsive security institutions. In the reporting period, **Australia's support for Timor-Leste's social protection programs** has assisted over one million people during this period of heightened vulnerability.

In the wake of the floods in April 2021, Australia worked with the Timor-Leste Government to provide food, water, and other essential items to people in evacuation centres (accommodating around 15,000 people at their peak) and supported affected communities across Timor-Leste. Australia provided more than **96 tonnes of emergency relief and**



COVID-19 response supplies, including temporary shelter, critical household items, and PPE. Australia also provided financial support to assist with relief efforts and to the World Food Programme to address food supply shortages. As a result of the flooding, over 45 per cent of the population of Dili had no access to clean water. By June 2021, Australia had installed 111 water tanks in evacuation centres and communities across Dili and facilitated the delivery of around 23 million litres of potable water. **At the peak of the response, Australia trucked around 400,000 litres of water to communities daily.** Australia also worked with the national water utility (Be'e Timor-Leste) on emergency and long-term repairs to Dili's water system, that connects Dili to mountain reservoirs.

Australia worked with the Timor-Leste National Police (PNTL) to deliver policing services – critical to maintaining security and community protection – in response to the twin crises of COVID-19 and the floods. In the reporting period, Australia provided essential PPE, other equipment and logistics support across key police and border posts and supported the establishment of new PNTL posts on the Indonesian border. Strong border controls contributed to Timor-Leste's ability to avoid community transmission throughout 2020.

Australia provided the Ministry of Social Solidarity and Inclusion (MSSI) with technical assistance, including advice, logistics and information systems, **to support its delivery of emergency cash payments** (totalling USD60 million or approximately AUD83 million) **to an estimated 95 per cent of all households**, benefitting more than one million people. Research by the Asia Foundation found these payments helped over 310,000 households meet their basic needs – primarily on food – and helped reduce household stress related to COVID-19 restrictions.

Australia worked with MSSI and local NGOs to ensure women and children survivors of violence continued to have access to safe and high-quality services. Shelters in Dili, Baucau, Oecusse and Suai were able to remain open and receive new clients by providing modified quarantine procedures prior to referral for longer-term accommodation and support. Australia worked with MSSI to draft COVID-19 protocols for shelters and crisis centres to reduce risk of COVID-19 transmission. Australia provided critical support to more vulnerable groups in flood evacuation centres, distributing hygiene products, solar lights and psychosocial support.

Economic recovery

Australia's support for economic recovery generated local jobs in communities across Timor-Leste. Our investments in quality infrastructure and connectivity helped connect people in rural areas to services and economic opportunities.

In July 2020, Australia provided \$7 million in direct budget support to cushion the socio-economic impacts of COVID-19. This funded **161 community infrastructure projects and more than 7,500 days of paid work.** In June 2021, building on this success, Australia committed \$20 million in direct budget support through the **COVID-19 Response Package for the Pacific and Timor-Leste.** Of this, \$13.5 million will fund more than half of all Timor-Leste's villages (244 of 452 villages) to build small-scale infrastructure projects. Six and a half million dollars will fund the New Generation Bolsa da Mãe ('Mother's Purse') program, which will provide direct cash payments for pregnant women, children aged 0-6 years old and children with disabilities.

To mitigate the impact of COVID-19 on the economy, Australian-funded economic advisers embedded in the Timor-Leste Government provided policy and technical advice on the development of a stimulus package – the Economic Recovery Plan (ERP). Advisers provided economic advice and technical and administrative support to the Economic Recovery Committee throughout the process of consultation, drafting and approval of the ERP. As a result, the ERP priorities are reflected in the 2021 State Budget, with an estimated total allocation of USD123 million.

In July 2020, Australia worked in partnership with the Ministry for Agriculture and Fisheries to launch a campaign to raise awareness about African Swine Fever. Over 91,000 farmers engaged with the campaign, and nearly all farmers who corralled pigs in pens following the campaign reported a reduction in pig deaths, saving on average two pigs per household. The campaign benefitted over 44,000 farming adults and a surge in piglet production is expected.

Australia supported the Timor-Leste Government to recruit, prepare and mobilise **two cohorts of seasonal workers.** These workers joined existing Timorese workers (over 850 as at June 2021) who remained in Australia throughout COVID-19 providing essential labour to Australian farms and sending home valuable remittances to their families. The Australia Pacific Training Coalition was established in Timor-Leste on 1 July 2021 to support skills development and training for workers preparing for deployment in Australia as well as those seeking employment in Timor-Leste.

ANNEX 1: PROGRESS AGAINST COVID-19 RESPONSE PLAN RESULTS INDICATORS

Health Security

| Key Results Indicators | Progress/Result |
|--|---|
| Examples of technical assistance strengthening the Timor-Leste Government's response to COVID-19 and other health security threats | Supported the national health laboratory with high-quality biomedical testing equipment and technical capability to conduct sustained high levels of quality-assured COVID-19 tests. Timor-Leste can now administer more than 2,000 tests daily. Supported the deployment of a public health specialist to the Ministry of Health to plan and implement the COVID-19 vaccine deployment. |
| Examples of strengthened health systems, including preparedness for health emergencies | Supported an adviser to work with the central medical store to improve procurement, budget and policy processes. This enabled an increase in availability of the 100 most important items, from less than 60 per cent in 2017 to 99 per cent in the reporting period. |
| Number of health professionals (M/F) trained, including in COVID-19 response | Supported the training of 506 health professionals (346 women and 160 men). |
| Number of client service visits for sexual and reproductive health and family planning (target 15,900) | Supported 27,216 client service visits for sexual and reproductive health services (493 men and 26,723 women). This target was exceeded with support from additional temporary and targeted COVID-19 funding. |
| Contraceptive protection from unplanned pregnancies made available through Australian support* | Support for sexual and reproductive health services (see above) resulted in 52,549 Couple Years Protection ¹ . |
| Number of additional households accessing basic water and sanitation (target 10,000) | Supported an additional 17,531 households to access basic water and sanitation. Following the floods in April 2021, supported the installation of 111 water tanks in evacuation centres and delivered around 23 million litres of potable water. At the peak of the flood response, supported the daily supply of around 400,000 litres of water to communities. |
| Number of service delivery units (e.g. schools, health clinics) with improved water and sanitation | Supported one school with improved water and sanitation. |
| Examples of greater inclusion of nutrition in policies and programs | Supported the Ministry of Agriculture and Fisheries (MAF) to reinforce nutrition-sensitive agriculture (NSA) approaches in policy and programming. MAF now leads NSA curriculum delivery to agriculture extension workers and has funded its expansion to other municipalities. MAF also supported the ministries of health and education to tailor the NSA curriculum for other sectors. |

¹ Couple Years Protection is the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period.

Stability

| Key Results Indicators | Progress/Result |
|---|--|
| Number of people (M/F and people with a disability) reached with new or improved social protection programs | Supported 1,061,348 people with household payments. Sex disaggregated data is not available. |
| Number of services provided to women and children experiencing violence (target 8,700) | Supported 9,132 women and children victims of gender-based violence to access support services. |
| Number of women and girl survivors of violence receiving services such as counselling* | Supported 1,743 women and girl survivors of violence to received services such as counselling. |
| Number of people reached by activities to prevent violence against women and children (target 1,100) | Supported 1,895 people (1,046 women and 849 men) with activities to prevent violence against women and children. |
| Examples of policy and technical advice on building capacity for food security | In partnership with the Ministry of Agriculture, supported a successful campaign to raise awareness with 44,000 farming adults on African Swine Fever. The campaign changed farmers' behaviour and reduced pig deaths. |
| Number of people (M/F) trained in improved agricultural practices (target 3,300) | Supported the training of 2,501 people (1,547 men and 954 women on improved agricultural practices. Public health measures implemented by the Timor-Leste government to reduce the spread of COVID-19 impacted the delivery of agriculture-related training. |
| Number of security and border officials (M/F) reached and trained in coordination, preparedness and response | Supported training for 224 security and border officials (143 men and 81 women) on coordination, preparedness and response. |
| Number of people (M/F) involved in community-based decision-making in local infrastructure (target 7,600) | Supported 17,002 people (11,343 men and 5,659 women) to be more involved in community-based decision-making. This included 124 people living with a disability. |
| Examples of strengthened governance systems (including in emergency preparedness and response) | Supported the inclusion of the Economic Recovery Plan (ERP) priorities in the 2021 General State Budget. This resulted in an estimated total allocation of USD123 million (AUD169 million for ERP activities). Included ensuring ERP measures were costed and included in the 2021 budget to safeguard implementation. |
| Number of vulnerable women, men, girls and boys provided with emergency assistance in conflict and crisis situations* | Following April 2021 floods, supported 86,997 people with emergency assistance. Sex disaggregated data is not available. |

Economic Recovery

| Key Results Indicators | Progress/Result |
|---|--|
| Examples of policy and technical advice on stimulus measures and longer-term economic recovery | Supported the development of the ERP through technical expertise and administrative support. The ERP was approved by the Council of Ministers (Cabinet) and began implementation in November 2020. |
| Number of households benefitting from improved local infrastructure (target 85,000) | Supported 92,364 households with improved local infrastructure. |
| Number and total value (\$) of national infrastructure projects agreed with government | Supported a decision to commence one national infrastructure project: the submarine fibre optic cable link with Australia (estimated total value of \$60 million). Also supported preparation of the front-end engineering design for this project with funding from the Australian Infrastructure Financing Facility for the Pacific. |
| Number of workers (M/F) accessing labour mobility opportunities in Australia (target 240) | Supported 172 workers (119 men and 53 women) to access labour mobility opportunities. This was despite the impact of COVID-19 restrictions on international travel. |
| Number of students (M/F) reached with improved teaching practices (target 72,000) | Supported improvement in teaching and learning for 69,379 students (36,357 boys and 33,022 girls) through improved teaching practices. Public health measures implemented by the Timor-Leste government to reduce the spread of COVID-19 impacted the delivery of teacher training. |
| Number of entrepreneurs (M/F) provided with financial and/or business development services (target 400) | Supported 465 entrepreneurs (257 men and 208 women) with business development services, predominantly in the coffee industry. |
| Number of people (M/F) assisted to gain recognised post-secondary qualifications | Supported 135 people (98 women and 37 men, including two people with disabilities) to gain recognised post-secondary qualifications. |
| Value of additional market transactions (target USD1.4 million) | Supported market transactions valued at USD1,962,304 (AUD2,696,747). This included assisting farmers to market and sell their coffee produce during lockdowns. |

*This indicator is additional to the Timor-Leste COVID-19 Response Plan results indicators.

ANNEX 2: INVESTMENT PERFORMANCE RATINGS

| Investment Details | Year | Effectiveness | Efficiency | Gender |
|---|------|---------------|------------|--------|
| Roads for Development Investment duration: 2011-22; Budget: \$65.2m | 2021 | 4 | 4 | 4 |
| | 2020 | 4 | 4 | 4 |
| Partnership for municipal strengthening and village development Investment duration: 2012-21; Budget: \$70.9m | 2021 | 6 | 6 | 5 |
| | 2020 | 5 | 5 | 4 |
| Ending Violence Against Women Investment duration: 2012-22; Budget: \$38.5m | 2021 | 5 | 5 | 6 |
| | 2020 | 5 | 5 | 6 |
| Governance for Development Investment duration: 2013-22; Budget: \$81.3m | 2021 | 4 | 4 | 5 |
| | 2020 | 4 | 4 | 4 |
| Workforce Development Program Investment duration: 2014-22; Budget: \$25m | 2021 | 4 | 5 | 5 |
| | 2020 | 5 | 4 | 4 |
| Partnership for Human Development Investment duration: 2016-26; Budget: \$229.7m | 2021 | 5 | 5 | 4 |
| | 2020 | 4 | 4 | 4 |
| Market Development Facility Investment duration: 2013-22; Budget: \$16m | 2021 | 5 | 5 | 5 |
| | 2020 | 5 | 5 | 5 |
| Farming for Prosperity Investment duration: 2015-22; Budget: \$34.1m | 2021 | 4 | 4 | 5 |
| | 2020 | 4 | 4 | 5 |
| Timor-Leste Police Development Program Investment duration: 2018-22; Budget: \$22m | 2021 | 4 | 4 | 4 |
| | 2020 | 3 | 3 | 4 |

FINAL INVESTMENT PERFORMANCE RATINGS

| Investment Details | Year | Effectiveness | Efficiency | Gender |
|--|-----------|---------------|------------|--------|
| Monitoring and Evaluation House Investment duration: 2016-21; Budget: \$7.7m | 2021 FIMR | 4 | 3 | 4 |
| | 2020 IMR | 3 | 3 | 4 |

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas.

5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas.

1 = Very poor; does not satisfy criteria in many major area.