



Evaluation Summary



International
Labour
Office

Evaluation Unit

Enhancing Rural Access Project, Timor-Leste Independent Mid-Term Evaluation

Quick Facts

Country: TIMOR-LESTE

Mid-Term: November 2013

Mode of Evaluation: Independent

Administratively backstopping: ILO Country Office for Indonesia and Timor-Leste (Co-Jakarta)

Technical Backstopping Office: Employment Intensive Investment Programme (EIIP)

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Project End: 31 August 2015

Project Code: TIM/11/01/EEC

Donor & Project Budget: EC, USD 13,289,792

Keywords: Rural development; rural infrastructure; rural employment; labour-based technology; road construction; training

Background & Context

The ILO implemented ERA project is part of the EU funded 4th Rural Development Programme (RDP IV). The RDP IV has the overall objective to contribute towards the realisation of the Government's vision for rural development, as described in the Strategic Framework for Rural development. The project is implemented in the Western part of the country including the districts of Aileu, Ainaro, Bobonaro, Covalima, Ermera and Liquica.

The Overall Objective of the ERA project is: "Income generating opportunities and access to public infrastructure and services allows rural communities a basic quality of life and prospects for further improving livelihoods".

The Project Immediate Objective is: "The access of rural communities to services and to income opportunities is improved through the rehabilitation and maintenance of rural roads".

The overall objective of the independent evaluation is to analyse progress made towards achieving established outcomes, to identify lessons learnt so far and to propose recommendations for improved delivery of quality outputs and achievement of outcomes.

The evaluation assesses and makes recommendations on:

- The relevance and strategic fit of the immediate objectives and ERA contribution to the broader context.
- Progress made towards achieving the project immediate objective, results, and delivery of quality outputs.
- The impact (or initial impact) of the ERA projects.
- The likelihood of sustained impact and proposes recommendations.
- Internal and external factors that have contributed to the pace of project implementation.
- Lessons learnt on substantive and project management issues.
- The extent of government and social partners support and participation in the project.
- The implementation arrangements.

The primary clients of the evaluation are the ERA project management, Government, Project partners, ILO staff involved in the project (ILO Timor-Leste, Jakarta, ROAP, field technical specialists and ILO technical units at HQ) and the EU who all share responsibility for deciding on the follow-up to the findings and recommendations of the evaluation.

Methodology of evaluation

The evaluation has been carried out through a participatory approach by involving all key-partners engaged in the implementation of the ERA Project. The evaluation has evolved through a logic step-by-step method:

- a) Desk review of background and project specific documentation,
- b) Interviews and discussions with most relevant ILO staff and stakeholders,
- c) Site visits to all 8 on-going ERA project roads,
- d) Final presentation and discussion of achievements, challenges and future developments,
- e) Analysis of results and report drafting.

The evaluation team recognised the specific local context under which the ERA project operates and therefore appreciates limitations caused by:

- Post conflict period with immense development requirements,
- High demand for immediate infrastructure provision and thus a high demand for rapid training,
- An emerging local private construction sector that takes time and resources to develop,
- Limited / evolving institutional capacities with dependency on foreign expertise
- Generally low educational background of trainees (attending contractor training), and
- Serious constraint access to resources for contractors (finance, equipment and capable staff).

Main Findings & Conclusions

Relevance and strategic fit

- At the strategic level the Secretariat of State for Support and Promotion of the Private Sector (SEAPRI) considers the ERA project as the major capacity promoter for capacity development of small-scale construction contractors in TL.
- At the operational level for rural road rehabilitation the new Ministry of Public Works (MPW) is considered by ERA as the technical counterpart, and for training the Don Bosco and IADE training centres.
- ERA operates in an established and maintained network of roadwork and capacity development partners.
- All partners interviewed during the evaluation unanimously stated the importance of the ILO's contribution to the rural road and private construction sectors.
- The ERA project is an operational component of the national policy and strategy development framework, particularly with regard to the rural road sector and national skill development efforts.

Validity of Design

- The activities leading to the expected results are logically identified and realistic targets are established.
- The project design follows the correct cause and effect logic.
- The sequencing of the project activities is correct and coherent. The given timeframe of 4 years is sufficient to achieve the set physical output targets (km of roads rehabilitated). The indicators for the two training results are not particularly clear in terms of levels of competencies to be achieved.
- Risks, assumptions and mitigation measures are identified and progress/changes are regularly assessed and reported in the project. For the evaluators risks of concern are: i) road maintenance investments by the government, ii) contractors' access to finances and equipment, and iii) levels of competencies for sustainable contracting.
- The excellent M&E framework allows for systematic assessment of achievements and challenges.
- The project strategy is to work in a fully integrated (embedded) approach where the ILO ERA staff work alongside with their national counterparts in their respective institutions.

Project Progress and Effectiveness

Progress to achieving the immediate objective:

- To-date one road has been completed and is currently being maintained (Lihu- Samalete - 13.8 km). Long-term impacts with regard to access and income benefits will only be visible after some 5 to 10 years. However, the impact trend is already evident.
- The RDP IV programme comprises of three projects linked to the Project Purposes of which ERA is one. The overall objective is to contribute towards the realisation of the Government of Timor-Leste's (GoTL) vision for rural development. ERA directly contributes to this objective in the 6 districts of operation and indirectly by providing training to contractors who are or will be constructing rural roads in all other districts.
- As far as can be judged through this evaluation the ERA project contributes directly and positively to the DWCP of Timor-Leste.
- Collaboration with the TL Trade Union Confederation (KSTL) will be further strengthened.

Progress to achieving the Result 1- effective contract execution:

- There is a predominant appreciation of ERA's work quality and output by community leaders / authorities and community representatives!
- The overall physical output is slightly behind schedule (due to extended rains) but on track (73%/77km);
- A large number of trial contracts have been awarded and are well managed (35 contracts with a total contract sum \$3,923,883).
- Good quality rehabilitation work in difficult mountainous terrain, particularly drainage structures and gabion walls are of high quality.
- Maintenance on the completed Lihu – Samalete road (13.8km) is effectively implemented.
- Labour-based work methods are well applied. Approximately 220,000 worker-days of employment for 4,842 registered beneficiaries have been created since the start of works. This is below the original target, which was based on an assumed labour-cost component of 35%. Due to higher material and labour wages the labour-cost component should now be set at about 25% of the total construction costs.
- Innovative technical solutions are tested / developed.

Technical and managerial challenges:

- ERA roads are mountain roads with steep and extremely steep gradients and annual rainfall of up to 2500mm/year. A gravel surface is unsuitable for this type of roads (annual gravel loss is over 30mm/year). This results in an increased maintenance burden and is thus not sustainable.
- The current design for narrow mountain roads (carriageway 3.5m only) does not include regular and strategically placed passing bays.
- Generally there is a scarcity of appropriate compaction equipment for hire and emerging contractors do not yet have the financial base to procure own equipment.
- The contract specifications and BoQ are borrowed from conventional civil engineering contracts and are thus not particularly suitable for a LB work approach

and are also not user-friendly for small-scale contractors.

- A comprehensive and practical quality assurance system is not yet in place.

Progress to achieving Results 2 & 3 - contractors and supervisors competent in contracts management & labour-based rural road rehabilitation and maintenance

- The training courses for LB rehabilitation and maintenance with Don Bosco and for contract and business management for civil works contractors with IADE have been accredited with INDMO. The courses are fully integrated with the two training institutions. This is an outstanding achievement!
- A dedicated Training of Trainers programme is being implemented.
- Good quality technical and contract management training manuals have been developed.
- A total of 467 persons have been trained (130 Engineers, 255 Supervisors, 21 Public Works Supervisors, 11 ERA Training Engineers and 11 R4D Training Engineers) which gives a total 8,787 trainee-days. This only includes the formal classroom and practical training. On-the-job training during the trial contracts is provided in addition.
- In total 133 small-scale contractors have been trained consisting of Director, Site Agent and each 2 Site Supervisors. In addition 35 companies are practically trained during trial contracts.
- The training output is well ahead of the set targets!

Training challenges:

- The ERA training programme is demand driven (output driven) and thus must be considered as a reactive crash programme that creates a conflict between project output demands and adequate capacity development objectives.
- The relatively low educational background of trainees is a severe constraint for effective training and as such creates a discrepancy between available project inputs and time frame and the project objectives. As a consequence the training delivered by the project can only achieve a basic level of competence.

Cost increase versus physical output targets:

There has been a considerable cost increase since the beginning of the project due to higher labour and material costs. The original cost per km was estimated at USD 40,000 while the new estimates suggest a minimum of USD 60,000/km. The EU therefore approved the use of the contingency budgets of ERA and RDP IV of a total €1.6 million, which now allows the project to rehabilitate 140km (10km short of original target).

Number of worker-days:

The original worker-day target was based on the assumption of 35% labour-cost component of the total construction costs. Due to higher material prices and increased wage rates (from \$3 to \$5) the labour cost component is now at 25% which results in a total of about 430,000 instead of 780,000 worker-days.

Participation of female workers:

Approximately 46,000 workers days for 1,024 registered women (21.1%) have been generated since the start of works. The target is 30%, but could not yet be achieved

due to various reasons, e.g. more structural works where skilled labour is required, which traditionally is not available among women. The project is making extra efforts to attract more women for road works.

Contractors' performance:

Considering the limitations the contractors with extensive supervision and coaching from the ERA team manage their contract work well. Limitations are:

- Extended heavy rains,
- Business barriers to overcome, such as access to finances, equipment and qualified staff,
- Limited training scope (basic competency level).

Inclusion of gender considerations:

- The ERA project has gender considerations integrated into all project aspects and into the full project cycle.
- The project and its partners adequately manage gender mainstreaming.
- It is obvious from our observations that the project contributes towards gender equality acceptance among all concerned implementation partners.

Environmental safeguards:

The project has an excellent environmental safeguard guideline/checklist in use, which covers the entire project cycle leading from planning and designing to construction and maintenance.

Efficiency of resource use

- The strategic allocation of resources is well managed based on the prevailing needs. Necessary corrections have been made during project implementation (additional allocation for construction cost increase).
- The work standard on the road sites is generally good and the training is cost effective.
- Both direct implementation partners, Don Bosco and IADE, make full use of the project investments. All ERA courses have been accredited with INDMO and are now fully integrated standard training programmes.
- Funds have been timely disbursed, both in terms of transfers from the EU to the ILO and from the ILO towards project activities.

Effectiveness of management arrangements

- The project management ensures effective cooperation interfaces with all partners. The project is also efficient in terms of contract management, organising trainings and monitoring works on site.
- The means of verification for tracking progress, performance and achievement of indicator values are well defined and fully integrated into the M&E system. The half-yearly progress reports summarise the assessed results using the M&E performance plan and matrix.
- The Steering Committee meets regularly every six months. It facilitates cooperation among the partners, sanctions project decisions and recommendations and provides management guidance.
- Support provided by the various ILO offices is part of the established ILO structure and as such an important and indispensable management function. These back-up services have been much appreciated by the ILO project team.

- ERA has initiated a closer working relationship with the DRBFC of MPW and thus with the ILO implemented R4D project. ERA also cooperates closely with other actors in the roads and training sectors.

Impact orientation and sustainability

- The project has managed to provide those contractors who joined the training programme with basic but vital LB technical as well as contract and business management competencies. More could not have been expected with the limited resources and timeframe available for the ERA project. Further upgrading training is required.
- The rehabilitated roads are of good quality, which can be easily upgraded with a pavement and thus would be sustainable in the sense that they can be adequately and cost effectively maintained. With the prevailing terrain and climatic conditions gravel roads are basically not maintainable over a prolonged period of time and thus sustainable impacts cannot necessarily be expected unless the roads will be paved soon.
- Communities are involved throughout the project cycle. The awareness that the rehabilitated roads require maintenance is evident and as such communities are ready to contribute towards maintenance.
- The ERA exit strategy should not be considered as the end of the capacity building efforts, but to create a strong and sound basis for continued efforts.

Conclusions:

- a) The ERA project is achieving the set result targets and thus is likely to also achieving the immediate project objective and is a significant milestone in operationalizing the rural development policies and strategies of Timor-Leste.
- b) Socio-economic impacts are already evident.
- c) Collaboration and coordination with project partners and beneficiaries has been exceptionally good and fruitful. Collaboration with MPW (and R4D) needs to be further strengthened and activities synchronised / optimised,
- d) The integrated work approach leads to ownership and sustainable capacities in the partner institutions. Community consultation and involvement has been exemplary.
- e) The construction work carried out is of good quality and allows further upgrading of the gravel roads to paved standard. The cost increase is fully justifiable. The capacity to effectively maintain gravel rural roads by the local and central Governments is questionable.
- f) Although the training has been a demand driven 'crash-programme', a sound foundation for sustainable capacity building in the private construction sector has been created. Continued training inputs are essential. Practically a timeframe of 10 to 15 years has to be considered.
- g) The project has developed a good M&E system based on ILO guidelines for monitoring, reporting and evaluation and is fully compliant with the M&E requirements of the EC.
- h) The achievements and success of the project has realistic replication potential.

Recommendations & Lessons Learned

Main recommendations and follow-up

1. Define appropriate standards and designs for maintainable and sustainable rural roads in TL.
2. Develop standardised and appropriate contract documentation for use by small-scale contractors for labour-based rural road works.
3. Develop and introduce a total Quality Assurance System to ensure quality of roads through all project stages.
4. The current curricula are based on the national qualification framework for vocational training. To strengthen teaching and to optimise learning it is recommended to clearly identify and describe the learning objectives for each module.
5. As an intermediate means to improve performance of contractors it is recommended to carry out problem oriented refresher trainings.
6. To boost the private construction sector in TL the development of a cadre of professional site supervisors is a must. It is recommended to design and prepare a comprehensive Road Builder (site supervisor level) course, ready for take up by a follow-on project/programme to the ERA project.
7. ERA and R4D to work closely in an integrated approach to ensure complementarity and synchronisation.
8. Using the current ERA achievements as a starting platform a long-term follow-on capacity development programme is recommended to capitalise on these achievements and to provide significant and sustainable development support.

Lessons learned are listed in the full report.