



PEOPLE-CENTRED SUSTAINABLE DEVELOPMENT: LEAVING NO ONE BEHIND

**The Second Voluntary National Review of
SDG Implementation Progress, 2023
(Timor-Leste VNR-2)**





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Abbreviations

ADB	Asian Development Bank
ANAPMA	Agency of National Planning, Monitoring and Evaluation
ASEAN	Association of Southeast Asian Nations
CGIC	Integrated Crisis Management Centre
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CNAP-NFS	Consolidated National Action Plan for Nutrition and Food Security
COVAX	COVID-19 Vaccine Global Access
CSO	Civil society organization
DFAT	Department of Foreign Affairs and Trade
DHS	Demographic and Health Survey
EdTL	Electricity of Timor-Leste
EU	European Union
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
FAO	Food and Agriculture Organization
FONGTIL	NGO Forum of Timor-Leste
GBV	Gender-based violence
GDS	General Directorate of Statistics
GDP	Gross Domestic Product
GoTL	Government of Timor-Leste
ICT	Information and communication technologies
ILO	International Labour Organization
IPC	Integrated Food Security Phase Classification
INETL	National Institute of Statistics (previously GDS)
INFF	Integrated National Financing Framework
KOICA	Korea International Cooperation Agency
KONSSANTIL	The National Council on Food Security, Sovereignty and Nutrition
LDC	Least Developed Country
LGBTIQ	Lesbian, Gay, Bisexual, Trans, Intersex and Queer
LFS	Labour Force Survey
MAE	Ministry of Administration
MAF	Ministry of Agriculture and Fisheries
M&E	Monitoring and evaluation
MCAE	Coordination Ministry of Economic Affairs
MoF	Ministry of Finance
MoH	Ministry of Health
MEYS	Ministry of Education, Youth and Sports
MNEC	Ministry of Foreign Affairs and Cooperation
MSME	Micro, Small, and Medium-Sized Enterprise
MSSI	Ministry of Social Solidarity and Inclusion
MTCI	Ministry of Trade, Commerce and Industry
NEET	Not in employment, education, or training
NGO	Non-government organization
ODA	Official Development Assistance

PCR	Polymerase chain reaction
PFM	Public financial management
RAOEA	Special Administrative Region for Oecusse
SABEH	Saude ba Ema Hotu (Health for All programme)
SAII	Elderly and People with Disabilities pension
SDGs	Sustainable Development Goals
SDP	Strategic Development Plan (2011-2030)
SEIA	Socio-Economic Impact Assessment
SEFOPE	Secretary of State for Training and Employment
SUN	Scaling Up Nutrition
TLFNS	Timor-Leste Food and Nutrition Survey
TLSLS	Timor-Leste Survey of Living Standards
TVET	Technical and Vocational Education and Training
UN HLPF	United Nations High- Level Political Forum
UN RCO	United Nations Resident Coordinator's Office
UNDP	United Nations Development Programme
UNDRR	United Nations Office for Disaster Risk Reduction
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNSD	United Nations Statistics Division
UNTL	United Nations Timor-Leste
VNR	Voluntary National Review
VNR-1	The first Voluntary National Review of Timor-Leste, 2019
VNR-2	The second Voluntary National Review of Timor-Leste, 2023
WASH	Water, Sanitation, and Hygiene
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

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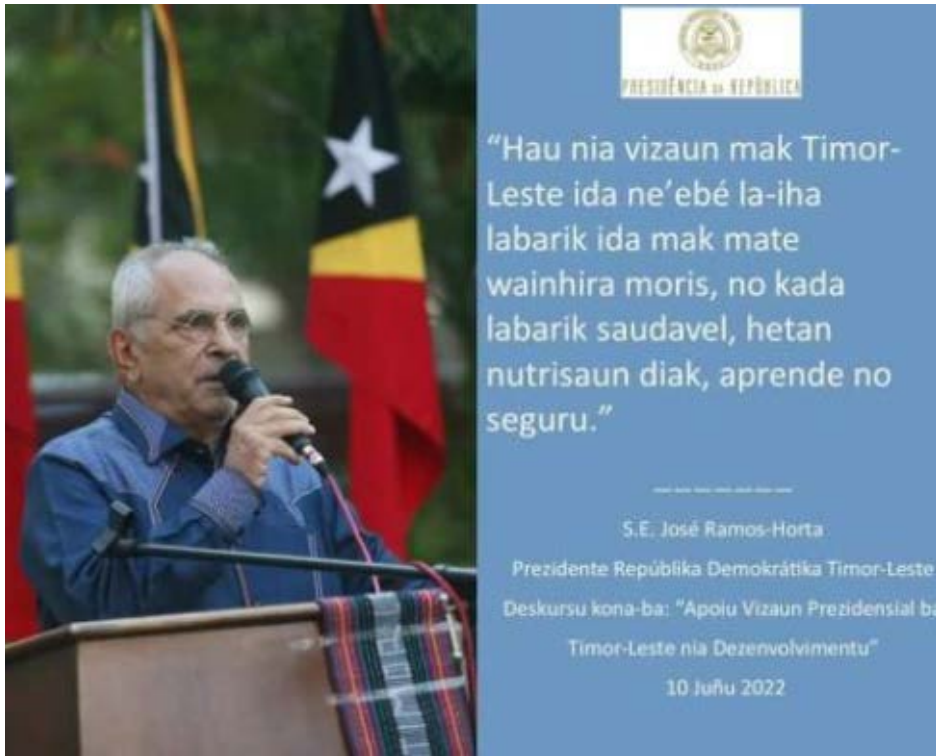
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MESSAGE FROM THE PRESIDENT OF THE REPUBLIC



“My vision is for Timor-Leste to have no child dying at birth. And for every child to be healthy, receive proper nutrition, learn, and be safe.”

- President J. Ramos-Horta

Our journey towards achieving the SDGs is driven by our unwavering commitment to eradicating poverty and ensuring the well-being of our children and mothers. We recognize that poverty disproportionately affects these vulnerable groups, and it is our duty to uplift their lives and provide them with the opportunities they deserve.

Education stands at the forefront of our efforts. We firmly believe that investing in the education of our children is investing in the future of our nation. We have taken significant steps to improve access to quality education, enhance school infrastructure, train teachers, and develop curricula that equip our children with the skills and knowledge needed to succeed in a rapidly changing world. However, challenges remain, and we must continue to prioritize education, ensuring that no child is left behind.

The well-being of our mothers and children is paramount to our sustainable development. We have worked diligently to improve access to health-care services, including prenatal care, immunization programmes, and nutrition support. Yet, we must intensify our efforts to reduce maternal and child mortality rates further. By prioritizing health alongside education, we are nurturing a brighter future for our nation, where individuals can thrive and contribute to sustainable development.

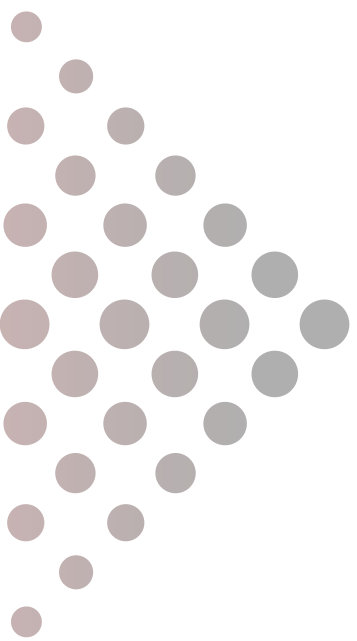
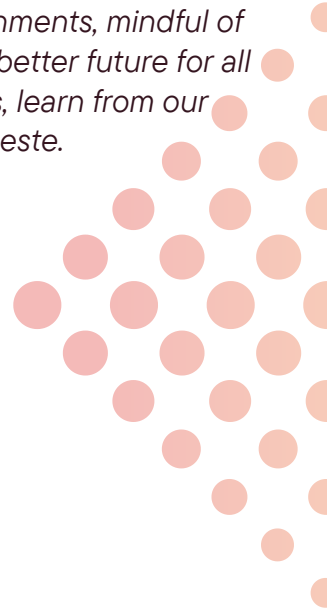
I hope that the Voluntary National Review report can be a reference for our young people – to learn about development trends, exchange information with their peers in other countries, and propose solutions. At times when countries grapple with a new generation of challenges – from energy transition to digital transformation – we count on our young people to be sources of ideas and drivers of change.

None of our achievements would have been possible without the assistance of our global partners. We extend our deepest gratitude to the international community for their support and collaboration. However, we recognize that sustainable development is a collective endeavour, and we must continue to leverage global partnerships to advance our progress. Given our leading role in the G7+, we are also ready to continue assisting the group and sharing our experience with member states and other platforms.

The importance of South-South cooperation and knowledge-sharing among developing nations cannot be overstated. Let us learn from one another's experiences, exchange best practices, and support each other in our collective pursuit of sustainable development. Together, we can create a world where no child goes hungry, where every mother receives quality health care, where all children are educated and where poverty becomes a thing of the past.

As we present our second Voluntary National Review, let us be proud of our accomplishments, mindful of our challenges, and united in our commitment to the SDGs. Together, we can create a better future for all Timorese, inclusive and resilient. Let us seize this opportunity to showcase our progress, learn from our experiences, and strengthen our resolve to build a sustainable and prosperous Timor-Leste.

*J. Ramos-Horta
President of the Democratic Republic of Timor-Leste*



OPENING STATEMENT FROM THE PRIME MINISTER

This second Voluntary National Review (VNR) report arrives at a pivotal moment in our nation's history. As we witness the youth, who were born after the Restoration of Independence in 2002, exercise their right to vote for the first time, it signifies a clear turning point in our political cycle, aligning with the recent Parliamentary elections held in May 2023. This milestone holds great significance, highlighting the progress we have made as a nation in establishing democratic processes and ensuring the active participation of our younger generations.



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Our first VNR, focusing on SDG 16 with its overarching theme of peace, institutions, and justice, served as a valuable foundation, setting the baseline for measuring our progress towards the SDGs. We acknowledge the usefulness of this initial review, which has provided insights that have guided our endeavours thus far. This report reaffirms unwavering commitment of Timor-Leste to the 2030 Sustainable Development Agenda. In the spirit of prioritizing sustainable development, the second VNR report underscores our focus on our people. With utmost honesty and transparency, we present both our achievements and the setbacks we face. Over the past four years, Timor-Leste, like many other countries, has encountered multiple shocks, including political impasses, the COVID-19 pandemic, and natural disasters, all of which have hindered our progress towards the SDGs.

Challenges persist. Stunting and malnutrition affect over half of our children under the age of five, while 22% of our population lives in acute food insecurity. Economic diversification has been impeded, particularly due to the impact of the pandemic. Additionally, one third of our youth are unemployed and disengaged from education and training, depriving us of the opportunity to harness the demographic dividend. While our economic recovery is ongoing, we have not yet reached pre-pandemic levels of growth, and we continue to grapple with global challenges such as volatile food and commodity prices, further exacerbating our situation.

Amidst these challenges, the eighth Constitutional Government has implemented flagship public policies and innovative programmes aimed at improving the lives of our citizens and addressing setbacks. Notable among them is the Bolsa de Mae-Jeresoun Foun social protection programme, which effectively reduces vulnerabilities among women and children, thereby positively impacting health and nutrition. We have also increased investments in food security and nutrition through initiatives such as the School Feeding Programme. These programmes not only enhance the nutritional well-being of our population but also stimulate local economies, improve learning outcomes for children, and address water and sanitation challenges in schools. The budget allocated to the School Feeding Programme has been nearly tripled between 2022 and 2023.

The Bosla Hakbiit scholarship programme provides educational opportunities for children from vulnerable backgrounds leveraging the Government's Human Capital Development Fund. Furthermore, we have made significant improvements in data availability and systems, successfully conducting the Census in 2022 despite delays caused by the COVID-19 pandemic and restructured the National Institute of Statistics alongside a new 10-year National Statistics Development Strategy.

Throughout the COVID-19 pandemic, we have taken decisive actions to protect the well-being of our people and businesses. Our Economic Recovery Plan has provided support to individuals and businesses affected by restrictions, demonstrating a multi-sectoral approach to mitigate risks while maintaining trust in our own people. Despite the multiple shocks faced, we have maintained social cohesion and peace, with the majority expressing trust and satisfaction in the Government's pandemic response.

As we emerge from these challenging times, we have learned valuable lessons that will guide our path forward. We recognize the importance of addressing institutional factors, enhancing the quality of public spending, improving public financial management, and maintaining transparency, accountability, and democracy. Our governance and institutional reforms emphasize the principle of "Leaving No One Behind," with the implementation of a gender marker system and the launch of the Integrated National Financing Framework. International partnerships and cooperation remain crucial as we progress in our accession to the WTO and ASEAN, presenting new opportunities for sustainable development.

Looking to the future, we prioritize investment in our people. We aim to improve the quality of spending, strengthen public financial management, and initiate strategic investments in economic diversification through the green and blue economy. By reducing our dependence on imports and accelerating the digital transformation in our institutions, we will build a climate-proof and climate-resilient future. Our plans also involve updating the Strategic Development Plan (2011-2030) to adapt to the ever-changing environment and emerging challenges.

I extend my deepest gratitude to the VNR Commission, whose dedicated efforts have been instrumental in developing this report. I also express my appreciation to the diverse range of stakeholders, including the private sector, civil society organizations, youth representatives, women's groups, people with disabilities, and the LGBTIQ community, for their active participation in the VNR consultations at national and local levels. Your contributions have enriched this report and reaffirmed our commitment to leaving no one behind.

I encourage all stakeholders to utilize this report and join us in our endeavours to accelerate the SDGs. Let us stand united in our commitment to build a sustainable and prosperous future for Timor-Leste, where the well-being of our people remains our utmost priority.

*Dili, 31 May 2023
Taur Matan Ruak
Prime Minister of Democratic Republic of Timor-Leste*

HIGHLIGHTS

The commitment of Timor-Leste to people-centred sustainable development is at the core of its pursuit of the Sustainable Development Goals (SDGs). The Second Voluntary National Review (VNR-2) highlights both successes and setbacks in implementation of the SDGs sectors, providing valuable insights and lessons for other nations.

The VNR-2 drew inspiration from lost postcards written by Timorese youth in 2002, envisioning a future with peace, democracy, quality education, secure employment, improved living conditions, and technological advancements. While the first VNR focused on SDG 16, the VNR-2 focuses on the well-being of the people, mainly covering SDGs 1-5, 8, 16, and 17.

However, the socioeconomic impact of multiple shocks in Timor-Leste has been detrimental for gains in development. Triple shocks from political impasse, pandemic effects, and natural disasters have slowed down progress in human development and hindered sustainable economic growth and diversification. Job losses and income reductions for households and businesses were high, schools and other social services were disrupted, and infrastructure damaged. These shocks have hit the country during the time when the main source of income for Timor-Leste, the Petroleum Fund, could be depleted by the end of the decade. As a result, a crucial trade-off has emerged between achieving fiscal consolidation and maintaining robust social protection, particularly during times of multiple shocks. On one hand, the necessity of fiscal consolidation and structural reforms to ensure long-term fiscal sustainability is apparent. This will necessitate an increase in domestic revenue beyond the contributions from the Petroleum Fund, as well as a rationalization of government expenditures in upcoming budgets. On the other hand, there is an immediate need to safeguard the citizens through comprehensive social programmes during these challenging times. The Government of Timor-Leste has prioritized the latter.

The Economic Recovery Plan was formulated to effectively manage this trade-off, guided by the principle of 'transforming better'. This approach underscores the government's commitment to both immediate social protections and long-term economic sustainability. The Economic Recovery Plan measures sought to ensure no one was left behind, contributing to Timor-Leste emerging from the pandemic crisis stronger, more cohesive, and more united. The 2.9% GDP growth rate in 2021 stands as a testament to the economic recovery.

Progress on the SDGs

In this context, the nation's progress in line with the SDGs presents a mixed picture. Out of the 17 SDGs, progress is observed in nine goals, with SDG 16: Peace, justice and strong institutions is showing the most robust advancement. SDG 1: Ending Poverty is another goal if the current progress is maintained, it is on track to be achieved by 2030. It is concerning that SDG 8: Decent Work and Economic Growth is regressing. In a more granular look at the 93 SDG targets that were assessed reveals 16% of these targets are on track; and progress needs to be expedited for 56% to meet the 2030 target while 28% of the targets assessed are regressing, moving away from the baseline.

Timor-Leste has made significant strides in its pursuit of the SDGs. Underpinning these advancements is the nation's political and societal stability, fostered by a robust democratic foundation and reinforced by a strong social contract between the government and its citizens. In the realm of health, education and social policies, remarkable progress is evident. Girls' education and women's political participation have been prioritized, contributing to a more equitable society. High-level units have been established to tackle pressing socioeconomic issues, reflecting a steadfast commitment to the 'Leave no one behind' principle.

The progress is measurable in several sectors. For instance, under the SDG 3, the number of births attended by skilled health personnel has increased. Concurrently, the child mortality rates have diminished, and Malaria has been effectively curtailed with no fatalities reported between 2015 and 2022. Additionally, the coverage of vaccination programs has widened. In terms of SDG 4, the completion rates across all education levels—primary, lower secondary, and upper secondary—have demonstrated improvements. Most notably, there has been a significant surge in adult female literacy rates, highlighting considerable steps forward in gender equality within the realm of education. For SDG 1, the coverage of children by cash benefits has escalated to 38.2% in 2020, up from 30.7% in 2016. Furthermore, all elderly individuals received a pension between 2020 and 2022. Relating to SDG 6, there has been a marked rise in universal and equitable access to safe and affordable drinking water. As of 2020, 85.5% of the population utilized safely managed water services, a significant leap from 75.25% in 2015. In alignment with SDG 8, the total unemployment rate has seen a considerable reduction, falling to 2.3% in 2021 from 4.1% in 2013. Nevertheless, unemployment rates remain high for specific demographics, including youth and individuals with disabilities, with rates of 8.3%, and 10.3% respectively.

It is evident that Timor-Leste adopted a holistic and cross-sectoral system for the protection of children, mothers, youth and the vulnerable, encompassing services related to health, education, housing, childcare and access to food. Consultations and expert interviews revealed that the most welcome and mentioned programmes were Bolsa de Mae – Jerasaun Foun; Merenda Escolar; Scale Up Nutrition initiative; Social Housing for the Vulnerable (UKL); Bosla Hakbiit. These programmes contributed to improving food security and nutrition, health, income, education, safety and wellbeing of the mothers, children, the elderly, and youth. They also improved interministerial coordination. The provision of free universal health care and basic education highlights Timor-Leste's commitment to human development, while the country's resilience in the face of the COVID-19 pandemic and natural disasters demonstrates its preparedness for future challenges.

Despite the progress made, Timor-Leste grapples with considerable challenges that hindering its progress towards sustainable development. Among the SDGs needing immediate attention are specific targets related to food and nutrition (SDG 2), poverty and social protection (SDG 1) and quality education (SDG 4), with early childhood education and enrollment rates in technical and vocational education demonstrating a downward trend. An inclusive economy with opportunities for decent work for all (SDG 8) seems least likely to be realized by 2030 if the present rate of progress persists.

Statistics reveal that an alarmingly high levels of food insecurity, malnutrition, and stunting persist, particularly among children and pregnant women. SDG Target 2.1, aiming to eradicate hunger and secure access to safe, nutritious, and sufficient food for all, remains a distant reality. The prevalence of undernourishment was 26.2% in 2020, and acute food insecurity affected nearly 300,000 people during the lean season of November 2022 to April 2023. The situation regarding women's nutrition and health is also very concerning. Thirty-eight percent of pregnant women and 12% of women of reproductive age (15-49 years) suffer from anaemia. The high cost and limited availability of nutritious food items further aggravated the situation. This was coupled with the significant decline in rates of early initiation of breastfeeding, depriving infants of essential nutrients and protective factors.

Furthermore, a substantial portion of the population lives beneath the national and international poverty line. Significant disparities in living conditions and access to essential services persist between rural and urban populations in Timor-Leste. Compounding these inequalities are factors such as education levels, income levels, and limited access to improved sanitation, which increase the risk of stunting in households. Despite the Government of Timor-Leste has been increasing the social protection coverage and investments, in 2022, only 30.6% of the population received at least one social protection benefit.

The population benefiting from disability cash benefits was even lower at 21.6%, while only 8.9% of workers actively contributed to pension schemes. Enrolment rates in early childhood education despite growing from 20.5% in 2015 to 27.9% in 2020, remains among the lowest globally and the technical/vocational education have regressed.

Timor-Leste also grapples with one of the highest rates of youth aged 15–24 not in employment, education, or training in the Asia-Pacific region, standing at 30.5% in 2021, up from 21.0% in 2016. The country faces immense challenges in fostering inclusive economic growth and providing decent jobs, particularly for women, youth, people in rural areas, and people with disabilities, as reflected by a low labour force participation rate of 30.5% in 2021.

Several factors affect the progress of the SDGs including administrative inefficiencies, looming climate change threats, infrastructural gaps, and economic complexities including a significant reliance on oil revenues and import. Public service efficiency, while improving, is hindering the quality of public spending. Protracted procurement processes and a lack of alignment between ambitious national plans and implementation capacity further compound the challenge. Gaps persist in data-informed policymaking due to difficulty in administrative data collection and analysis as well as the emerging civil service registration and ID systems.

However, strategic initiatives are underway to counter these challenges. These include a five-year public financial management reform strategy for improved planning and increased domestic revenue, the National Strategic Plan for Digital and ICT Development aims to leverage digital tools across sectors, while public-private partnerships, such as the Tibar Bay Port, show promise for economic diversification.

Good practices

Since the first VNR was reported, there were several good practices that were identified by the VNR-2 findings in the areas policy integration, technological advancements, poverty eradication, gender equality, crisis response, human capital investment, and innovative financing. The country has aligned sectoral plans with the national Strategic Development Plan (SDP) and SDGs. This approach ensures that issues such as malnutrition and food insecurity are addressed comprehensively and in a coordinated manner. Timor-Leste has demonstrated its ability to respond swiftly and in a coordinated manner to multiple crises. This was evident during the COVID-19 pandemic, where the country implemented cash transfer programmes and collaborated on laboratory responses. The Tropical Cyclone Seroja response showed the concerted efforts of civil society, development partners and private sector led by the GoTL coordinating bodies. These efforts highlighted the importance of having a capable and responsive government during times of crisis.

Investment in people-centred sustainable development has been a focal point for Timor-Leste. The country has expanded access to higher education through scholarships and prioritized youth employment through skill development and entrepreneurship programmes. The country has implemented initiatives like the Spotlight Initiative and Together for Equality to address gender disparities. The Disability National Action Plan has also been established to ensure the inclusion of people with disabilities. Additionally, community-based preschools led by female veterans have been set up to provide inclusive educational opportunities.

In terms of financing, Timor-Leste has embraced innovative approaches. For instance, the country has leveraged remittances as a means of financial diversification. By exploring non-traditional financing sources, Timor-Leste has shown the potential to mobilize resources for national development. Overall, these good practices showcase Timor-Leste's commitment to pursuing a holistic, inclusive, and innovative approach to SDGs. Other nations can learn from these practices in several ways.

Strategies for acceleration

As a result of this VNR-2 and the strategic analysis of SDGs acceleration in Timor-Leste presents a set of strategies to accelerate the attainment of the sustainable development goals. Priorities identified include: Scaling up social protection programmes and services is crucial. To address the national crisis of malnutrition and food insecurity, it is imperative to focus on nutrition-specific interventions and improve agricultural productivity. Recognizing the interconnectedness of poverty, malnutrition, health, and education, effective multi-sectoral programmes such as the Bolsa de Mae – Jersaun Foun, Merenda Escolar should be scaled up. Sustained investment in social protection initiatives is vital to prevent disruptions caused by fluctuations in government revenue. Upholding the principle of "Leave No One Behind," comprehensive gender-based violence and child protection programmes, expanded outreach services in remote areas, inclusive reproductive health and family planning, universal design approaches in public services, opportunities for people with disabilities, and non-discrimination for the LGBTIQ community should be prioritized. Overcoming implementation challenges requires refining beneficiary identification, registration, payment, and monitoring systems, as well as enhancing civil registration systems and developing a social registry.

With more substantial investments directed towards export-oriented industries targeting robust markets, economic diversification can be bolstered. The blue economy, comprising fisheries, aquaculture, tourism, and shipping, has shown promise and should be nurtured. Given Timor-Leste's agricultural reliance and potential infrastructure threats, it is crucial to invest in risk reduction and explore financial preparedness strategies. Comprehensive structural reforms should be undertaken, aimed at promoting rural development, broadening access to financial services, reforming land legislation, enhancing infrastructure, and advancing digital development. With a commitment to constructing a resilient, sustainable, and interconnected Timor-Leste economy, key to this approach is the promotion of a low-carbon development path which will enhance natural capital and resilience, while stimulating private investments in non-oil sectors like agriculture, fisheries, and tourism.

To harness the potential of the youth population, the government should prioritize investments that focus on creating jobs and engaging youth in the social security system. Addressing the skills-job mismatch in the agriculture and tourism sectors, the blue economy, and entrepreneurship is crucial to maximize the demographic dividend and expand the base. This should be done in alignment with the economic diversification strategy. Additionally, a skilled migration programme can be implemented to attract the Timorese diaspora and facilitate skill transfer. A targeted National Youth Employment Strategy should be developed to guide these efforts, along with measures to improve access to quality education and vocational training in sectors outlined in sectoral development policies. It is also important to integrate youth and informal workers into the social protection system, promoting inclusivity and sustainability.

With the Prime Minister's Office leading the reform agenda, ongoing public service reform initiatives should continue. Policies should focus on reducing duplication of autonomous agencies, streamlining structures, and improving coordination. This can be achieved through improvements in public financial management and accelerating decentralization. A comprehensive decentralization plan should be implemented, including the establishment of one-stop service centres and the development of updated municipal plans aligned with the SDGs. Creating an SDG Commission under the Prime Minister's Office will streamline national SDG planning, financing, M&E, and data collection efforts. To strengthen SDG data, it is crucial to address data gaps and improve disaggregation efforts for SDGs 5, 1, 2, 4, 6, and 8, with specific attention to disability and children with disabilities. Investing in and linking key government management information systems - health, education, finance, and planning, is essential. We must invest in technology infrastructure and develop a skilled digital workforce. Prioritizing gender equality, youth representation, and accessibility standards will foster inclusive institutions.

To accelerate the SDGs implementation, partnerships with international entities and the private sector are crucial. Leveraging the Public-Private Partnerships framework in key sectors like the green and blue economies, connectivity, and infrastructure should be prioritized. Advocacy for increased country programmable aid is essential to secure greater resource allocation and increased official development assistance in supporting people-centered sustainable development. Emphasizing the interlinkages between the ASEAN roadmap and SDGs/SDP, areas of convergence should be highlighted, focusing on poverty eradication, quality education, technology transformation, gender equality, climate action, and partnerships for goals. Additionally, partnerships with CSOs and NGOs should be expanded, ensuring inclusive consultations, transparent funding mechanisms, and capacity support.

By adopting these strategies, Timor-Leste can accelerate its path to achieving the SDGs. Timor-Leste has showed yet again it is one of the strongest electoral democracies in Southeast Asia with 40 per cent of parliament seats held by women. Amid COVID-19, the country conducted a successful presidential election, civil liberties are widely respected. To ensure that the aspirations of all its citizens at the outset of independence are met by 2030, Timor-Leste is ready to strengthen institutions using the existing strong social contract between citizens and state, its leaders commit to avoid future political impasses and continue working with other nations, the private sector, and partners to deliver for its people.

WELCOME - HOW TO READ THIS REPORT

Welcome to the Timor-Leste Voluntary National Review (VNR) report, a comprehensive assessment of the country's progress towards the Sustainable Development Goals (SDGs). This report aims to provide a detailed analysis of people-centred sustainable development, highlighting achievements, challenges, drivers for changes and priorities for accelerating SDG implementation.

Report structure and format: This report follows a structured format based on key informant interviews, offering valuable context and interpretation alongside quantitative indicators. Each chapter focuses on specific topic areas, featuring insights from multiple interviewees, enabling a comprehensive understanding of the SDG indicators and progress assessment. Key challenges, achievements, policies, programmes, and underlying drivers are discussed to shed light on the current situation and the way forward in each SDG area.

Incorporating the impact of COVID-19 and natural disasters: Rather than dedicating separate chapters to the impact of COVID-19 and natural disasters, these significant factors are integrated throughout the entire report. Their effects on development, both challenging and offering opportunities, are considered in the analysis of each SDG.

Understanding SDG progress and indicators: Each chapter begins with a description of current SDG progress using the SDG Progress Assessment. This assessment provides insights into whether the country's current progress is sufficient to achieve the targets by 2030. The Statistical Annex of this report provides the sources of the indicators, which are based on internationally validated data.

Visualizing SDG interlinkages: To illustrate the interconnectedness of the SDGs and their relevance in the context of Timor-Leste, interlinkages graphics are presented at the beginning of each main chapter. These graphics demonstrate how different SDGs relate to each other and highlight the specific interlinkages addressed in each chapter.

Transparency and consultation results: The report incorporates the results of the VNR consultations with various stakeholders, including national, local, and target groups. By presenting these consultation results separately, transparency is ensured, and the voices of different groups are emphasized. The key questions and priorities for key informant interviews are informed by the consultation outcomes, offering a comprehensive view of stakeholder perspectives.

Spotlight on good practices: Throughout the report, relevant good practices are showcased. These practices refer to successful approaches, strategies, or initiatives that have proven effective in achieving positive outcomes or addressing challenges. With 20 good practices presented across the chapters, the report highlights both successful endeavours and lessons learned from new initiatives, policies, and programmes implemented since the first VNR.

Priorities for accelerating SDG implementation: Each main chapter includes a dedicated Priorities and Recommendations section, which draws from multiple sources, including interviews, consultations, desk reviews, and the progress assessment. These priorities encompass overarching issues that need to be addressed to accelerate SDG implementation and prevent regressions.

Conclusions and next steps: The final chapter brings together the overall findings of the report, identifies key priorities for accelerating the SDGs, and outlines post-VNR activities. This section provides a comprehensive summary and sets the stage for future actions.

Statistical annex: The report includes a Statistical Annex that presents the target values, sources, and indicators for the SDGs. As a living document, this annex will undergo regular updates until the next VNR period, ensuring the availability of the most up-to-date information.

We invite you to delve into this report, exploring the analysis, insights, and recommendations that will contribute to the sustainable development journey of Timor-Leste.

In the report, interviews were conducted with key individuals representing various sectors:

- Chapter 1. Approach and scope of the VNR-2: Fidelis Magalhães: Minister of the Presidency of the Council of Ministers at the Government of Timor-Leste
- Chapter 2. Preparation Process and Chapter 3. SDGs Policy and Enabling Environment: Brigida Soares: Planning, Monitoring and Evaluation Technical Coordinator at the National Agency for Planning, Monitoring, and Evaluation (ANAPMA) at the Prime Minister's Office
- Chapter 4. Poverty reduction and social protection: Carmeneza Mointeiro: Adviser to the Ministry of Social Solidarity and Inclusion
- Chapter 5. Food security and nutrition: Filipe Da Costa: Executive Director of the Unit of Mission to Combat Stunting
- Chapter 6. Health and wellbeing: Nevio Sarmento: Timorese microbiology scientist and a Ph.D. candidate at Charles Darwin University
- Chapter 7. Quality education: Helena Nunes: National Director of Pedagogics, Technology, and Research at the Ministry of Education, Youth and Sports and Rui Hanjam: Adviser at the Ministry of Higher Education, Science, and Culture
- Chapter 8. Inclusive and resilient economy: Helder Lopes: Economic and Financial Advisor to the President of Timor-Leste
- Chapter 9. Institutions that deliver for the people: Rui Augusto Gomes: Minister of Finance for the 8th Constitutional Government
 - Maria Oliveira: Executive Secretary (General Director) for the Civil Service Commission
- Chapter 10. Partnerships for the SDGs: Licínio Branco: Director General for Multilateral and Regional Affairs at the Ministry of Foreign Affairs and Cooperation
 - Marta da Silva: Researcher at Lao Hamutuk CSO

TIMOR-LESTE IN NUMBERS

TOTAL POPULATION

1,340,434



TOTAL HOUSEHOLDS **250,270**



(Census 2022)

RURAL

847,682 People



181,409 (72.5%)

Households

URBAN

492,752 People



68,861 Households

(27.5%)

(Census 2022)



5.4 is the average household size

(Census 2022)

44,535



of total households are **female-headed** (17.8%) (both rural and urban)

(Census 2022)

678.3 ♀

♂ **662.6**

Number of people by **gender**, in thousands

(Census 2022)



The literacy rate among people 10 years+ is

72.4%

♀ **70%**

74.4% ♂

Literacy among people with disabilities is **23.9%**

(Census 2022)

22% of people experience food insecurity



(IPC Phase 3 or above)

17,061

Population with disabilities (5+ years)



♀ **8,517**

(Census 2022)

♂ **8,544**

Age range (years)

80+

75 to 79

70 to 74

65 to 69

60 to 64

55 to 59

50 to 54

45 to 49

40 to 44

35 to 39

30 to 34

25 to 29

20 to 24

15 to 19

10 to 14

5 to 9

0 to 4

Age structure 2022

Population count, in thousands

(Census 2022)

OVER HALF of the total population (**55%**)

and

children (**54%**)

are considered

multi-dimensionally poor



(Estimates based on 2014 TLSLS)



The number of children in primary education

288,504

Girls and boys are nearly equal



143,374



145,130

19%

Population age 5-25 by any disability currently attending school (Census 2022)



20% are female, and **18.2%** are male



The adolescent birth rate for women aged 15-19 years

is **42** per 1,000

(DHS 2016)

Percent of women have experienced physical, sexual or psychological intimate partner violence in the last 12 months

36.8

(DHS 2016)

WOMEN HELD

40%

of Parliamentary seats in 2022

13.3%

of managerial positions in 2021

(DHS 2016)

87.0%

80.6%

96.1%

OF HOUSEHOLDS HAVE

improved drinking water

access to safely managed sanitation

access to electricity

39%

of the population has access to internet



(World Bank 2021)

In 2022, **30.5%** of youth (15-24 years) were not in education, employment or training

31.3%

for girls



29.8%

for boys

(LFS 2021)

RURAL

82.9%

75.1%

94.4%

URBAN

97.7%

95.1%

100%

(Census 2022)

(Census 2022)

(2020 data)



Percent of the population covered by social protection

30.6

(2020 data)

26.9%

Of the workforce is in the agriculture sector



31% of women work in agriculture, and **24.2%** of men work in the sector



36.4%

Of children have a birth certificate

(Census 2022)

TOTAL GDP
in 2021

\$3.62 billion

(World Bank 2023)

As of 2023, there are (cumulatively)

22,889 COVID-19 cases, and



COVID-19 deaths **131**

(WHO)

Major events in Timor-Leste: 2019–2023



PART I. INTRODUCTION AND METHODOLOGY

1. REPORT SCOPE AND APPROACH



Minister Fidelis Magalhães is the Minister of the Presidency of the

Council of Ministers at the Government of Timor-Leste. Having worked in civil society and human rights, he played an active role in peace and reconciliation efforts. He held various positions in the Government including the Minister of Legal Reforms and Parliamentary Affairs between 2018 and 2020.

Minister Magalhães presented the VNR-1 at the HLPF in New York in July 2019 and has been key in developing the scope and approach for the VNR-2. Therefore, the VNR-2 team asked him about why Timor-Leste has volunteered to conduct the VNR the second time, why the VNR-2 title focuses on People-Centred Sustainable Development and the expected results.

"As Timor-Leste aspires to become an upper middle-income country by 2030, our priority is our people, with the principle of 'leave no one behind'. Investing in people is vital for the growth and development of Timor-Leste, but it's only possible when the country has a strong economic foundation that is inclusive and diversified. This is the main scope and storyline in this second VNR."

1.1. Report scope: People-centred sustainable development

Could you tell us about the scope of the report and the background behind it?

Minister Fidelis Magalhães: *This report, called VNR-2, focuses on People-Centred Sustainable Development. It all started back in 2002 when the youth of Timor-Leste wrote postcards expressing their aspirations for the nation in 2020. Four of these postcards were retrieved in 2022, and it's clear that the youth envisioned Timor-Leste as a peaceful, democratic, and free nation (Box 1).*

That's fascinating. Can you summarize the key points from the postcards?

The youth saw that once peace is achieved and violence is reduced, the national leaders should focus on promoting good governance by fighting corruption and working collectively and collaboratively to put 'people at the centre.' They saw corruption, collusion, and nepotism as the main obstacles to development and urged national leaders to collaborate with each other to erase them.

Furthermore, they saw the strategic use of the natural endowments of Timor-Leste such as petroleum to invest in people and the economy. Developing modern industries, making use of technology, investing in education, and creating jobs are key factors to improve living conditions and reduce violence and domestic violence. As such, they believed, Timor-Leste will become a striving nation like other nations (Figure 1).

That's a very insightful perspective from the youth. How does this relate to the VNR-1 and VNR-2 reports?

The Timor-Leste VNR-1, published in 2019, used SDG 16 on Peace, Justice, and Strong Institutions as the overarching theme and lens for the report. It highlighted that since the period of violence and instability in 2006, the country has not experienced protracted violence and is at peace.

POSTCARDS FROM THE PAST



Ivo Jesuino G. Araujo, male, 18 years old from Dili wrote a list of his aspirations for the country:

"Understand each other to not kill each other.

- Stop violence and domestic violence.*
- Should have modern factory technology.*
- We will not have terrorists that burn houses, kill people like what Osama Bin Laden is doing in the USA.*
- We will have tall buildings in Dili City and many hotels.*
- All the population will enjoy tall buildings, new houses, cars, motorbikes, tractors, containers.*
- Lastly helicopters will take us to Liquica and Atauro municipalities."*

Latonia M.L. Araujo, male, 17 years old, from Dili:

"I think in 2020, Timor-Leste will be better than now because we will get our freedom and democracy to construct our country with love and peace. As students, we are asking to our leaders to not be selfish but think of us as your people so that we can work together to make Timor-Leste better."

Jose M Marcal, male, 17 years old from Dili expressed:

"Timor-Leste would be better if all the leaders work together. I ask to erase corruption, collusion and nepotism and domestic violence, create job opportunities for young people and construct new schools for students so that we can focus on our study, because we are the future to build this country to be like other countries. I think in 2020, our lives will be improved like in other countries. We will not have "Uma Talin" [traditional house], we will not burn wood to cook. But we will be using gas, and all people will live in white [modern] house, have their own cars, motorbikes, and some other things because we are rich with petroleum, marble and gas."

Bemvinda da Costa, female, 16 years old from Viqueque municipality (the southern municipality of Timor-Leste) wrote:

"By 2020, I want Timor-Leste to be different, to erase KKN [corruption, collusion, and nepotism] in Timor-Leste. I want in 2020, Timor-Leste will have improvements because many people are dying for this country, everything will not be complete if KKN persists. That is why if you become a Leader don't do the KKN, I want Timor-Leste to become a rich nation. As a Timorese, in 2020, I want my country should be better like other countries."

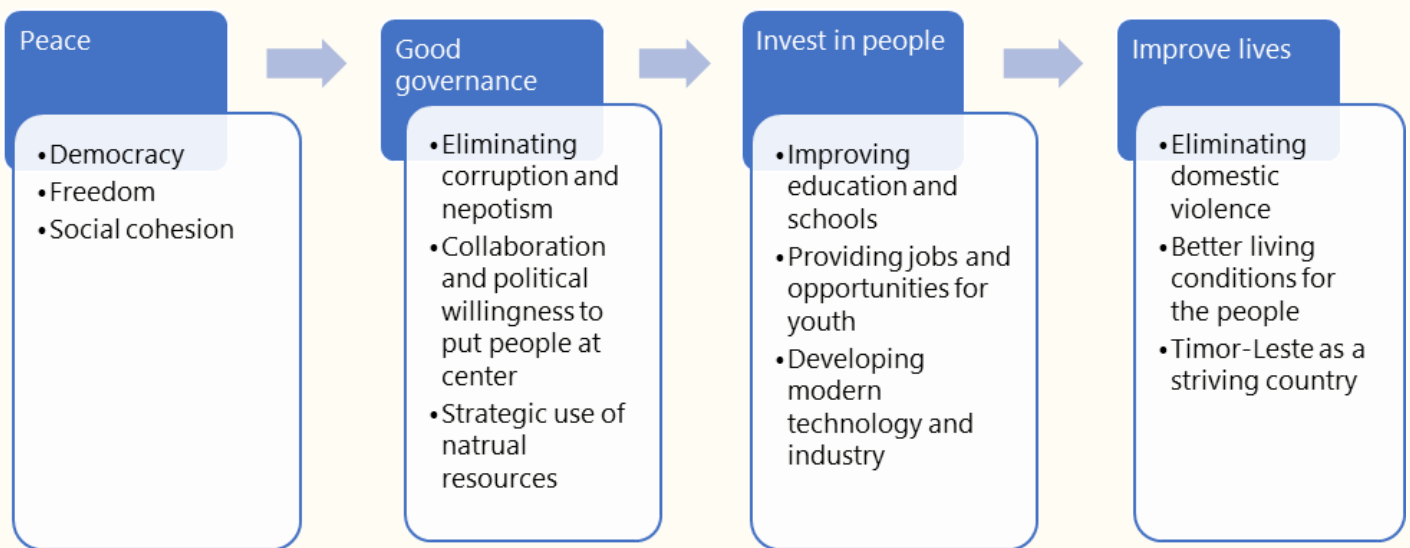


Figure 1: Postcards written by youth in 2002 to future leaders in 2022

It concluded that the progress the nation has made in building a democracy is considerable. A significant part of the VNR-1 was dedicated to the priorities of peace and nation-building. That is in line with all the four postcards which referred to the priority of peace and democracy reflecting the pressing need at the time of writing.

During our VNR-2, we chose a unique approach to gauge the youth's perspective on our progress towards the SDGs. This was accomplished by analysing postcards created by them, which offered a ground-up perspective on key development issues to respond to their expectations regarding SDG implementation in Timor-Leste. Through our analysis, we found that SDGs 16 and 17, focusing on peace, justice, strong institutions, and partnerships for the goals, were viewed by the youth as crucial underpinnings for development in Timor-Leste. They highlighted the significance of good governance, institutional development, and robust partnerships in this context.

Furthermore, they pointed out that SDGs 4, 5, 8, 9, and 10, encompassing quality education, gender equality, decent work and economic growth, industry, innovation, and infrastructure, and reduced inequalities, respectively, act as key catalysts, accelerating our progress towards development. Conversely, they perceived SDGs 1, 2, 6, 7, 10, and 11, which deal with poverty, hunger, clean water and sanitation, affordable and clean energy, reduced inequalities respectively, as significant outcomes of our developmental efforts.

What is the priority for Timor-Leste in achieving sustainable development?

The SDP clearly outlines our goal: “by 2030, Timor-Leste aims transition from a low-income to upper middle-income country, with a healthy, well-educated and safe population” (Government of Timor-Leste, 2011). Therefore, central to our strategies are the aspirations voiced by our young people, such as those written in the postcards which include access

to quality education, secure job opportunities, improved living conditions, and the strategic use of technology. However, to genuinely develop our human capital, we need to go beyond these necessities. Inclusive social protection, universal health care, food security, and clean water and energy are all equally crucial. We are thereby adopting an analytical framework that underscores the importance of putting people first and abides by the 'leave no one behind' principle to ensure sustainable development in Timor-Leste. By ensuring that everyone has access to the essentials like health services, education, and food security, we aim to enhance the overall well-being of our people.

Investment in our most precious resource – our people – is central to development in Timor-Leste. We see a symbiotic relationship between a robust, diversified economy and well-nurtured human capital. One strengthens the other in a beneficial cycle of growth and advancement. By focusing on developing the labour market

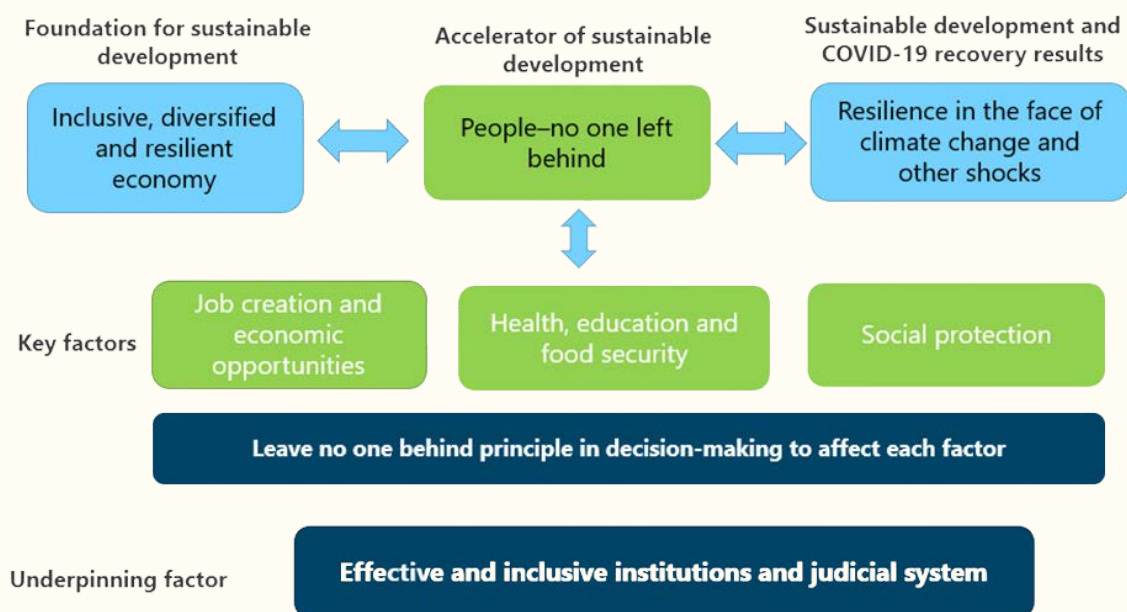


Figure 2: Analysis framework

and equipping a significant proportion of our youth with valuable skills, we stand to reap the benefits of a demographic dividend. Creating secure and meaningful employment opportunities for all, regardless of gender or locality, or other backgrounds is vital.

Furthermore, the recent COVID-19 pandemic and climate disasters require Timor-Leste to accelerate a more equitable and inclusive digital transformation

across all sectors. This will help the government increase efficiency and coordination. Ultimately, the progress in building effective and capable democratic and public institutions is the underpinning factor to realize these transformations.

I want to highlight that although VNR-2 focuses on people, it does not mean that we took the already achieved gains in democracy for granted.

This is especially important given the international context of increasing authoritarianism. The initial storyline and overarching theme were presented to the Council of Ministers in December 2022. They approved the key messages on 8 March 2023, and published them on 11 April 2023 (Government of Timor-Leste, 2022c, 2023b, 2023c). Figure 2 presents the overall analysis framework for sustainable development.

1.2. Objectives and rationale

Minister Magalhães, could you tell us about the objectives and rationale behind this report?

The VNR-2 aims to assess if the Timor-Leste is making progress towards achieving the SDGs and meeting the expectations of young people, as expressed in postcards. Specifically, the objectives are three-fold: to identify the progress made since the first VNR report; to examine the causes and drivers of these

changes; and to identify future interventions necessary to accelerate the implementation of the SDGs.

The VNR-2 is timely and necessary for several reasons. First, the term of office of the current government will come to an end in 2023. On the one hand, the findings from the VNR-2 will inform the Eight Constitutional Government's reporting on their mandate.

On the other hand, this comprehensive and rigorous assessment could be a powerful planning tool for the next government, allowing it to improve the architecture of its programme and ensure necessary alignment and coordination of government activities. As such, the VNR-2 is useful across political cycles in Timor-Leste.

Second, the ongoing effects of the COVID-19 pandemic, climate change, and global insecurity over the last three years have had long-term impacts. Therefore, the VNR-2 report will help the government and non-state parties to adjust strategies and priorities on implementation of the SDGs considering all these changes. This, in turn, will inform which public investments should be prioritized in the coming years. Third, Timor-Leste is expected to join the Association of Southeast Asian Nations (ASEAN) and the World Trade Organization (WTO) soon, while also progressing towards graduation from Least Developed Country (LDC) status. The report's findings will inform the government's preparations for these important accessions and graduations.

What are the other benefits to conducting the VNR-2?

There are several benefits. The VNR methodology has become a culture within our government and will hopefully continue into future governments. Our technical team has managed to effectively balance major objectives with government action plans, thus providing specific data and reducing bias. In our development efforts, we identify three areas requiring enhancement. First is the setting of intervention sequences and priorities. Priorities come to life when we have baseline data to inform us, which is why we utilize resources such as programme budgets and reports like the VNR for this purpose.

Given that resources are limited, prioritization is crucial - we cannot tackle every challenge simultaneously. One of the challenges for Timor-Leste has been insufficient prioritization, leading to ineffective resource management and obstructing developmental progress.

Our approach focuses on identifying the root causes of development setbacks, tackling those first to yield positive outcomes, and ease the handling of other areas. In this context, we have selected 'People' as our primary focus. It sounds straightforward, but implementing people-centric policies demands detailed planning and careful execution.

Coordination is another area we are keen to improve. We see this issue recurring in many developing nations, including ours. Therefore, we believe in the need for better leadership at the government level and among development partners to prevent goal divergence during project execution. As the VNR looks at issues in a more holistic way, it highlights where the coordination needs to be improved.

Lastly, we value the role of evidence-based policymaking. We have seen its benefits, particularly with the VNR, which allowed us to gain insights, inform policy decisions, and, based on feedback, advocate for the adoption of the International Convention for Persons with Disabilities. This time for the second VNR, it will help identify appropriate COVID-19 recovery measures. As we all know, the pandemic has had significant impacts on the global community, and Timor-Leste is no exception. Many think that COVID-19 is over, but we must not forget its impacts are still present and there are many lessons to be learned. Therefore, it is critical that we identify the most effective recovery measures to minimize the pandemic's impact on our economy and society.

2. PREPARATION PROCESS



Brigida Soares is the Planning, Monitoring and Evaluation Technical Coordinator at the National Agency for Planning, Monitoring and Evaluation (ANAPMA) at the Prime Minister’s Office. She also served as a Technical Coordinator during the VNR-1 in 2019.

"We designed the current VNR-2 process based on lessons learned from the first VNR. As a result, the VNR-2 is inclusive, honest, and evidence-based."

2.1. Managing and coordinating report preparation

You have provided a technical lead for both VNR-1 and VNR-2. Can you explain the VNR-2 development process and its main components?

In 2019, there was an SDG working group leading the VNR process. How about this time, who was responsible for managing the VNR-2?

Brigida Soares: *Sure, the VNR-2 development process had three main interconnected parts: stakeholder engagement, data collection and analysis and drafting and review. These parts were crucial for ensuring that the process for developing the VNR was inclusive, evidence-based, and reflected the vision and character of Timor-Leste. The process was preceded by the formulation of the VNR Coordination Commission and will be followed by a series of post-VNR activities (Figure 3).*

The development of the VNR-2 was managed through the 'Technical Coordination Commission for the Preparation of the Second Voluntary National Review Report on Progress in the Implementation of the SDGs' (hereinafter the VNR Commission). The VNR commission consisted of 15 members from the Government, civil society, academia, and private sector.

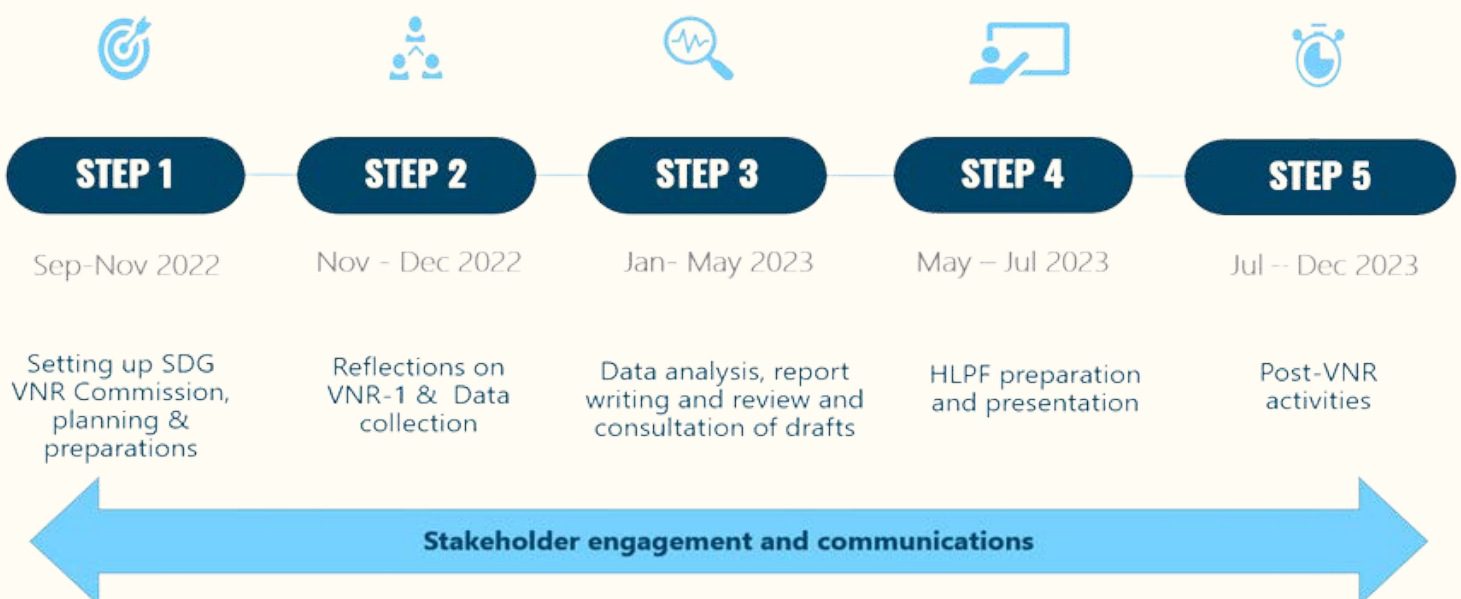


Figure 3: Overview of Timor-Leste’s VNR-2 process

It was co-led by the Ministry of Foreign Affairs and Cooperation (MNEC), the National Institute of Statistics (INETL, previously called the General Directorate of Statistics) and the National Agency for Planning, Monitoring and Evaluation (ANAPMA) (Figure 4). ANAPMA also acted as a Secretariat to the VNR Commission. The VNR Commission reported to the Council of Ministers directly. The VNR Commission was responsible for guiding the preparation of the VNR, reviewing the methodology and proposed theme of the VNR-2, reporting on the progress of VNR preparation to the Council of Ministers, and ensuring the preparation process is inclusive, evidence-based, and rigorous. Because the VNR Commission consists of stakeholders from different sectors, it was very useful to include different perspectives in early stages of activities.

2.2. Engaging with stakeholders

How was stakeholder engagement planned? Was there a dedicated stakeholder engagement plan?

The VNR-2 had a dedicated stakeholder engagement plan developed in consultation with the VNR Commission, United Nations RCO, and the Timor-Leste's Forum of NGOs (FONGTIL). The VNR team developed the stakeholder engagement plan based on lessons learned from VNR-1 and used the results from a targeted stakeholder survey on preferred methods, frequency, and types of engagement. The VNR-2 tried to expand its engagement at subnational levels, technical levels and political levels.

Could you tell us more about the targeted stakeholder survey?

The target stakeholder survey was a tool used to get input on the VNR-2 in terms of ideas for stakeholder engagement at different stages (including consultations, data collection, and report development); and to get stakeholders' preferences on key thematic issues, focus SDGs, and topics (Figure 5). The survey received respondents' feedback on the implementation of key policies and national priorities. The survey was developed in English and Tetum and administered through an online survey. We sent out the survey to more than 200 stakeholders and received response from 45 of them.

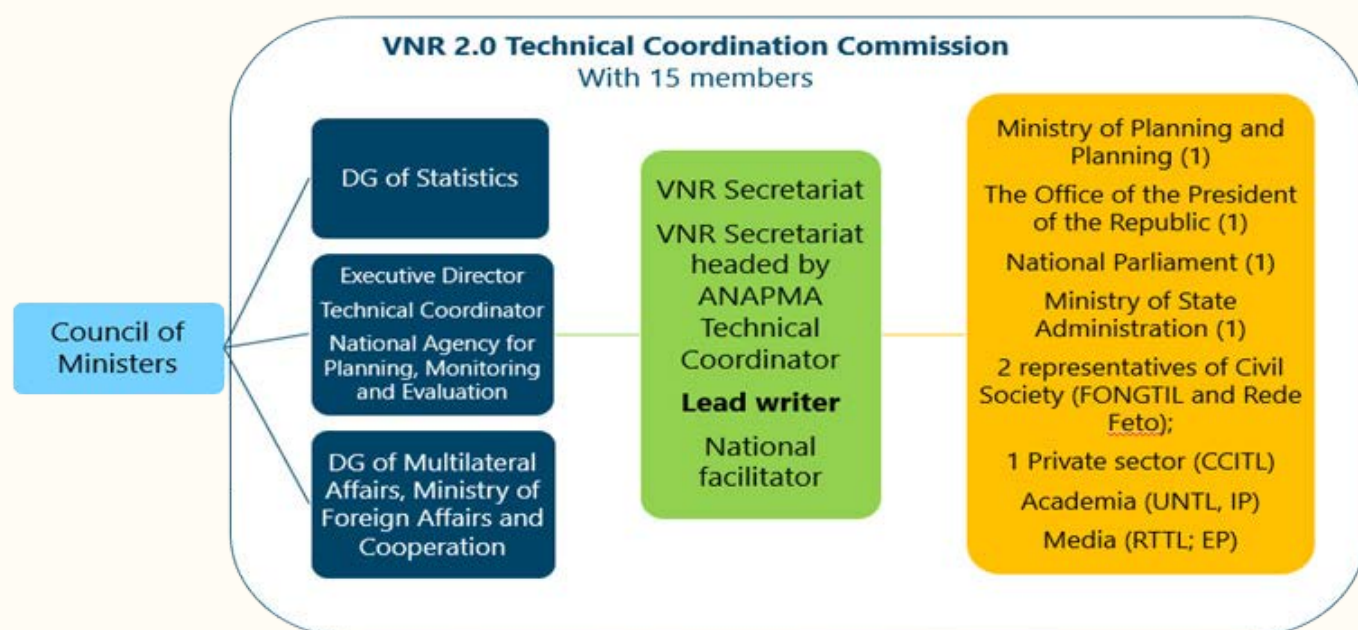


Figure 4: Structure of the VNR-2 Technical Coordination Commission
Source: Source: (Government of Timor-Leste, 2022d)

BOX 2. TARGET STAKEHOLDERS' ONLINE SURVEY: SUGGESTIONS ON THE DISSEMINATION OF THE VNR-2 REPORT

Government stakeholders:

- Involve key people from the government, political parties, and private sector, so everyone is committed to reaching the SDGs
- Publish more widely and ensure publications are accessible
- Share results with communities and municipal authorities
- Simplify report into a brochure and disseminate it through platforms such as WhatsApp
- Conduct training on the SDGs for civil servants

Civil society stakeholders:

- More effort is needed to disseminate results at local level- examine local level situation
- Involve all actors that can facilitate credible and independent data
- Hear from high-level people – so that public can know the evolution of the development in our nation
- Make the report and results accessible

BOX 3. FORUM OF NGOS' POSITION ON STAKEHOLDER ENGAGEMENT AND POST-VNR ACTIVITIES

Valentino Pinto, Executive Director of FONGTIL:

"We appreciate the VNR's second phase and participated actively in its consultations. I commend the Primary Minister's Office in promoting a law on Civil Society Support to continue work on Social Auditing of government programmes. While progress is being made, it is crucial to maintain a culture of following development processes for effective priority management and better citizen life. We believe there's a need for expanded dialogue and coordination to better integrate our recommendations and findings into the relevant ministries'

priorities. We emphasize that the VNR's recommendations should be more than just concepts. They need to be documented, launched, celebrated, and distributed to all ministries. It would be beneficial if ANAPMA could establish a continuous follow-up mechanism, ensuring these recommendations are reflected in each Ministry's work priorities. By doing so, we can progressively address the challenges we face, with the hope that the government 10 years from now will prioritize and resolve these issues for the betterment of our citizens. Implementing VNR recommendations requires concrete action and policy support."



93%

Interested to participate in VNR-2

How often? 54.5% said 'Depending on the needs and key stages'

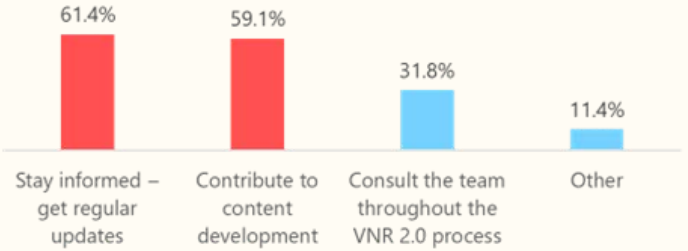
What is your preferred means of engagement?



Which consultations interest you?



How would you like to participate in the VNR 2.0?



VNR-2 Targeted Stakeholder Online Survey, 2022, Timor-Leste, The VNR Commission

Figure 5: Target stakeholders' online survey and engagement preferences

After the VNR is presented, we will carry out several activities to follow up on the recommendations made (Box 2 and 3). Firstly, we will organize consultations with stakeholders to report on the outcomes of the High-Level Political Forum and involve them in the implementation of the VNR recommendations. Additionally, we will hold a meeting with the United Nations and other development partners to create a road map for providing support during the implementation phase. These activities are timely because they will be held only few months after the establishment of the ninth Constitutional Government, and the VNR-2 recommendations can be used to inform the new government's programme.

Can you tell us about the consultations carried out for the VNR-2 report?

Between December 2022 and April 2023, a total of 807 individuals (332 women and 475 men) were directly involved in the VNR-2 consultations. The aim of these consultations was to ensure the inclusion of underrepresented groups in the VNR-2 process, hear the views of target groups on the progress of the SDGs, assess the impact of various laws, policies, and practices on communities, and gather participants' experiences during COVID-19 and natural disasters that occurred since 2019. The consultations provided opportunities for representatives from various target groups to shape the key issues and messages of the VNR-2 report, and priorities for the country to accelerate the progress of the SDGs.

Each consultation lasted a full day. One specific approach used in the consultations was that we split the participants into thematic groups. The national consultation for example had nine groups while the target groups consultations were divided into four groups. It was a great opportunity to also inform participants about the SDGs, the national SDP, VNR-2 process and the results. The consultations are a great way to increase ownership of the VNR by various stakeholders.

Maun Ken, a 26-year-old LGBTIQ representative who participated in the consultation shared his impressions:

"I am proud that I participated in the VNR-2 consultation. It was my first time, and it was something new. My friend Azu invited me and I liked to be engaged in this event to increase my experience on how to speak up in a forum. In the event, I heard the LGBTIQ community's voice and their recommendations were very essential. Through these consultations, we can reinforce our government to eliminate any discrimination."

The consultations were divided into different categories, such as target group consultations, multi-stakeholder consultations, technical consultations, and individual meetings/key informant interviews (Table 1). The target group consultations involved representatives from youth, women, people with disabilities, and LGBTIQ communities. The multi-stakeholder consultations involved national and subnational consultations and brought together representatives from government institutions, civil society organizations, private sector, academia, and development partners. The technical consultations involved stakeholders responsible for planning, monitoring, and data production.

For the review, we also conducted individual in-depth interviews with sectoral and technical experts to understand the context and factors affecting setbacks, more; with community representatives who had taken initiatives to contribute to development in their own ways and with political leaders. Information gathered through interviews complement the SDG progress assessment data and information obtained from consultations.

What other communication methods were used during the development of the VNR-2?

Although the number of participants was low, our online stakeholders' survey revealed a lack of awareness about the VNR among those directly relevant to the SDG implementation in Timor-Leste in all sectors (Figure 6). The high turnover rate within the public sector - half of the participants have only held their current positions for 1-2 years - could potentially explain the low awareness of the first VNR. Even so, this underscores how important it is for the VNR team to enhance their efforts in communicating the process and results of the second VNR. This communication should extend beyond key stakeholders, reaching out to the broader community.

Therefore, the VNR team developed a monthly communication plan, including a media engagement plan and a social media plan. This included creating a dedicated VNR Facebook Page to share timely news and updates in English and Tetum with a wide range of audiences. The page reached a total of 26,270 accounts between October 2022 and June 2023.

Other communications included a TV talk show, press releases about the VNR-2 through newspapers, radio, and TV, and a podcast interview. As the VNR-2 coincided with Parliamentary Election period in Timor-Leste, wider communication and consultations were crucial to ensure policy continuity and support the next Parliament and Government's use of the VNR-2 findings.

Table 1: VNR-2 stakeholder engagement

Topics		Participants
Target group consultations		
Youth	<ol style="list-style-type: none"> 1. Education 2. Employment opportunities 3. Digital transformation 4. Governance, civic education, and inclusion 	Students – universities; Youth NGOs, youth volunteers, young entrepreneurs.
Women	<ol style="list-style-type: none"> 1. Women’s participation in labour market 2. Access to market and livelihoods 3. Fight against gender-based violence 4. Reproductive health services 5. Women’s participation in decision-making 	Representatives of social institutions, women’s livelihood groups, organizations advocating women’s rights and gender equality
People with disabilities –	<ol style="list-style-type: none"> 1. Participation in labour market and livelihoods 2. Access to essential services – health, education 3. Physical infrastructure – transportation, WASH 4. Social protection programmes 5. Participation in decision-making 	People with physical disabilities, hearing and vision impairment. Government focal points for inclusion and equality.
LGBTIQ	<ol style="list-style-type: none"> 1. Access to quality education 2. Access to health 3. Access to justice 4. Job opportunities 5. Political participation and inclusion 	LGBTIQ persons, representatives from organizations for LGBTIQ rights and government focal points for inclusion and equality.
Multi-stakeholder consultations		
National consultation	<ol style="list-style-type: none"> 1. Health and nutrition 2. Education 3. Social protection and basic services Economic diversification and resilience (agriculture, tourism, industry, and environment) 4. Job creation and private sector development 5. Institutions and good governance 6. Decentralization 7. Peace, security and justice sector 8. SDGs means of implementation 	Prime Minister, Council of Ministers, National Parliament representatives, UN Resident Coordinator, Directors General of Planning and M&E development partners, civil society organizations, Chamber of commerce and private sector representatives, academia.
Subnational consultations	<ol style="list-style-type: none"> 1. Poverty reduction (SDG 1) and social protection 2. Access to basic services (priorities identified) 3. Inclusive economic diversification (SDG 8, SDG 11, SDG 14, SDG 15) 4. Governance and decentralization (SDG 16) 	Municipal government and municipal civil society representatives, local leaders – <i>suco</i> and <i>aldeia</i> chiefs, community livelihood groups (fisheries, tourism, agriculture), community members - women, youth, people with disabilities and other community figures.
Technical consultation	<ol style="list-style-type: none"> 1. SDGs progress assessment methodology 2. SDGs target setting and a review of proposed target values 3. Review of data availability and sources per each SDG indicator 4. Relevant/alternative national indicators. 	Government and non-government stakeholders responsible for planning, monitoring, and data production.

29.5%

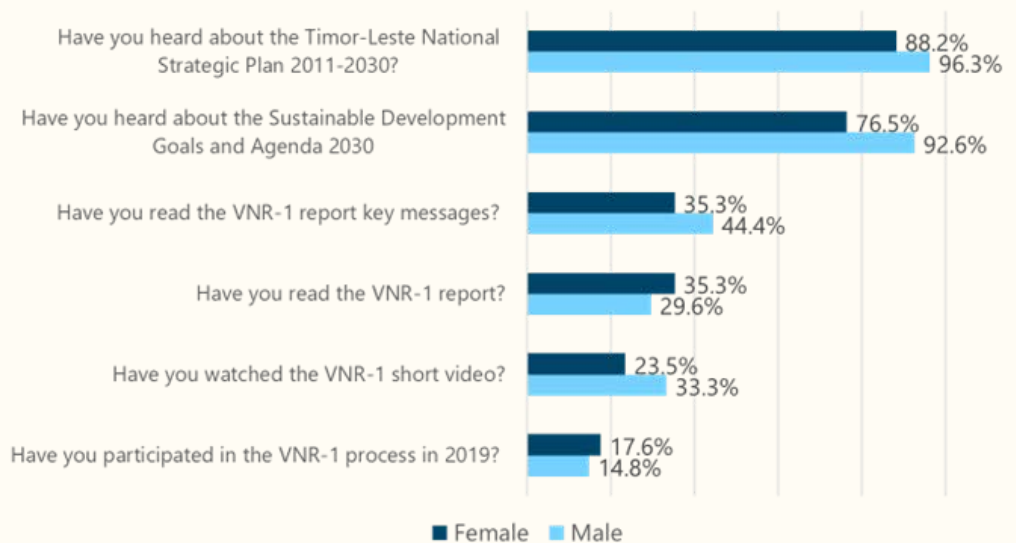
Used VNR-1 in their work

Most people have heard about the Strategic Development Plan

Proportion of women who have heard about the SDGs was lower

Less than half of the participants had heard about VNR-1

Awareness related to VNR (n=44)



VNR-2 Targeted Stakeholder Online Survey, 2022, Timor-Leste, The VNR Commission

Figure 6: Target stakeholders' online survey on awareness and use of VNR-1 results

2.3. Key informant interviews

Can you explain the rationale behind using interviews as the primary method for presenting this report?

The decision to present this report through narratives from interviews with various experts was driven by the VNR Commission's aim to capture the complexities of the development challenges faced, considering recent events such as the COVID-19 pandemic, floods, political situations, and the global context. Key informant interviews were chosen as the preferred approach because they allowed the VNR team to gather information from a diverse range of individuals, including sector leaders and professionals with first-hand knowledge of the development issues and policy environment. The key informant interviews served several purposes. First, they were instrumental in gathering information on pressing issues or problems in

the country from well-connected and informed community experts. Their insights provided valuable context to explain statistical data and delve deeper into consultation results. By incorporating these perspectives, we aimed to provide a more comprehensive and nuanced understanding of the development landscape.

How were the interviews conducted, and what steps were taken in selecting the key informants?

The interviews were conducted face-to-face, utilizing interview tools that had been prepared in advance. These tools were developed based on consultation results and desk review findings. The results of the interviews are presented in this report with some editing for clarity and coherence. In the selection of key informants, efforts were made to include a

wide range of perspectives and points of view. This involved selecting individuals from different key stakeholder groups, including government, semi-government, academic institutions, and civil society organizations. Additionally, there was a conscious effort to ensure gender balance among the interviewees.

In conclusion, how would you compare the VNR-1 and VNR-2 preparation processes?

The scope and coverage of VNR-1 and VNR-2 are slightly different (Table 2). VNR-1 had SDG 16 as the overarching theme with a focus on reconciliation and inclusion. The focus SDGs were 2, 3, 4, 5, 6, 8, 9, and 17. The statistical annex was included, but it was limited with no targets and previous years' data. VNR-1 did not conduct any local reviews and had consultations with 400 participants through one

Table 2: Scope and coverage of VNR-1 and VNR-2

	VNR-1: 2019	VNR-2: 2023
Thematic area	SDG 16: Peace, Justice and Strong institutions. Reconciliation and inclusion.	People-Centred Sustainable Development: Leaving No One Behind
SDGs	SDG 16 as the overarching theme. Focus SDGs were: 2, 3, 4, 5, 6, 8, 9, 17.	One overarching theme with sub-themes. SDGs covered are: 1, 2, 3, 4, 5, 6, 8, 16 and 17.
Statistical annex	Included. But does not include targets values and previous years' data.	Included. Target values and previous years' data included.
Local reviews	Not conducted	Not conducted
Municipalities	2 municipalities - Dili, Baucau	4 municipalities – Dili, Baucau, RAOEA, and Liquica.
Number of stakeholders	400 participants	807 participants (40% female and 60% male)
Number of consultations	4	10
Communication means	Email and meetings	Facebook page, Email newsletters (4 times) Meetings, a TV talk show

national consultation, and two target group consultations. On the other hand, VNR-2 has one overarching theme of people-centred sustainable development with three sub-themes: investing in people, inclusive economy and as an underpinning factor, institutional development. A statistical annex is included in the report, and it contains target values per each SDG indicator, and previous years' data where possible. As such, it is more comprehensive. Second, in terms of stakeholder engagement, VNR-2 was a bit broader. As we are conducting the review for the second time, we had learned a lot from the first VNR and applied it this time. Perhaps in the next VNR, we should try to conduct the VNR at local levels as well.

3. SDGs: POLICY AND ENABLING ENVIRONMENT

The institutional mechanisms for the SDGs were described in the VNR-1 report. Therefore, this section focuses on key changes introduced since the VNR-1 in the policy and enabling environment for the SDGs.



Brigida Soares is the Planning, Monitoring and Evaluation Technical Coordinator at the National Agency for Planning, Monitoring and Evaluation (ANAPMA) at the Prime Minister's Office. She also served as a Technical Coordinator during the VNR-1 in 2019.

"The pandemic highlighted the need to strengthen our national monitoring and evaluation capacity. Sectoral Medium-Term Plans, aligned with the SDGs and SDP, are being piloted in health, education, agriculture, and public works. This integration presents a good practice for aligning medium-term planning with the SDGs, fostering cross-sector coordination, efficient resource utilization, and enhanced service delivery, thereby improving policy coherence and development effectiveness."

3.1. Changes in the policy and enabling environment for the SDGs

What were the main recommendations provided in Timor-Leste's first VNR in 2019 to improve the SDGs' ownership, integration, and institutional mechanisms?

Brigida Soares: *In our first VNR report back in 2019, we discussed several initiatives that were underway to bolster results-focused planning and budgeting processes in Timor-Leste. These included public financial management reforms and the establishment of an interministerial council, which was chaired by the Prime Minister and was tasked with overseeing this reform. We also highlighted efforts to review the outcome indicators of government programmes to ensure they aligned with the SDG indicators. We had also begun the nationalization of the SDG indicators and monitoring and evaluation of SDG results from 2020 onwards. As part of the VNR-1 report, we outlined several actions to be taken. First, we intended to increase public understanding of the SDGs and actively encourage citizen*

participation in their implementation. Second, we identified the integration of the SDGs into government budgeting, policies, and programmes of line ministries as a key priority for the Government of Timor-Leste. Third, we acknowledged that, despite progress in aligning budgeting and planning systems to the SDGs, there was significant work to be done to enhance our government's capacity for data collection, analysis, and monitoring. Fourth, we considered the idea of piloting an integrated mechanism for national reporting to streamline our reporting processes and ensure we meet international expectations.

Were the planned activities from the 2019 VNR-1 report successfully implemented? Could you please provide us with updates on the SDG policy environment in Timor-Leste since the first VNR in 2019?

Absolutely. Since 2019, our key focus was integrating the SDGs into government budgeting, policies, and programmes. Timor-Leste has prioritized the implementation of Agenda 2030 in three phases that are aligned with our SDP. We are currently in phase 2, with phase 1 almost completed. Through its programmatic structure, the State Budget of Timor-Leste is fully aligned with Agenda 2030 and the SDGs.

We've also aligned sectoral Medium-Term Plans with the SDGs and SDP, through the development of our Medium-Term Planning Framework. The framework has been approved by the Prime Minister and we are currently piloting mid-term plans in four key subsectors: health, education, agriculture, and public works. Moreover, we are nationalizing SDG indicators where applicable and incorporating them into the Medium-Term Plans.

The Medium-Term Planning process is facilitating SDG implementation at the subnational level. The Municipal Public Financial Management law, currently under discussion by the National Parliament, will require municipalities to align their development plans with the SDP and SDGs (Good Practice 1).

Recently, our Ministry of Finance approved a new five-year public financial management reform strategy. This strategy focuses on improving planning, ensuring fiscal sustainability, introducing a midterm evaluation framework, increasing domestic revenue collection, and introducing value added tax. The launch of the Integrated National Financing Framework (INFF) in October 2022 is another key advancement. This was based on a comprehensive Development Financing Assessment conducted in 2019 and provides a road map for financing the SDGs in Timor-Leste. Already, concrete steps have been taken as part of the INFF. For example, in June 2022 when the Ministry of Finance and the MNEC completed the Timor-Leste Remittance Mobilization Strategy. The goal here is to incubate and scale up strategic approaches to leverage remittances for the socioeconomic development of Timor-Leste, particularly focusing on diaspora remittances and investments. Other key priorities include mobilizing domestic revenues through new tax initiatives, exploring alternative financing sources like concessional and commercial loans and treasury bills, and prioritizing impactful expenditure over quantity through a transition from traditional line-item budgeting to improved annual and medium-term programme budgeting.

Could you speak about the progress made in the follow-up and review of the SDGs since the VNR-1, particularly in terms of reviewing programmes' outcome indicators, nationalization of SDG indicators, and establishing a nationally led monitoring and evaluation of SDGs?

We have made progress in these areas. ANAPMA, one of our key governmental institutions, is developing a national monitoring and evaluation (M&E) policy framework. This will include a national database specifically for SDG indicators. If the proposed SDG Commission is established, it would significantly aid this work, with ANAPMA reporting results and the SDG Commission overseeing and publishing pertinent data.

ANAPMA and INETL have been working collaboratively to strengthen data collection systems. The introduction of the Medium-Term Planning and the M&E framework will support the timely collection of data. As a part of the M&E framework, we are developing a five-year capacity-building plan, which includes building institutional systems and enhancing individual capacities. The Dalan Ba Futuru Timor-Leste information system tracks how much is allocated to each SDG every year and ANAPMA is the institution in charge of monitoring SDG achievements. Data disaggregation will be integrated into the M&E framework development and included in the roll-out and pilot of the Medium-Term Planning.

GOOD PRACTICE 1. SECTORAL PLANS LINKED TO SDP AND SDGS

The Government of Timor-Leste, through ANAPMA, is implementing the Medium-Term Plan to streamline governmental programmes with strategic planning documents like the SDP and the SDGs. The Medium-Term Plan applies to all government entities, including those outside direct government control, like the National Parliament, courts, and the President's office. The initiative started on 17 April with a pilot phase in four subsectors - Agriculture, Public Works, Education, and Health - with a goal to draft the first document by 30 June 2023.

- Participants: All line ministries under the government's organic structure, municipalities, and independent state institutions participated in the implementation. This involved setting outcomes, outputs, and activities of the government programme, linking them with SDP and SDG objectives, and preparing a sequential 1+4 year plan.

The Medium-Term Plan provides a clear target for each government programme, enhancing service delivery, ensuring budget allocation, and offering measurable indicators from SDGs and relevant government documents. The initiative ensures the consistent implementation of the SDP and SDGs, thus fulfilling the state's commitment.

The initiative also enhances transparency, accountability, and inclusivity, promoting better management, improved service delivery, and consistent achievement of SDP and SDGs goals. The success of the pilot phase can be replicated to other sub-sectors, and potentially to other organizations or countries. Key factors enabling the initiative's success include leadership, participation, financing, local support, previous experience, and organizational development. Potential hurdles to the initiative's success might include political intervention and institutional capacity for implementation.



The Government started introducing important social and economic markers in the Financial Management Information System and *Dalan Ba Futuru* Timor-Leste systems, specifically focusing on children, disability, food security and nutrition, gender, and value chains. These markers allow the Government to monitor and allocate resources more effectively to the most vulnerable groups in our society and is a concrete action in line with the Leave No One Behind principle.

The global COVID-19 pandemic delayed the implementation of our key public financial management reform programme. Naturally, the focus and priority during COVID-19 was to keep the country and all citizens safe. The pandemic made it difficult to implement major reform work, such as Medium-Term Planning and strengthening our M&E capacity and systems. Despite these challenges, we were able to use this time to prepare our policies and frameworks, and the need and demand for data during the pandemic is a useful lesson for all of us in why we must strengthen our M&E capacity, policies and processes (Good Practice 2).

In VNR-1, one of the key follow-up actions mentioned was raising awareness of the SDGs. Has this been accomplished?

The United Nations in Timor-Leste was actively involved in raising awareness about the SDGs through four major sensitization and awareness sessions. These sessions were well-attended by participants from diverse backgrounds and organizations. The first session, in collaboration with the *Timor Post* newspaper, involved 25 journalists and senior staff members. The second session took place at Radio- Televisão Timor-Leste with 20 staff members in attendance. The third session, at the UN House, gathered over 30 journalists from various media outlets, while the Xanana Gusmao Reading Room session had an impressive cohort of 60 students. In total, these sessions reached more than 135 individuals, effectively disseminating knowledge about the SDGs and fostering a commitment to sustainable development. Additionally, an event at the Portuguese School of Dili engaged 50 students from year 5 and 12, providing them with an understanding of the SDGs and ways to contribute to the realization of the goals in daily life. This session included a video presentation.

Moving forward, what should be done to improve the SDG policy environment?

The development of the SDG commission to keep the focus on the SDG goals, the implementation of medium-term planning, and setting national medium-term priorities with measurable indicators aligned to the SDGs, along with strengthening M&E systems and capacity, will help improve SDG policy coherence and environment. This includes ensuring the availability of reliable, timely data for decision makers and citizens.

GOOD PRACTICE 2. PAVING THE ROAD TO THE FUTURE': TECHNOLOGICAL EFFICIENCY IN PUBLIC ADMINISTRATION

Dalan ba Futuru, translating to "Road to the Future," is a national planning, monitoring and evaluation electronic system. It stands as a good practice in public administration. It embodies the essence of efficient, transparent, and accountable management, essential for any robust governance system. The design of Dalan Ba Futuru as a planning, monitoring, and evaluation tool leverages technology to streamline the annual planning process.

Its capacity to sketch out the chain of cause and effect from one outcome to the next allows for an improved understanding of the progress made towards strategic goals. This enhances the ability to predict and manage potential challenges, thereby significantly reducing risks associated with public projects. One of the distinctive aspects of Dalan Ba Futuru is its utilization of open-source software. This decision not only brings cost-effectiveness due to free licensing but also fosters a sense of ownership, given that the platform was developed by a Timorese and is government owned. Furthermore, the widespread accessibility of the platform, extending to the village level, promotes inclusivity and ensures that no part of the community is left out in planning and evaluating public projects.

Dalan Ba Futuru's incorporation in the Government Data Centre TIC-Timor assures security, which is vital in the digital age. Its linkage with the ANAPMA, who administers the application, ensures that it remains aligned with public administration goals and standards. The initiative to digitalize planning, monitoring, and evaluation processes through Dalan ba Futuru, along with its integration with Financial Management Information System-Free balance, marks a significant step towards modernization and enhanced efficiency in public finance management.



3.2. Data and statistical systems and the SDG progress assessment



Elias Ferreira is the President of the National Institute of Statistics, Ministry of Finance Timor-Leste, a post he has held since April 2023. He joined the National Directorate of Statistics in 2002 and was appointed as the Director General of Statistics, Ministry of Finance in 2016. His vision is to develop an integrated social and economic statistics system in line with international standards and to promote evidence-based policymaking in Timor-Leste.

"Statistical capacity and a quality evidence-base is becoming increasingly important, and our systems should meet the changing data needs of the Government, civil society, and development organizations, especially given the recent COVID-19 pandemic and our efforts to accelerate our progress towards meeting the SDGs."

Could you please explain what methodology and indicators were used in the VNR-2 report to assess SDG implementation progress in Timor-Leste? How were the target values for each SDG target determined?

Elias Ferreira: *The report uses the United Nations ESCAP's SDG Progress Assessment Methodology [1] to analyse and communicate statistics in the VNR (ESCAP, 2022). The methodology allows us to observe key trends instead of snapshots, helping to answer the questions 'How much progress has been made since 2015?' and 'How far is the country from achieving the SDG targets by 2030?'. To answer these questions, we use the SDG indicators framework and national and international statistics available for the indicators.*

The results of the assessment are produced at subindicator level and aggregated at indicator, target and goal levels (ESCAP, 2023a). For this VNR, a total 123 indicators and 226 subindicators were used. To measure progress, it was important to set target values for each SDG indicator. Three types of methods were used to set targets – using the universal target value (eliminating poverty); estimating target based on the country's past rate of

progress; and using regional performance as benchmark.

Once we have the target values and the data for the indicators, we can estimate how likely Timor-Leste is to achieve the SDGs given the current pace. There are four types of results from the assessment:

On track: *Indicates that the country is making progress towards achieving the target and is expected to meet it based on the current rate of progress or with minor additional effort.*

Accelerate: *Means there is a need to increase the current rate of progress to achieve the target within the given time frame.*

Regressing: *Signifies regression or a lack of progress in reaching the target. It suggests that efforts need to be intensified or redirected to reverse the negative trend.*

Cannot be measured: *Indicates that there is no data or insufficient data available to assess the progress towards the target.*

[1] For more information on the background and methodology of the SDG Progress Assessment, [Progress Assessment Methodology | SDG Data Gateway \(unescap.org\)](#), and [What were the main recommendations provided in Timor-Leste's first VNR in 2019 to improve the SDGs' ownership, integration, and institutional mechanisms?](#)

How was the data collection and progress assessment process conducted for the SDG Progress Assessment in VNR-2, and what key elements were considered in the assessment?

We held a technical workshop to validate the SDG Progress Assessment in Timor-Leste's VNR-2 involving 80 planning and monitoring officers from a total of 65 government entities (VNR Consultations 1). The VNR Secretariat used the SDG Progress Assessment Tool and collected up-to-date data for each indicator during follow-up meetings and trainings with line ministries and non-government stakeholders. They also identified data focal points within each line ministry. The ANAPMA and INETL team carried out a review of the SDG indicators and data set. The SDG indicator data set includes the following:

Data points: Data collected for each indicator since 2010, providing a historical perspective on progress. Each indicator must have more than three data points that demonstrate consistency and are properly calculated using the same method.

Target values: These values are determined by referencing the SDP, sectoral policies, programmes, strategic plans, and annual plans, setting specific targets to strive for.

Accountable organization: Relevant sectors, line ministries, and agencies are assigned responsibility for tracking and reporting on the indicators.

Data source identification: This involves documenting the name and type of surveys and administrative data forms used, as well as the frequency of data collection, ensuring transparency and reliability in data sources.

During the technical consultation, participants provided valuable insights regarding the existing gaps in data collection, analysis, and data systems in Timor-Leste, with a specific focus on the SDGs. They also discussed potential strategies and actions to address these gaps and improve the overall data ecosystem in the country.

According to the VNR-1 report, one of the key strategies to accelerate the progress of the SDGs is to enhance data collection and analysis. Can you provide an update on the actions taken in line with these recommendations?

Yes, the VNR-1 report emphasized the importance of producing timely, relevant, and high-quality data by conducting more frequent surveys with wider geographic coverage. Additionally, it recommended better coordination for regularly accessing and combining administrative data from line ministries and service providers. The report called for increased investments in statistics and data and for ensuring that all relevant data is disaggregated. In short, the national statistical system, which is the underlying factor in the production of quality data and evidence for

decision-making, needed to be improved.

Since 2019, significant progress has been made in strengthening Timor-Leste's national statistical system. Key issues related to the system's enabling framework have been addressed. One of the most significant developments was the Council of Ministers' approval and the President of Republic Promulgation of the Decree-Law no. 4/2023 on 15 February 2023, which transformed the General Directorate of Statistics into the National Institute of Statistics of Timor-Leste (INETL). This transformation is the foundation for the general budget. This reflects a consensus on the importance of producing high-quality and timely data and the need to invest in institutional capacities. The INETL has experienced increased management capacity, technical and administrative autonomy, and financial resources. However, it still operates as part of the indirect administration of the State, under the Ministry of Finance.

We developed the National Statistical Development Strategy (2023-2033) which is a 10-year plan for the national statistical system, and it was launched in June 2023. The goal of this strategy is to plan how and why official statistics should be produced and managed, including budget estimates for statistical production and development. We worked with the World Bank to develop this strategy and followed Paris21 guidelines, using a wide range of consultations.

VNR CONSULTATIONS 1.

TECHNICAL CONSULTATION ON SDG TARGETS, INDICATORS, AND DATA AVAILABILITY

On 12 December 2022, the VNR Commission, in partnership with United Nations ESCAP, organized a technical workshop for 80 (33% female and 67% male) government officials responsible for planning, monitoring and evaluation. The consultation aimed to review the target values in the Timor-Leste SDG data set, review data availability for each indicator, and get feedback on the assessment methodology, tool, and on potential improvements.



The participants were split into four groups: Human Capital (SDG 1-5); Economic Development (SDGs 7-11); Environment and climate change (SDGs 6, 12-15); and Institutional Reform (SDG 16-17). In addition to getting specific feedback on SDG target values and indicators, the responsible government officials identified several needs related to SDG follow-up, data collection and analysis.

- Language barriers often hamper data-collection efforts. Most indicators are primarily in English, and while translations into Tetum exist, the nuanced details of measurement can sometimes be lost.
- The absence of a central data centre complicates the situation. Without it, the burden of urgent data collection falls on individual agencies, making the process less efficient.
- Slow internet speeds further impede the process, restricting efficient data collection and exchange across all entities in Timor-Leste.
- A limited understanding of the SDGs, resulting from sparse information, contributes to these challenges.
- Budgetary restrictions and limited understanding of SDG indicators within the line ministries present additional hurdles in meeting set targets.

It's crucial to contextualize global indicators to effectively tackle country-specific issues such as poverty and hunger. This is especially important for indicators that aren't already contextualized, as it significantly influences planning and budgeting. Recommendation: Use national indicators that accurately reflect the unique context of Timor-Leste. Efforts should be made to facilitate the capacities required for the contextualization of SDG indicators.

Introducing specific indicators to assess programme quality would also be beneficial in driving improvements. Recommendation: All municipalities conduct regular M&E to gauge the implementation of SDG indicators.

The National Statistical Development Strategy responds to the changing data needs of the Government, development organizations, civil society, and others. Given the recent COVID-19 pandemic and our efforts to accelerate the SDGs, official statistics have become more critical than ever. During national emergencies such as natural disasters, statistics are crucial. To ensure the timely and comprehensive coverage of statistics, the strategy will be implemented at the municipal and district levels alongside the ongoing decentralization process.

Over the past few years, there has been an increase in the availability of funding allocated from the general budget. This reflects a consensus on the importance of producing high-quality and timely data and the need to invest in institutional capacities (Figure 7).

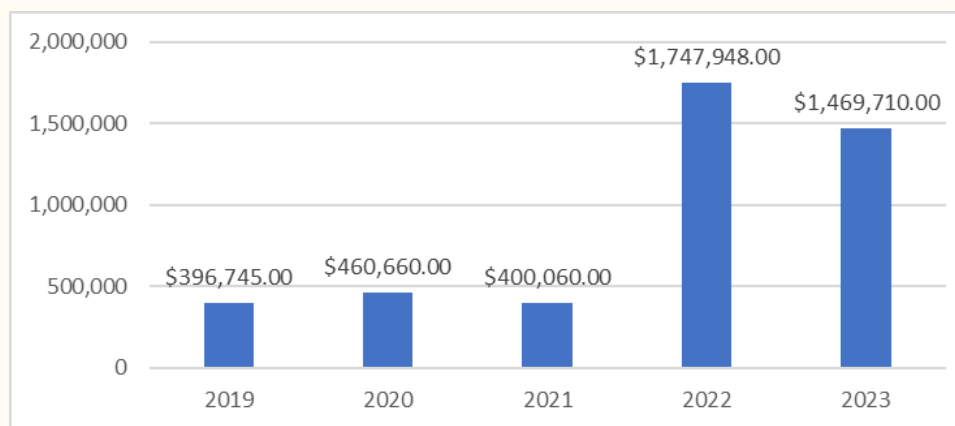


Figure 7: State budget allocated to the General Directorate of Statistics, 2019-2023 (US\$)

Note: The increase in budget allocation in 2022 and 2023 is also related to the Population and Housing Census

Source: <http://www.budgettransparency.gov.tl/publicTransparency>

In 2022, the Population and Housing Census was conducted successfully, two years after its initial postponement due to COVID-19 restrictions. This census generated essential data to support the planning and implementation of development programmes, update statistical information on population demographic, economic, and social characteristics, and track progress towards achieving the SDGs. For the first time, we digitized the census, using computer-assisted personal interviews through electronic devices. The technical assistance provided by UNFPA was crucial in digitizing the Census and training our staff.

We have also completed several key surveys, including the national Agricultural Census 2019, Food and Nutrition Survey 2020, and Labour Force Survey 2021. Currently, we are in the preparation phase of the Living Standards Survey 2023. All these surveys disaggregate data by gender, age, income, migratory status, educational level, disability, and geographic location, and more, allowing for a

more comprehensive understanding of the data.

Since the first VNR, we have successfully introduced modern technology in our data-collection methods. By using Geographic Information Systems and handheld devices, we can increase the quality of the data we collect. We also conducted our first computer-assisted telephone interview with the support of UNDP and the World Bank. The phone-based surveys and assessments are very useful as a remote data collection method, particularly during times when we cannot conduct face-to-face interviews, like during the COVID-19 pandemic. It allows us to conduct high-frequency surveys at a lower cost while still gathering reliable and accurate data.

How did the General Directorate of Statistics maintain operations and employ innovative methods during the COVID-19 and flood crises in Timor-Leste?

During the COVID-19 State of Emergency and the Floods in April, the INETL remained active in providing essential data.

The nationwide COVID-19 Socioeconomic Impact Assessment conducted by the INETL in 2021 in partnership with the United Nations and UNDP helped to provide a more comprehensive picture of how the population and businesses were coping with the situation. In conducting these surveys, we learned how to maintain maximum safety, adhering to Do No Harm principles at all stages of the surveys to protect respondents. After Tropical Cyclone Seroja, we conducted the Household and Building Damage Assessment in partnership with the civil engineering department at the National University of Timor-Leste. We used a digital toolkit developed by the UNDP Crisis Bureau. This was a new experience for us as we utilized remote sensing data or satellite images to identify which households were damaged. Our UNTL colleagues conducted the building damage assessment, while we assessed the impacts on households' livelihoods.

While SDG Indicator 17.19.1 shows progress in 'Resources for Statistical Capacities', SDG Indicator 17.18.2 concerning 'National Statistical Legislation Compliance' appears stagnant. Why is this?

Indeed, Timor-Leste has had a law on statistics in place since 2003 (Decree-Law No. 17/2003) following our independence. However, it's evident that the law needs to be updated to align with the Fundamental Principles of Official Statistics. According to the recommendations based

on the Interim Assessment of the Statistical Work Plan 2010-2019, our Statistical Law needs enhancements in areas such as the National Statistical System, the National Statistical Council, Advisory Committees, a National Statistical Office, and the role of the Chief Statistician. These need directly addressing in the law rather than being covered by secondary legislation or government directives. This improvement is a key objective in our National Statistical Development Strategy. We aim to accomplish it within the next three to four years.

What has been the overall change in SDG data availability since the first VNR?

We have made progress since our last review in 2019, with the number of indicators with sufficient data increasing from 89 to 123 (Figure 8). Notably, there has been improvement in data availability for SDGs 6, 7, 8, 9, 10, 12, 15, and 17. However, while we have made progress, we still lag behind many countries in the Asia-Pacific region, and we need more data to track our progress in implementation of the SDGs (Figures 9 and 10).

What challenges have you encountered in the last four years as you have strengthened the country's SDG data and data collection systems? What should we focus on, moving forward?

We still don't have a set of agreed upon national indicators to measure progress towards achieving the SDGs.

Despite that, more than half of the national SDP indicators are aligned with the SDG indicators (110 out of 229 SDG indicators were aligned with the national plan). There is no single online platform that brings all the SDG data together. Nonetheless, in 2023, a new platform will be developed as part of the National Strategy for the Development of Statistics. The ANAPMA team and INETL are working together to create this platform.

The coordination of data for the SDGs still has some problems, especially related to obtaining administrative data. ANAPMA is responsible for monitoring and evaluating government programmes and therefore is regularly in communication with line ministries, while the National Institute of Statistics is focused more on national surveys. However, the coordination and production of data between reporting periods (such as for the VNR) are not sufficient. We need to find ways to improve the collection and use of administrative data. There has been some progress in the health management information system, education information system, and the national social security portal. In terms of data disaggregation, we made improvements in analysing data by income class or wealth index. The latest surveys (Food and Nutrition Survey (2020), the Labour Force Survey (2021) and SEIA surveys) all analysed results based on wealth index. However, the area that needs most improvement is disability data.



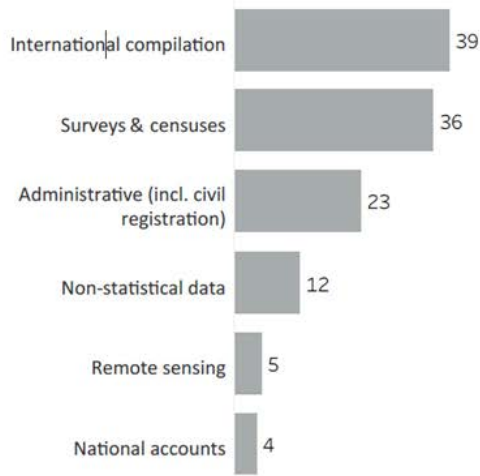
Figure 8: SDGs data availability in Timor-Leste, 2022 (left) and 2019 (right)
 Note: Sufficient = At least two data points are available; Insufficient = 1 data point; No data = no data points.
 Source: (ESCAP, 2023b)



Figure 9: Percentage of sufficient data by SDG in Timor-Leste (2022)
 Note: The availability of data comparison is based on global data (UNSD) to ensure consistency in comparison. Source: (ESCAP, 2023c)

What data sources can fill the gaps?

Number of indicators with no data, by suggested data sources (some indicators have more than one data source)



Disaggregations

For indicators which include some form of disaggregation in their description the data availability is shown by these dimensions. The proportion of indicators with disaggregation is shown in the bars with the actual numbers of indicators shown on each bar

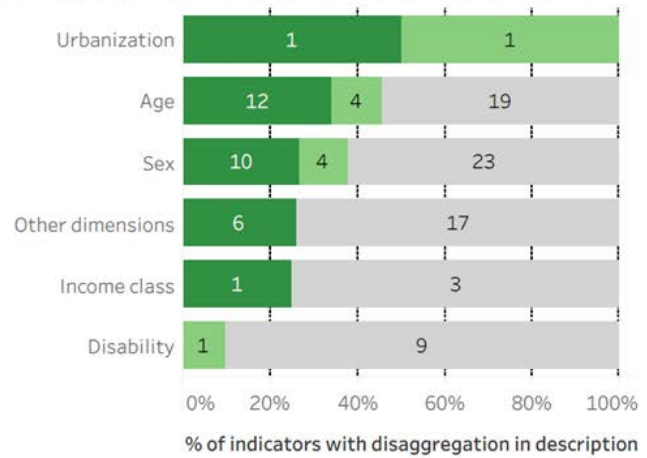


Figure 10: Filling SDG data gaps by source type; disaggregation of SDG indicators

Note: The availability of data comparison is based on global data (UNSD) to ensure consistency in comparison [KB1] [DA2]. Source: (ESCAP, 2023c)

The current challenge is to link administrative data to national indicators. While there now are focal points in all ministries and government agencies because of VNR-1, many of them do not know how to link data to indicators and to collect and analyse data. The National Institute of Statistics is unable to provide statistical training to all focal points every year. Two options are available for moving forward: to assign professional statisticians to key ministries, or to train line ministry staff in data collection and analysis. However, turnover among trained staff is a major challenge. It should be noted that INETEL, in collaboration with UNFPA, has been conducting comprehensive data literacy training programmes for a broad range of stakeholders. These programmes have been designed to cater to the requirements of municipalities and RAEOA, as well as national directors at line ministries,

policymakers, civil society members, and media personnel. The training sessions commenced in 2022 and will continue until the end of 2023.

As the National Statistics Development Strategy lays out a clear road map and INETL is restructured, the continued support and collaboration from the United Nations system and other development partners in Timor-Leste remain essential. In the next few years, our priorities include enhancing the Law on Statistics to meet international standards and adhere to the fundamental principles of official statistics. We also plan to ensure that all staff in the national statistical system, particularly those within line ministries, are equipped with necessary statistical skills. Further, it is crucial to undertake policy initiatives concerning the Open Data initiative within the data governance framework.

Investing in creating and deploying a data exchange platform for efficient storage, access, and dissemination of data is another critical need. Finally, we aim to increase ICT capacities within the National Institute of Statistics by updating our software, licences, and data protection measures. It's important to keep track of how well statistics are being shared with the public and to make sure that a wide range of statistics are being published. There will be some challenges along the way, but there will also be successes.

3.3. Priorities and recommendations

By prioritizing the policy actions listed below, Timor-Leste can create a conducive environment for effective SDG implementation, data monitoring, and reporting, ultimately accelerating progress towards sustainable development.

- **Create a dedicated organizational structure, such as the SDG Commission, to enhance policy coherence, coordination, and knowledge-sharing for effective implementation of the Agenda 2030.** In terms of structure, the SDG Commission will be led by the Prime Minister and composed of representatives from various sectors, including academia, government, and civil society. ANAPMA, MoF, INETL, and MNEC will serve as the technical Secretariat, supporting the commission in its activities. In terms of roles, it will provide opinions to the government on budget and plan allocations, advocate for the SDGs nationwide, review monitoring and evaluation reports, and serve as a liaison with parliament and development partners. The commission will have a coordinating role with relevant technical agencies and provide regular updates to citizens through various media formats. The inclusion of eminent individuals and representatives from diverse sectors will ensure a comprehensive and inclusive approach to SDG implementation in Timor-Leste.
- **Adopt a nationally relevant and context-specific SDG indicators framework aligned with the revised SDP.** The SDG Commission can be responsible for this exercise, facilitating the monitoring and reporting of SDG progress based on Timorese indicators. This framework should enable the continuous updating of datasets, ensuring that relevant data are available for monitoring SDG progress. The SDG Commission could play a pivotal role in overseeing this process.
- **Integrate SDGs into agency policies and budgets through the Medium-Term Planning.** Every government agency should incorporate the SDGs into their policies, strategies, and budgets, ensuring that sustainable development considerations are mainstreamed across all sectors. The effectiveness and efficiency of this approach should be reviewed and, if necessary, amended by the SDG Commission by the end of 2023.
- **Approve the National Strategy for Statistics Development and revise the National Law on Statistics,** providing sufficient resources to the INETL and line ministries for effective data collection and monitoring functions. Standardization of data collection methods according to SDG indicator metadata/methodology should be prioritized, and coordination efforts can be facilitated by the SDG Commission.
- **Address data gaps for SDGs 5, 1, 2, 4, 6, and 8 by 2030,** with a focus on enhancing data disaggregation efforts. It is essential to provide more detailed insights by integrating disaggregated data, specifically for disability and children with disabilities. Incorporating this aspect into the rollout and pilot of the Medium-Term Planning will strengthen monitoring and evaluation frameworks.
- **Provide significant training and cooperation between INETL, ANAPMA, and the future body responsible for SDG data collection and analysis in the country.** Clear guidelines should be developed by UN ESCAP for SDG data requirements, including the number of minimum data points, validation processes, and standardization to enable consistent use of the SDG Progress Assessment. Consistency in reporting and understanding of SDG progress at all levels should be fostered.
- **Develop a comprehensive five-year capacity-building plan that focuses on building institutional systems and enhancing individual capacities.** This plan should include extensive training on data collection, analysis, monitoring, and evaluation. Consider establishing a subacademy for data collection and analysis, jointly managed by the future SDG Commission and INETL.

PART 2. INVESTING IN PEOPLE

OVERVIEW PROGRESS OF THE SDGS

In 2002, high school students wrote their aspirations for their country 20 years in the future:

"I want Timor-Leste to become a rich nation. As a Timorese in 2020 I want my country to be like other countries" (Bemvinda da Costa, female, 16 years old, Viqueque)

"All the population will enjoy tall buildings, new houses, cars, motorbikes, and tractors" (Ivo Jesuino G. Araujo, male, 16 years old, Dili).

"...I ask to erase domestic violence. I ask to ... construct new schools for students so that we can focus on our study, because we are the future to build this country to be like other countries. I think in 2020, our lives will be improved like in other countries. We will not have "Uma Talin" [traditional house], we will not burn wood to cook but we will be using gas, and all people will live in white [modern] houses" (Jose M Marcal, male, 17 years old, Dili).

As these young people envisaged 20 years ago, is Timor-Leste today on track of becoming a middle-income country and delivering a people-centred approach? How effective has Timor-Leste been in achieving inclusive health, education, social protection, and food security for all? What has worked well and what were the setbacks? Using the answers to these questions, this chapter aims to identify what should be prioritized to have the most impact on people's lives by 2030.



2020 and 2021 were particularly challenging years for Timor-Leste in terms of progressing social policy. Despite this, the Government kept essential services operational and was responsive to COVID-19 spikes and protected people by implementing a mix of containment measures. As a result, death rates and serious cases of COVID-19 remained low.

The socioeconomic impact of multiple shocks in Timor-Leste hampered gains in development, especially for rural households, people with disabilities and the poor. This slowed progress on SDG 2, SDG 4, SDG 5, SDG 6, and SDG 7 (Figure 11). Although the nutrition situation has continued to improve, prevalence of stunting, per cent underweight and wasting remains high compared to the Asia-Pacific region. The health system in Timor-Leste is under-resourced and faces several challenges including a shortage of health workers, inadequate infrastructure, and lack of essential medicines. There are social protection programmes aimed at vulnerable parents and children, but they are not yet adequate to meet the needs of the most vulnerable groups. The net enrolment rates at secondary levels have been increasing yet preschool education enrolment is low, and the quality of education and use of digital resources remain a major challenge.



Figure 11: SDG progress assessment snapshot – SDGs 1-7
 Source: (ESCAP, 2023b)

Therefore, investing in people means healthy, nourished, and educated children, and a healthy and educated society and workforce. It means strengthening equitable access to quality health and education services and transforming climate-resilient food systems and agriculture services. The poorest households struggled to cope with difficulties due to the twin shocks of COVID-19 and the Cyclone. Expanding social protection to target the vulnerable and poor individuals and households will empower them. As such, the SDP goals under the social capital priority area will also be achieved.

4. POVERTY REDUCTION AND SOCIAL PROTECTION

4.1. SDG 1 Progress assessment

SDG 1: End poverty in all its forms everywhere. This goal aims to eradicate extreme poverty, reduce poverty by at least half, implement social protection systems, ensure equal rights to resources, build resilience to environmental, economic and social disasters, and fund the successful implementation of poverty eradication policies. SDG 1 includes seven targets. As of 2023, Timor-Leste needs to accelerate progress to achieve five targets. There is insufficient data to measure progress of the other two targets (Figure 12).

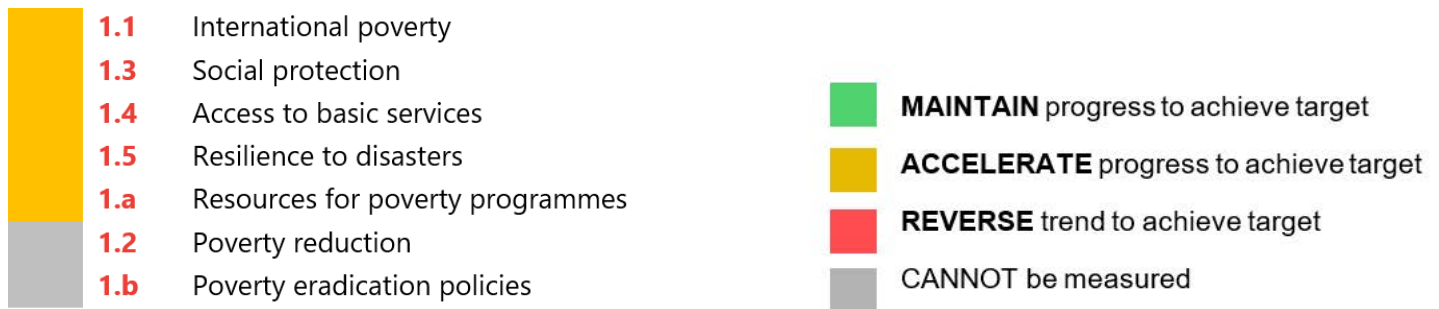


Figure 12: SDG 1: Ending Poverty, SDG progress assessment at target level

Source: (ESCAP, 2023b).

Note: For more details at indicator level, see the statistical annex.

- **Target 1.1** aims to eradicate extreme poverty by 2030. As of 2021, 22.6% of people aged 15 years or above in Timor-Leste still live on less than US\$1.90 per day. The rate in 2019 was 17.4% (male: 18.4 %; female: 16.1%).
- **Target 1.2** aims to reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions. Although there has been insufficient data points to assess progress and trends, according to the latest national poverty indicator, 41.8% were living below the national poverty line, 42.3% for male and 41.2% of female (Living Standards Survey 2014) [2]. According to the national multidimensional poverty index, 55% of population were living in multidimensional poverty and 54% of children were living in multidimensional poverty (GDS, MoF and UNICEF, 2021).
- **Target 1.3** focuses on implementing social protection systems and measures for all, with the goal of achieving substantial coverage of the poor and vulnerable by 2030.
 - 30.6% of the population was covered by at least one social protection benefit in 2022
 - 21.6% of the population was effectively covered by disability cash benefits in 2020-22, a slight increase since 2019 (19.3%).
 - In 2020, 38.2% of children were covered by cash benefits, which is an increase from the latest data available (30.7% in 2016)
 - 100% of elderly received an elderly pension (contributory and non-contributory) in 2020-2022
 - 8.9% of workers are actively contributing to pension plans
- **Target 1.4** focuses on providing universal access to basic water and sanitation. In 2020, 85% of the population had access to basic drinking water services, but there was a significant difference between rural and urban areas, with only 80% of the rural population having access compared to 96% of the urban population.

[2] The National Institute of Statistics and the World Bank are planning the Living Standards Survey 2023. The Survey will provide an opportunity to update the national data and trends in living standards across the country.

- **Target 1.5** addresses disaster resilience. Although the SDG Progress Assessment does not have data validated by UNDRR available for Tropical Cyclone Seroja, a report by the GoTL, World Bank, and United Nations estimated approximately US\$307.7 million in total damages and losses, with 90% of this amount made up of damages and 10% of losses (GoTL, World Bank and UN, 2021).
- **Target 1.a** aims to mobilize resources for poverty reduction, Official Development Assistance (ODA) grants for poverty reduction increased to 2.28% of Gross National Income in 2020, up from 1.4% in 2019.

Poverty eradication and social protection were important pillars of Phase 1 of the SDP. The Social Capital Development Area under Social Inclusion mentioned the following targets the following:

- Creation of a universal contributory social security system that guarantees all Timorese workers a pension
- Development of a social safety net package for vulnerable families
- Implementation of a Law on Orphan Care and Adoption, along with other measures to support vulnerable children

Overall, the synergies between SDG 1 and other SDGs are strong. The VNR-2 underscores a more pronounced relationship direction, as depicted in Figure 13.

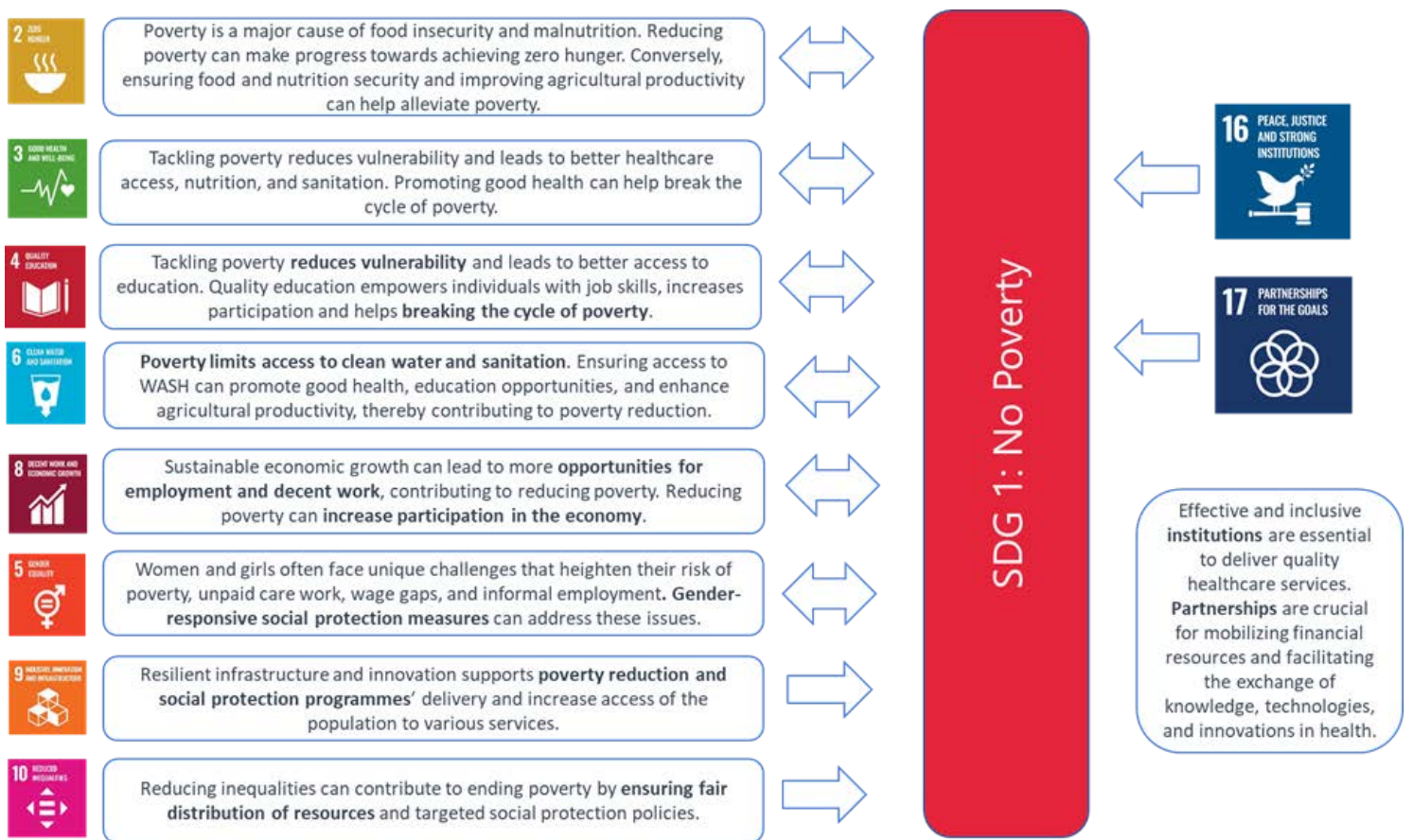


Figure 13: Synergies of SDG 1 with other SDGs

Note: SDG 1 ties to all SDGs, but for the purpose of this report and based on consultations, interviews, and case studies, only select SDGs are featured. One-way arrows suggest stronger influence on the SDG; two-way arrows represent strong mutual influence.

Source: Adapted by the author

4.2. Progress and challenges

This section seeks to answer the question of whether Timor-Leste is implementing policies and programmes that reduce poverty and protect workers and citizens. The chapter presents the interview conducted with Carmeneza Monteiro and findings from a series of national, local and target group consultations and desk review.



Carmeneza Monteiro is a public policy professional currently leading the social protection programme with DFAT's Partnership for Human Development, as well as Social Protection Adviser to the Ministry of Social Solidarity and Inclusion. She is also a Partial Commissioner for the Civil Service Commission of Timor-Leste.

"It is important to deliver for the people, and we cannot take for granted the peace and stability we have now. Peace and stability are possible when the basic needs of the people are met. Therefore, Timor-Leste is continuously improving the social protection ecosystem. The launching of the Bolsa de Mae-New Generation programme as a universal cash transfer to all children, pregnant woman and children with disabilities is a big step and good practice to accelerate the SDGs."

What comes to mind when reading the postcards written by students 20 years ago?

Carmeneza Monteiro: All the postcards discussed peace and freedom, and some development issues such as eliminating violence and domestic violence, providing better living conditions for the people, jobs for youth and eliminating corruption, collusion, and nepotism.

Currently, Timor-Leste upholds democratic principles and promotes peace. However, democracy's stability is fragile and can be disrupted if it fails to address people's needs, combat corruption, nepotism, and collusion, provide job opportunities for the youth, and ensure accessible services. Drawing from the experiences of other emerging democracies, peace and stability are achievable when the fundamental needs of the people are met. These postcards serve as a reminder of the imperative to deliver for the people and not to overlook the peace and stability we currently enjoy.

The State has been trying hard to create an enabling environment for peace and democracy, and the oil economy is helping lift people out of poverty but many challenges remain in employment, economic diversification, and social policies.

Can you describe the poverty and social protection situation in Timor-Leste before the pandemic?

Before the pandemic, Timor-Leste still had a lot of vulnerabilities. The poverty level was one of the highest in Asia-Pacific. Although we don't have recent data, in 2014 (the latest available data), around 41.8% of the population were living below the poverty line. This rate was even higher for children aged 0-14 years at 49% (GDS and UNICEF, 2018). The incidence of child labour was 16.1% according to an estimate by ILO in 2019.

	Headcount (Incidence)	Poverty gap (Depth)	Squared poverty gap (Severity)	Consumption per person [\$ /month]	Gini coefficient
Timor-Leste	41.8	10.4	3.7	60.1	0.29
EAST					
Baucau	32.6	6.8	2.0	63.0	0.25
Lautem	32.2	6.8	2.1	64.7	0.28
Viqueque	36.9	7.8	2.4	61.7	0.26
CENTRE					
Aileu	35.1	8.1	2.7	59.8	0.24
Ainaro	43.2	9.4	3.0	58.6	0.26
Dili	29.1	6.0	1.9	72.0	0.30
Ermera	56.7	17.1	6.6	52.9	0.31
Liquiça	43.0	11.7	4.4	54.7	0.26
Manufahi	47.7	11.1	3.6	54.1	0.24
Manatuto	43.1	9.2	2.9	59.8	0.26
WEST					
Bobonaro	51.7	12.6	4.4	53.0	0.26
Cova Lima	53.1	15.9	6.8	50.2	0.27
Oecussi	62.5	19.8	7.9	49.3	0.31

Note: Consumption per person at average national prices of April 2014/April 2015.

Figure 14: National poverty indices by municipality, 2014
Source: TLSLS 2014 in (Ministry of Finance and World Bank, 2016)

The national poverty line is the most useful threshold for monitoring national poverty and for national policymaking. There has not been a Living Standards Survey (TLSLS) conducted in Timor-Leste since 2014 (Figure 14). The TLSLS 2023 is under way, and results are expected to be released in 2024 thus updating the national poverty rates and relevant indices.

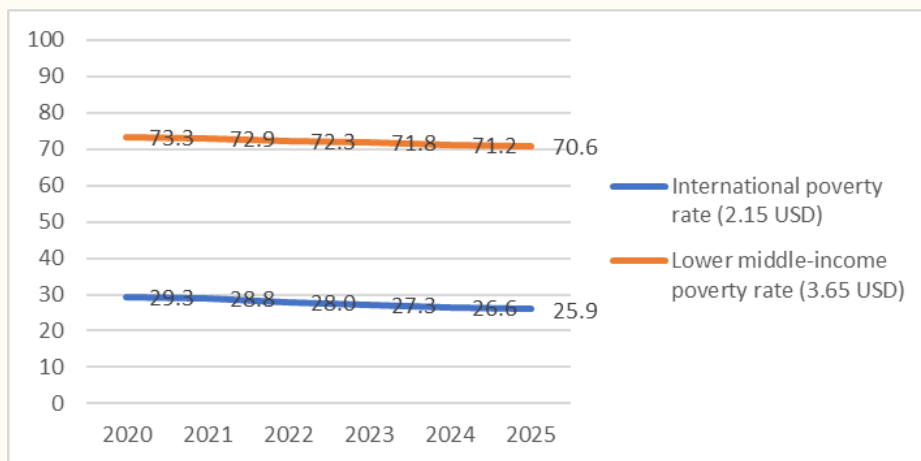


Figure 15: International and lower-middle-income poverty rate estimates, 2020-2025
Source: (World Bank, 2023)

At the current international level, it is estimated that as of 2022, 28.0% of the population live below the US\$ 2.15 line (Figure 15). If the line for lower middle-income countries is applied, a large 72.3% are living below the US\$ 3.65 line in 2022.

There were large differences among the populations living in rural and urban areas in terms of access to essential services. The multidimensional poverty index clearly shows the number of people deprived in living standards, water and sanitation, health, and education was much higher in rural areas (Good Practice 3).

GOOD PRACTICE 3. THE TIMOR-LESTE NATIONAL MULTIDIMENSIONAL POVERTY INDEX

In 2021, Timor-Leste introduced a national measure of multidimensional poverty, a landmark initiative to provide data for SDG indicator 1.2.2. This measure encompasses eight dimensions, enabling a more holistic view of poverty in the nation: Water and Sanitation (WASH); Living Standards; Information (specifically targeting adolescents and youth); Nutrition (focusing on children under 6); Health; Education (addressing people aged 6 years and older); Employment (centred on adolescents and youth); and Child Protection (aimed at children under 6). The index consists of 18 individual-level indicators, carefully selected to examine intra-household inequalities, which form the foundation of the eight dimensions.

Benefits of the multidimensional poverty index:

- Enhancing understanding of poverty within the national context, thus complementing monetary measures
- Facilitating ongoing tracking, recording, and evaluation of progress in reducing multidimensional poverty
- Using data to refine policy strategies, target the most deeply impoverished individuals, and foster collaborative methods for implementing SDGs
- Encouraging wider national participation in and commitment to eradicating poverty in all forms.

The data derived from the 2014 TLSLS using the multidimensional poverty index provides crucial evidence for policy formulation. Once the next TLSLS becomes available in 2024, the index will be updated, offering fresh, valuable insights for planning appropriate policy interventions and budget allocations.

The development of the multidimensional poverty index was a consultative, inclusive process. The selection of indicators and thresholds was guided by international standards, national priorities, and data availability.



Table 3: Prevalence of deprivation in six dimensions by municipality, 2014
 Source: TLSLS 2014 in (Ministry of Finance and World Bank, 2016)

	Deprived in water and sanitation	Deprived in living standards	Deprived in information	Deprived in health	Deprived in education	Deprived in employment opportunities
National	59.7	78.4	87.7	78.1	49	20.7
Rural	69.1	90.3	89.6	81.5	51.4	21.2
Urban	35.8	48.1	83.6	64.8	40.9	19.7
Ainaro	74.6	92.3	90.7	84.4	48.7	14.7
Aileu	54.7	90.7	85.9	78.5	48.1	23.2
Baucau	76.2	83.6	92.2	69	52.6	19.8
Bobonaro	65.7	89.5	88	84.4	51.1	24.8
Covalina	66.8	91	89.5	81.7	51	23.6
Dili	29.7	43.7	80.9	65.4	41.4	20.3
Ermera	63.1	94	91.2	84.2	50	25.4
Liquiça	57.5	85.5	91.9	83.3	53.5	20.9
Lautem	62.7	76.2	90	79.5	46.9	19.9
Manufahi	75.4	92.2	89	77.2	51.5	14
Manatuto	66.6	79.5	89.3	76	56.4	19
Oecussi	69.6	88	94.5	82.8	46.9	17.8
Viqueque	75.9	91	85	75.8	49.8	20.1

Source: Author's elaboration on TLSLS 2014.

The national statistical office, GDS, expressed a preference for indicators and targets aligned with the Global Multidimensional Poverty Index and the SDG targets. The GDS also emphasized the necessity for a population-wide measure rather than a household-based one, requiring the definition of unique indicators and dimensions. Collaborative involvement by GDS, UNICEF, the World Bank, UNDP, and UN Women was instrumental in the successful development of the index. The national ownership of this measure is crucial for sustainability.

The initial multidimensional poverty index showed a poverty headcount of 55%, with a higher prevalence in rural areas (70%) compared to urban regions (29%). It was found that young children, older individuals (60 years and above), and women are more likely to be multidimensionally poor. These insights serve as a robust baseline for measuring progress in reducing multidimensional poverty, offering a measure finely tailored to the unique context of Timor-Leste.

The government has a comprehensive social protection strategy and programmes for different target groups at all stages of life. Primary health care is free for all, there is free universal education (mandatory for nine years), and there are pension schemes for older people, as well as a variety of schemes for those working and contributing to social protection. Despite the positive evolution in the social protection effective coverage, 69.6% of people are not covered.

In terms of the adequacy of social protection programmes, there has been important progress aligned with international recommendations. One example is that Timor-Leste updated the social pension for the elderly and people with disabilities from US\$30 to US\$50 per month in 2022, and will continue to update it based on inflation. This is the first cash benefit that uses indexation. However, the adequacy of social programmes still needs improvement. Particularly, coverage should be increased for people with disabilities, migrants, informal workers, survivors of violence, women, and young people (VNR Consultations 2).

Women, particularly when pregnant, are typically the most vulnerable in their families –they are still responsible for household care and domestic work for the family in unsafe environments, and eat less. As a result, their children are not healthy, with high stunting levels.

The Food and Nutrition Survey 2020 quantitative analysis identified that the risk of stunting was higher among households whose caregivers had a low education, were poor and lacked access to improved sanitation. The risk of stunting was strongly associated with diarrhoea and fever in terms of morbidity (Ministry of Health, 2020).

Stunting has a lifelong impact on children and on society. Children must be healthy to be able to study and become productive in the labour market and in society in general. The Government has a social protection conditional cash transfer programme Bolsa de Mae which targets families with children in vulnerable conditions. The benefit level is too small (US\$5 per child per month for up to three children) to make a significant impact. This means that the annual benefits range from US\$ 60-180 per household. According to a Policy Note on assessing the benefit structure developed in 2015[1], the Bolsa de Mae has a great potential to reduce poverty and assist in developing the potential for children in those vulnerable households if it is redesigned to improve poverty targeting, increase coverage and adjust the benefit levels.

The Government and DFAT's Partnership for Human Development Programme had ongoing discussions about reforming the Bolsa de Mae programme. MSSI started advocating for the following reforms: provide universal cash transfer for mothers and children, increase the monetary value of the transfer, and simplify the processes. This was the beginning of the concept for the Bolsa de Mae- New Generation programme.

Box 4 discusses the coverage and financing of social protection programmes in Timor-Leste.

[1] For further details, see https://socialprotection.org/sites/default/files/publications_files/Bolsa%20da%20Mae%20Policy%20Note_FINAL.pdf

VNR CONSULTATIONS 2.

CHALLENGES AND SETBACKS IN TIMOR-LESTE'S SOCIAL PROTECTION SYSTEM

The following challenges were identified in national-level consultations and consultations with women, people with disabilities, and community groups in Oecusse and Baucau.

Challenges identified at National Consultation

- Non-existence of INSS cards, social security numbers, and contributive balances
- Lack of information on social protection at municipal level.
- No required contribution for informal work
- Public service bureaucracy hampers beneficiary recruitment.

Challenges identified by women:

- Lack of mechanisms for monitoring perpetrators of GBV.
- Delayed final decisions in civil cases.
- COVID-19's impact on service provision.
- Accessing legal justice in rural areas,
- Inadequate information to resolve public and semi-public GBV cases
- Lack of shelters in municipal areas.
- Lack of facilities for victims who are disabled or LGBTIQ.
- Limited media coverage in rural areas
- Lack of information and human resources on GVB.

Challenges identified by people with disabilities:

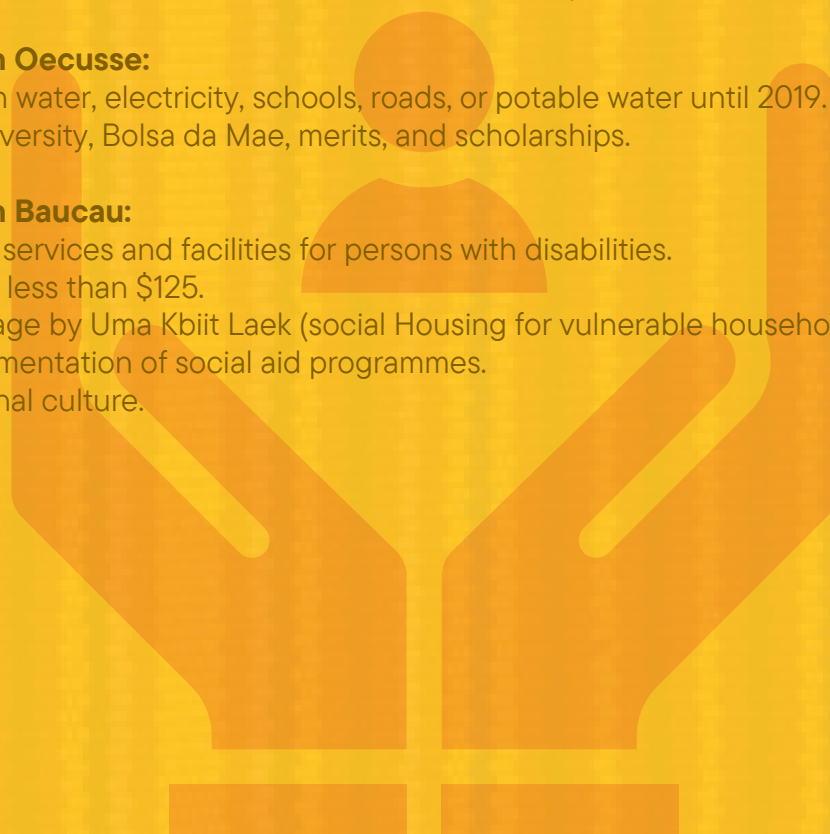
- Disabled youth lack access to the Bolsa da Mae subsidy.
- MSSI lacks data on people with disabilities from 14 municipalities.
- Insufficient institutional support from MSSI to organizations working with people with disabilities.
- The national rehabilitation centre lacks equipment for visually impaired individuals.

Local communities in Oecusse:

- No access to clean water, electricity, schools, roads, or potable water until 2019.
- No access to a university, Bolsa da Mae, merits, and scholarships.

Local communities in Baucau:

- Need for separate services and facilities for persons with disabilities.
- Average income is less than \$125.
- Inadequate coverage by Uma Kbiit Laek (social Housing for vulnerable households).
- Nepotism in implementation of social aid programmes.
- Dominant patriarchal culture.



BOX 4. COVERAGE AND FINANCING OF SOCIAL PROTECTION PROGRAMMES IN TIMOR-LESTE

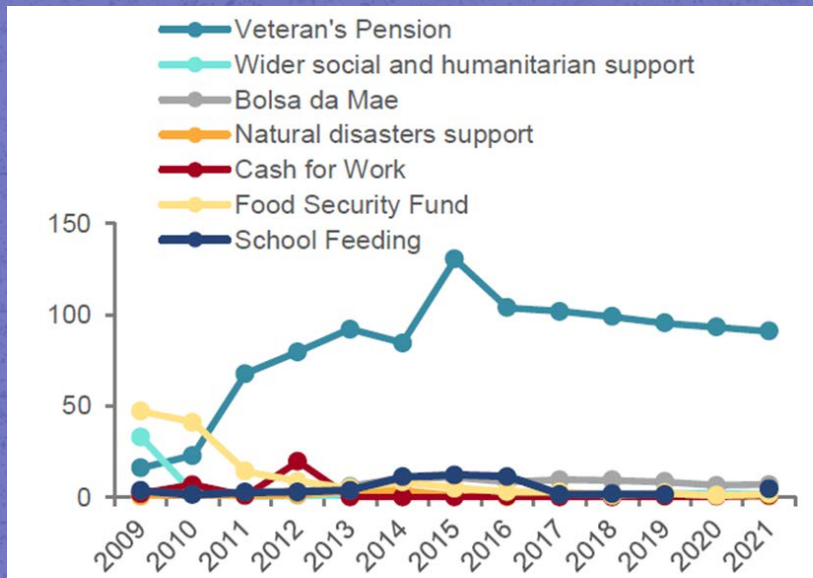


Figure 16: Social protection programme trends, 2009-2021
Source: (World Bank, 2022)

The disability benefit only covers those with permanent inability to work. In 2019, this was 8,727 individuals, meaning only around 21 per cent of potentially eligible Timorese were covered (Government of Timor-Leste, 2021a).

The veterans' pension accounts the largest proportion of the total social protection spending (Figure 16). In 2019, total social protection expenditure in Timor-Leste was 7% of non-oil GDP, and excluding veterans' pension, 3% of non-oil GDP. MSSI's budget increases between 2010 and 2017 were mainly driven by expenditures on veterans,

(average of 62% of the total budget during that period) (Government of Timor-Leste, 2021a).

Women, LGBTIQ, young mothers, and women and girls with disabilities do not benefit equally from social protection programmes (Secretariat of State for Equality and Inclusion. GDS, UN Women and UNFPA, 2018).



BOX 5. GENDER-BASED VIOLENCE IN TIMOR-LESTE

In SDP 2011-2030, the Government recognizes discrimination and gender inequality as a root cause of violence against women. Since independence in 2002, Timor-Leste has ratified core human rights treaties and at the national level, it has enacted the Law against Domestic Violence in 2010, National Action Plans on Gender-Based Violence (2012-2016, 2017-2021 and 2022-2032), a National Action Plan on the Women, Peace, and Security Agenda (2016-2020), Guidelines to Address Sexual Harassment in the Civil Service (2017), a dedicated Gender Strategy for the National Police (2018), a Law on Child Protection, National Action Plan for Children (2023), Child and Family Welfare Policy (2015) among other policies to uphold the right of women and girls to live free of violence.



- According to the 2016 Demographic and Health Survey, 59% of Timorese women (15-49 years) had experienced physical and/or sexual assault by an intimate partner in their lifetime. Women endure discrimination in their homes, society, health, education, employment, and access to justice, and their labour-force participation (24.9%) is lower than that of men (52.5%). The survey revealed a wide range of prevalence across municipalities, emphasizing the need for tailored interventions. (GDS, MoH and ICF, 2018).
- Timor-Leste ranked third highest (9.75) in the Spotlight Country Selection Proxy Composite Indicator and weighting, after Papua New Guinea and Palau. This gender imbalance contributes to the high levels of violence against women and girls, which remains one of Timor-Leste's most widespread human rights violations.
- According to the Gender Gap report of the World Economic Forum, Timor-Leste ranked 124 out of 149 countries in relation to gender pay gap and access to economic empowerment taking the bottom spot in East Asia and the Pacific region. However, the recent Gender Inequality Index for Timor-Leste shows a decline from 0.560 in 2002 to 0.378 which means decreasing inequality between women and men.

The Government's commitment to gender equality and ending violence against women and girls has been hindered by the lack of a holistic approach, limited coordination between different groups of actors, and low levels of consistent and sustained investment and support for institutional change. Government funding for gender equality was less than 2% of the total state budget for 2016-2017, with the 2018 political bottleneck slowing critical funds to service providers and women's organizations. For the fiscal year of 2023, US\$ 259 million has been allocated for Gender Equality and Social Inclusion programme, whereas in 2022, it was US\$233 million. This is the third largest programme by the total amount in the budget and represents 8.2% of the total General State Budget (Government of Timor-Leste, 2023).

Before we discuss more about the Bolsa de Mae, could you provide an update on the current situation of gender-based violence in the country?

Gender-based violence (GBV) continues to be a persistent problem (Box 5). Timorese women are underrepresented in politics and decision-making, especially at the local level. Violence limits women's ability to control their bodies and health and make decisions, and limits economic and educational outcomes. It also perpetuates inequitable social norms. A survey by the Asia Foundation showed the worrying trend of intergenerational cycles of violence, as women who witnessed their mothers being beaten as children were 1.7 times more likely to experience intimate partner violence than those who had not witnessed such beatings during childhood (The Asia Foundation, 2016). Addressing domestic violence requires comprehensive efforts to promote gender equality, empower women, and challenge societal norms that perpetuate violence.

What efforts have been made to address gender-based violence and promote gender equality in the country so far?

The GoTL has been proactive in addressing GBV. The Law Against Domestic Violence was enacted in 2010 and National Action Plans for GBV have been implemented. The current National Action Plan 2022-2032 aims to support gender equality, empower women, and enhance support to survivors. It's a multifaceted approach involving the government, development partners, and CSOs working together to strengthen response services and devise preventive strategies.

The country has established a gender equality architecture, supported by an Interministerial Gender Working Group and sector-specific Gender Working Groups. This was followed by incremental investments to strengthen civil servants' capacities to plan and deliver effective, gender-responsive services. Service infrastructure and institutional capacities are still evolving considering the country's short 21 years of independence, but institutional frameworks and coordination mechanisms are well-positioned to complement capacity development efforts to promote respectful relationships and mobilize communities to eliminate violence against women and girls.

In Timor-Leste, the women's movement has been a driving force in national growth, including efforts to abolish domestic abuse. Women's organizations are leading advocates for increasing the visibility of GBV, and diverse emerging organizations are reinforcing these efforts by broadening the dialogue to include women's economic empowerment, new masculinities, LGBTIQ rights, and the agency and protection of people with disabilities. The Spotlight Initiative is a major programme supporting national organizations and movements in their work to reduce GBV in the country in a comprehensive way (Good Practice 4). Although we've seen significant progress, the fight against GBV is ongoing. We need to continue to strengthen prevention efforts, improve response services, and promote effective coordination and monitoring. The goal is to create a safer society where GBV is no longer tolerated.

GOOD PRACTICE 4. TRANSFORMING NORMS AND ENHANCING INSTITUTIONAL RESPONSE THROUGH THE SPOTLIGHT INITIATIVE AND TOGETHER FOR EQUALITY PROGRAMMES

The two Joint Programmes (Spotlight Initiative and Together for Equality), implemented by six United Nations agencies, have achieved significant progress in their mission to prevent and respond to GBV, making substantial contributions to the promotion of gender equality and women's empowerment. These comprehensive initiatives have successfully transformed social norms, increased awareness, and provided essential support services to prevent and address violence against women and girls. A key area of impact lies in the promotion of positive change in social norms, attitudes, and behaviours to prevent GBV.

Connect with Respect

Partners: MEYS, CSOs, and UN Women

Aim: Foster gender-equitable social norms among youth; GBV prevention.

Methods: Active engagement with teachers, students, parents, and community members

Impact: This programme has successfully transformed attitudes and behaviours while addressing GBV prevention, consent, and healthy relationships.

Spotlight Initiative

Funder: European Union

Aim: Raise awareness about positive gender norms and respectful relationships, increase community engagement in preventing violence against women and girls

Methods: Created edutainment films for television

Evaluation: Created a WhatsApp chatbot to see if the films were changing people's attitudes

The Joint Programmes made significant strides in enhancing institutional capacity for effective GBV response. Collaborating with local civil society organizations, faith-based organizations and United Nations agencies, these programmes have strengthened GBV survivors' access to essential services. By developing training programmes, guidelines, and standard operating procedures, institutions such as justice sector actors, health service providers, and public authorities have improved their coordination, response mechanisms, and overall support for survivors of GBV.





Collaborative efforts between the government, development partners, and CSOs have been instrumental in strengthening response services and prevention strategies. Various areas have been addressed, including the following:

Health-care services: Development of a contextualized in-service training package for health-care providers to effectively respond to GBV cases, including intimate partner violence.

Legal and justice services: Inclusion of gender-based violence subjects in judicial training institutes; development of guidelines to prevent and combat sexual harassment in public service. United Nations agencies provided technical input on the multiple laws and codes [3]. Two Justice Clinics for victims were constructed.

Psychosocial support: Development of counselling programmes and the establishment of counselling spaces to provide support to survivors.

Shelter and safe spaces: Establishment of emergency accommodations and safe spaces in health facilities to ensure survivors have secure and confidential environments to receive support.

Age-appropriate support: The United Nations has also supported the design of specialized survivor-centred services for adolescent girls, which helps provide data to strengthen age-appropriate service provision. This work is expected to provide data on service use by women and girls, further expanding the provision of such services nationally.

Coordination and referral systems: Strengthening multi-sectoral GBV response teams and the establishment of a referral network of services for victims.

The Joint Programme's efforts have yielded tangible and impactful results in preventing and responding to GBV and have reached over 328,850 beneficiaries. Through transforming social norms and enhancing institutional capacities, these programmes play a crucial role in creating a safer and more equitable society where violence against women and girls is actively addressed and prevented.

[3] Criminal Procedural Code; the Law on Justice Organization; Child Protection Bill; ratification of the Convention on the Rights of Persons with Disabilities; the Domestic Workers Bill; the Law Against Violence and Harassment in the world of work

What happened when the COVID-19 State of Emergency was declared, in terms of its impact on poverty situation and the delivery of essential services?

During this period, Government municipal departments struggled to finance activities related to COVID-19 due to the duodecimal budget and the delay in the distribution/execution process of COVID-19 measures. Programmes such as “Bolsa da Mae” or “Merenda Escolar” (School Feeding Programme) were not available during the three months of the State of Emergency in 2021 (United Nations and the Government of Timor-Leste, 2021). Due to the State of Emergency, major activities stopped, and many small businesses failed. As a result, most people, especially those in the informal economy, lost their incomes. Some households had no food to eat. Then, people started advocating for subsidies. Initially MSSl proposed a US\$ 200 monthly transfer for households. The payment mechanism was very difficult - not everyone has a bank account, banks do not have sufficient branches in rural areas, existing mobile payment systems (T-Pay and Mosan) were not suitable for providing social assistance at scale. This meant that cash needed to be distributed in person, and the Government needed to wait for the Ministry of Health guidelines. So, the distribution of the subsidies was a complex health versus livelihood trade-off (Box 6, Good Practice 5).

Eventually, MoF and MSSl jointly went to all 452 villages across the country to facilitate payment – the whole Government machinery had to go. Almost 300,000 households who fulfilled the condition that at least one member does not receive a monthly income greater than US\$500 (through salary, subsidies, or institutional support) received US\$ 200 Uma Kain subsidy between May and July in 2020, just two months after the State of Emergency. An additional challenge in implementing this emergency measure was the registration issue, which continues to hinder social protection programs. The village chief had to determine eligibility for households based on marital status (Box 7).

The percentage of children aged 0-4 years old with their birth registered was 60.4% (60.3% for male; 60.5% for female) (General Directorate of Statistics, 2015). The percentage of children aged 0-4 years old with birth certificate was 36.4% (Timor-Leste National Institution of Statistics, 2023).

Due to the unclear definition of a household, village chiefs relied on the Ficha Família family card as a crucial document to determine eligibility. Those without these cards faced the risk of exclusion.

There may have been fraud in card issuance: we know during cash payments and Cesta Básica programmes the number of households significantly increased, reaching around 330,000 households [4].

These programmes showed the importance of civil registration. Newcomers need to come and register and obtain the family card. People don't know the importance of registering and reporting when leaving and moving. Both the Government and the people need to make efforts to improve the registration system in the country. The process should be simplified so that everyone can access public services.

Overall, during the State of Emergency, social protection and social services have been essential in supporting the most vulnerable population. Social services and protection programmes remained in full operation to allow support to the population. But most social solidarity institutions providing shelters for women did not receive additional financial support during the State of Emergency. Funding shortages posed significant challenges for social solidarity institutions, hampering their ability to support communities, reach remote areas, and provide adequate compensation to their employees. This particularly affected institutions that provide shelter and safe spaces for women.

The qualitative interviews undertaken with the municipality representatives of the MSSl and the local essential service providers reported a general increase of cases of violence against women and children during the pandemic (United Nations and the Government of Timor-Leste, 2021).

[4] In 2022 Population and Housing Census, a total of 250,034 households were enumerated (INETL, 2023; Government of Timor-Leste, 2022b)

BOX 6: THE STATE OF FINANCIAL INCLUSION IN TIMOR-LESTE

In 2022, UNCDF, UNDP, and the research agency TEBUTT conducted a digital financial literacy survey in Timor-Leste. The survey included 1,631 Timorese aged 15-74 across the country. It explored the respondents' experiences with traditional and digital financial services to-date and assessed basic competencies in digitization and finance. Key findings include the following:

- 52% of Timorese do not have a bank account, electronic payment card, or digital financial service they can use to store money or make payments.
- Only 10% of adults have a payment card of any sort.
- Just 4% of Timorese adults use banking apps or online money management tools to monitor their spending and saving (7% among Internet users).
- 50% of Timorese adults believe digital financial services are risky for ordinary people.
- Timorese are near universal in their use of cash to pay for commonly accessed household items and services (defined as groceries, paid meals out, or utility bill payments).
- Notable differences in mean digitalization scores and levels of digitalization between cohort groups are as follows: Significantly lower among rural men (4.31 mean) and women (4.11) than their urban counterparts (7.05 among urban men and 6.65 among urban women).
- There is acknowledgement that digital financial services are the 'way of the future'; and are both beneficial and essential to many Timorese, particularly small business owners and Timorese receiving government payments.
 - A majority (57%) agree digital financial services like mobile payments, online banking, and digital wallets will soon replace cash in Timor-Leste.
 - 69% say digital financial services make it easier to receive benefits payments from the government, despite relatively few Timorese receiving government payments currently.



GOOD PRACTICE 5. CASH TRANSFERS DURING COVID-19: THE GOVERNMENT'S QUICK RESPONSE

In August 2020, the GoTL approved a package of four short-term economic recovery measures under the first phase of the Economic Recovery Plan. A significant component of which this plan was the Uma Kain Cash Transfer Programme. The programme distributed a US\$ 200 cash subsidy to 313,442 households during the COVID-19 State of Emergency, achieving a coverage rate exceeding 96% despite various challenges. Cash was distributed to households meeting the condition that at least one member does not receive more than US\$500 a month. An implementation report by the Government of Timor-Leste documented the lessons learned, successes and good practices of this unprecedented programme (Government of Timor-Leste, 2021d):


Banking system: An accessible banking system for key for successful implementation of social protection programmes. Such a system can make the delivery of support more effective, efficient, and safer, particularly in periods of public health crisis.

The importance of cross-agency collaboration: The programme highlighted the need for effective interministerial collaboration, as lack of regular coordination between the Ministry of Administration (MAE) and MSSI caused delays.

Necessity of comprehensive beneficiary data: The MAE could only provide data for the 'heads of households' in the households lists, which made verifying income eligibility with the INSS challenging. If no income could be verified because of insufficient data, the household was automatically deemed eligible. As such, the Programme highlighted the need for clearer definitions of beneficiary eligibility and stronger civil registration systems.

Need to include vulnerable groups: The eligibility criteria excluded certain population groups, such as children in orphanages, women and girls in shelters, incarcerated citizens, and emigrants not registered in their villages. Members of vulnerable groups who could not obtain a Family Card due to not fitting the traditional definition of a family were also excluded. This shows the need for inclusive programme designs that consider a wide range of household structures and circumstances, especially in times of crisis.





Despite limited access to banking systems, the initiative mobilized a large-scale logistical operation to deliver the subsidy by hand, starting just over a month after the programme was made into law.

Good practices include the following:

- The complaints process fostered transparency, accountability, and inclusivity. The complaints process was a key feedback channel, and it helped make systemic inequalities visible, especially for marginalized groups. The feedback informed programme enhancements, such as the need for clearer eligibility criteria, improved civil registration, and broader banking services. As a result of the complaints procedure, 14,634 valid complaints were addressed, totalling US\$ 2,926,800.
- Collaboration, spanning government from the national level (MSSI and MAE) to municipalities, Administrative Posts, and local authorities, was integral to the programme's successful execution. Partnerships with ILO, various United Nations agencies, DFAT, the World Bank and others provided crucial support for cohesive, expansive, and efficient implementation.
- Real-time data collection using tools like the Kobo Toolbox allowed for more efficient data collection and tracking.
- A robust data reconciliation process provided transparency and validated the appropriate usage of funds. Multiple independent data sources, including payment lists, withdrawal and deposit slips, data collection dashboards, daily and final reports, and bank account balances before and after payments, ensured the programme's reliability.

The MSSI's public awareness campaign, encouraging those earning more than US\$ 500 to refrain from claiming the support, had a noticeable effect. This demonstrated the power of public communication in encouraging social responsibility and adherence to the programme's eligibility requirements.

BOX 7. FIGHTING TO BE RECOGNIZED AS A HOUSEHOLD



According to Rede Feto, a national network advocating for gender equality, the women less likely to receive the cash transfer were vendors, single mothers, widows, people with disabilities, LGBTIQ persons, survivors of violence, and domestic workers. The primary obstacles identified were related to insufficient information about the household registration process, the distance and cost involved in registering the household, and misapplication of the rules for distributing the benefit (Rede Feto et.al, 2020).

Estefânio Salsinha or Maun Ken, a mobilizer of the LGBTIQ community in Ermera municipality who is currently a university student in Dili, shared his experience applying for the Uma Kain Subsidy:

"As our government launched the Cesta Básica and a US\$200 subsidy for each household, the problem I faced was I was not entitled to receive the subsidies. I currently live in Ermera municipality, but my parents are from Aileu municipality. Although my name was on the subsidy list, the authorities insisted we are not a household because my parents live in a different municipality. Maybe the local authorities thought I had double identification but in reality, my name is only registered in one village. Also, they tend to think a household is a husband and wife, children, and grandparents. When you don't have this kind of family, you are not considered a household.

I insisted and made several complaints. Only then I was able to receive the Cesta Básica, and the US\$200 Christmas Bonus in 2022. I could not receive the Uma Kain subsidy in 2020. There are young people who are excluded from this subsidy because they are not in a conventional household."



What measures have been taken to support those affected by natural disasters, especially during the Easter Floods, Cyclone Seroja?

The GoTL, with support from international organizations and donors, provided emergency relief and assistance to those affected by natural disasters. MSSl was mainly responsible for ensuring women and children had shelter, and provided food for displaced people, providing in-kind support. Most of the Government response, such as repairing damaged infrastructure and buildings, was provided by the Civil Protection agency (Box 8).

Can you describe how the Bolsa de Mae – Jersaun Foun programme works and what the emerging results are? What are the main challenges and opportunities for this programme?

Yes, before describing the programme which was being formulated pre-pandemic and floods, we should mention the National Strategy for Social Protection 2021-2030. It states that “by 2030, Timor-Leste aims to achieve the end of poverty, promote peace, ensure access to health care, education and other essential services, ensure adequate care for children, the elderly and the disabled, and protect the population from social and economic risks, thereby ensuring a decent living standard for all Timorese citizens” (Government of Timor-Leste, 2021a). Both the Bolsa de Mae and the Bolsa de Mae-Jersaun Foun (new generation)

programmes directly contribute to this vision.

This programme, an extension of the original Bolsa da Mae scheme established in 2008, has been designed to enhance social protection for pregnant women and children, particularly targeting their health, nutrition, and education outcomes. Bolsa da Mae - Jersaun Foun provides monetary support for the beneficiaries, with pregnant women receiving US\$ 15 per month, caregivers getting US\$ 20 per month per child, and an additional US\$ 10 per month granted for children with disabilities. Beneficiaries are registered at health clinics, which encourages them to seek maternal and child healthcare services. The programme also aims to expand women's access to financial services, contributing to their economic empowerment. When the MSSl initially proposed this programme to the Council of Ministers, the aim was to extend its benefits nationwide. Subsequently, in October 2021, a Decree Law was passed that outlined the programme's concept, implementation phases, and funding structure.

Before the programme started, based on the census, there were

an estimated 27,000 households in the three municipalities. In December 2022, around 80% of these households were reached. Now around 19,000 households are registered under the programme. In 2023, four more municipalities are included, in 2024 there will be 11 municipalities, and by 2025 the whole country will be covered, with Dili being the last location added to the programme.

One of the major challenges in piloting the programme, like the challenge encountered in other programmes, was the payment mechanism. As the State bank and other banking institutions were not ready to operate at village levels across the country, the programme had to cooperate with semi-banking institutions like T-Pay. Awareness of and access to financial institutions are low. After exploring many options, the MSSl decided to engage with ‘T-Pay mobile payment system’. T-Pay mobile recruits and trains agents to send text messages to the communities to come and collect the money when the transfer has been made by MSSl. The payment should be monthly, but currently it is made every two months.

The national consultations highlighted that alongside non-contributory social protection programmes such as elderly pension and cash transfers for vulnerable groups, it's crucial to focus on the contributory aspect as well. This entails registering and making social security contributions essential for all workers, regardless of age. Doing so ensures they are eligible for their rightful benefits throughout their lives and guarantees a pension at the end of their careers.

BOX 8. CYCLONE SEROJA'S IMPACT ON HOUSEHOLD INCOME AND THE SOCIAL PROTECTION RESPONSE

During the pandemic in 2021, Timor-Leste was hit by Cyclone Seroja, which caused flash floods and landslides across the country. A total of 31,337 households, or approximately 178,621 people (including 13,099 households living below the national poverty line) were affected. There were 44 reported fatalities (GoTL, World Bank and UN, 2021).

The floods caused severe damage to infrastructure, including roads, bridges, water supply infrastructure, schools, and health facilities. According to the Household Building Damage Assessment of affected households, 90% of the households surveyed reported a decline in household income because of the floods. Damage to equipment, damage to finished products, shortage/lack of raw materials and productivity declines were the most cited reasons affecting income. 80% of the surveyed buildings had suffered some structural damage, 12.7% buildings are fully collapsed and 8.8% are severely damaged (UNDP, GDS and UNTL, 2021). The Survey also revealed communities were not warned in advance of the floods and landslides.

The flooding displaced over 12,300 people. IOM, through Enhancing Rapid Disaster Response for Flooding in Timor-Leste, supported the national response by implementing camp coordination mechanisms and providing shelter to flood-affected communities. The Together for Equality Project: Preventing and Responding to Gender-Based Violence funded by KOICA, UN Women, UNDP, UNFPA, and IOM supported efforts to ensure safe and ethical GBV prevention, mitigation, and response in the context of the disaster. The Together for Equality Project aimed to increase resilience and promote women and girls' participation in disaster risk reduction and decision-making structures (IOM, 2022).



Another challenge was out of 17,000 children in our programme, 10,000 did not have birth certificates. There is a clear need to issue birth certificates for children as soon as they are born. There is no reason why there are no birth certificates available, apart from logistical issues such as running out of forms and machine failures. To solve this issue, MSSl is working closely with the Ministry of Justice about accelerating the certification process. In Oecusse for example, there are rotational services to issue birth certificates.

We are witnessing numerous direct and indirect benefits of the programme. The Bolsa de Mae-Jeresau Foun programme, although primarily a cash transfer initiative, employs a multi-sectoral approach. It effectively collaborates with the health sector to improve access to health services and facilitate appropriate referrals (Good Practice 6). The registration process being conducted at health facilities encourages people to utilize these facilities and seek maternal and child healthcare, as well as other health-related services.

The Ministry of Health created mothers' support groups among women who received money. The groups focus on how to prepare nutritious food and the importance of going to health facilities.

The programme is expanding women's access to financial services, and is providing cash support aimed at children under six helps support school

preparedness. When children eat well and are healthy, they can learn better.

The delivery mechanism created jobs for people in rural areas. There are 220 workers at 220 health facilities and 85 agents to help with cash distribution who now have regular monthly incomes. The potential major impact of this programme will be reduction in child poverty and stunting as it smooths consumption in a short-term. Before the programme started, it was estimated based on the census that there were 27,000 households in the three municipalities. In December 2022, around 80% of these households were reached. Now around 19,000 households are registered under the programme. In 2023, four more municipalities are included, in 2024 there will be 11 municipalities, and by 2025 the whole country will be covered, with Dili being the last location added to the programme.

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come and collect the money when the transfer has been made by MSSl. The payment should be monthly, but currently it is made every two months. Another challenge was out of 17,000 children in our programme, 10,000 did not have birth certificates. There is a clear need to issue birth certificates for children as soon as they are born. There is no reason why there are no birth certificates available, apart from logistical issues such as running out of forms and machine failures. To solve this issue, MSSl is working closely with the Ministry of Justice about accelerating the certification process. In Oecusse for example, there are rotational services to issue birth certificates.

We have started seeing many direct and indirect benefits of the programme:

- The fact that registration is done at a health facility encourages people to visit health facilities and to seek maternal and child health care and other health-seeking behaviour.
- Ministry of Health has created mothers' support groups among women who received money. The groups focus on how to prepare nutritious food and the importance of going to health facilities.
- The programme is expanding women's access to financial services.

- *Providing cash support aimed at children under six helps support school preparedness. When children eat well and are healthy, they have an appetite to learn and can learn better.*

The delivery mechanism created jobs for people in rural areas. There are 220 workers at 220 health facilities and 85 agents to help with cash distribution. These jobs provide people with regular monthly income.

The potential major impact of this programme will be reduction in child poverty as it smooths consumption in the very short term.

The programme is already showing a lot of potential. What were the main factors for the successful implementation so far?

First, raising awareness among political leaders and decision makers about stunting was crucial. MSSI and the Ministry of Health provided data, evidence, and the theory of change, and technical experts to have meetings with decision makers on different ways of reducing malnutrition, stunting and poverty. As a result, we got the support of the Council of Ministers, and the Decree-Law was passed. Now there should be a long-term commitment to continue implementing the programme. The Ministry of Health and MSSI were the key drivers in successfully raising awareness among the political leaders.

Second, we learned that it's not just one ministry who can make significant changes. Multiple ministries must be coordinated and aligned. If each ministry does their part to really focus on the goal of providing better services to citizens, then the programme will be successful. For example, roads to facilitate access to health services, finance to facilitate payments and funding, civil registration and documentation should be provided by the Ministry of Justice and the local governments or village chiefs have a critical role of providing information to the Ministry of State Administration. This kind of programme was eye opening for the need for the whole of government. The implementing government must recognize that it is not just us alone, we need the support from other ministries and their engagement. Third, the fact that the team was nationally led was crucial. Reaching consensus on programme design and delivery mechanisms takes time but it enables the government officers to provide inputs to the policy design and allows their participation. It increased the MSSI officers' ownership and desire to implement the programme well in the future.

What are the priorities for improving social protection services and for the country?

The first recommendation is to invest in people, particularly children. Timor-Leste has sufficient resources. It's more about how we strategically invest these resources. If children and young people are

the priority, we must invest in them. Children are not voters. As a result, there is the least amount of investment in education, social protection, and health. To have a bright future we need to invest in children. Health care is mostly free in Timor-Leste, but the services need improvement. Education is also free, but the current investments are not sufficient in improving the quality, and there is a need for investment in teachers. The economic returns of increased investments in social services should be recognized by decision makers.

Second, we must immediately start integrating the population that is currently not sufficiently covered by social protection systems. There are still many groups not covered by social protection, including people with disabilities and the migrant population (VNR Consultations 3 and Box 9). Expanding social protection investments for children – through nutrition, improving availability of preschool education, and providing child allowance – is important. A much higher proportion of women work in the informal sector with limited access to social security (45.7% of women versus 33.0% of men according to the Labour Force Survey 2021). Furthermore, young people and workers in the labour market, particularly in informal employment, are unprotected, as well as youth who are not in education, employment, or training (31.2% of total youth).

Directors General and directorates of social sectors must be supported in advocating for their cause and for increased investments. There is also a need to empower technical level officers. They feel they are not listened to and lack confidence in advocating for ideas and proposals. The officers need preparation in using data, providing evidence, preparing for potential questions to be asked at ministerial meetings, and the ability to defend the budget proposals for the ministers.

The public financial management system should be simplified and decentralized. The Government needs to focus on simplifying the payment processes internally, use digital systems, and improve timeliness of budget execution. Also, the government ministries and agencies lack capacities on how to spend the budget. Although they have annual plans, knowledge about how to link specific activities with budgets and programme goals needs to be increased among the mid-level management. The procurement system needs to

be simplified and transfer more responsibilities to government agencies. In addition, it is important to decentralize some of the authorities in financing and creating economic activities in rural areas to support rural development. The overall registration system and the financial inclusion in the country should be improved. Providing birth certificates for children, allocating national ID cards and social security numbers for all individuals, and producing social security cards. Overall, the banking system also needs to be significantly improved to ensure equitable financial services.

GOOD PRACTICE 6. PROMISING POTENTIAL: BOLSA DE MAE - JERESAUN FOUN PROGRAM FOR INTEGRATED POVERTY REDUCTION AND MALNUTRITION

The universal coverage of the Bolsa de Mae-Jeressaun Foun programme is a significant milestone for Timor-Leste. This universal approach amplifies the potential for impactful poverty reduction across the country, marking a key achievement in the nation's social protection strategy.

This programme, an extension of the original Bolsa da Mae scheme established in 2008, has been designed to enhance social protection for pregnant women and children, particularly targeting health, nutrition, and education outcomes. Bolsa da Mae - Jeressaun Foun provides monetary support for beneficiaries, with pregnant women receiving US\$ 15 per month, caregivers getting US\$ 20 per month per child, and an additional US\$ 10 per month granted for children with disabilities. Beneficiaries are registered at health clinics, which encourages them to seek maternal and child health-care services. The programme also aims to expand women's access to financial services, contributing to their economic empowerment.

The good practices emerging from the programme implementation offer invaluable lessons.

- The success of the programme is linked to interministerial collaboration, as the collective contribution from multiple ministries was instrumental in achieving the common goal of improved citizen services. This underscores the importance of coordination and alignment among different government bodies in large-scale social initiatives.
- Another key factor contributing to the successful implementation was advocacy and awareness raising among political leaders and decision makers. This process was facilitated by providing compelling data, evidence, and arguments about malnutrition, stunting, and poverty, which helped secure the necessary political support and led to the passing of a Decree-Law.
- The programme was led by a nationally driven team, which played a significant role in fostering ownership and participation in policy design and implementation. This approach increased the officers' sense of responsibility and desire to execute the programme effectively. The programme also utilized an incremental scaling approach, gradually expanding its coverage from the three municipalities with the highest rates of stunting and poverty to the entire nation.





- Leveraging technology, specifically the T-Pay mobile payment system, was another strategic move that enabled efficient and safe transfers of benefits. This measure effectively addressed the issue of a limited banking system and increased access to the programme for a larger population.
- International partnerships, including the Australia-Timor-Leste Partnership for Human Development and Partnerships for Social Protection, provided technical assistance, including an electronic registration system by Catalpa International, and financial aid via the Australia Pacific COVID -19 Response Package.

Like the Uma Kain cash transfer, there were challenges with documentation and payment mechanisms. We must address these logistical issues, such as the lack of birth certificates and payment difficulties. To overcome these hurdles, the programme is working closely with the Ministry of Justice to expedite the certification process and is using semi-banking institutions to facilitate payments.

Overall, the programme responds to the Special Representative of the Secretary-General on Violence against Children's call to provide and scale up an integrated packages of cash, care, protection, nutrition, and case management services to reach the most vulnerable children and their caregivers (OSRSG/VAC, 2022).

VNR CONSULTATIONS 3. GROUPS' VIEWS ON SUCCESS AND ACHIEVEMENTS IN SOCIAL PROTECTION

The achievements highlighted in the area of social protection and poverty reduction reflect concerted efforts at different levels of society.

National consultation: The participants noted 2021 was the year with significant progress towards consolidating the Social Security System. The establishment of the Social Security Reserve Fund was approved, and subsequent steps such as developing an investment policy, preparing a reference portfolio, and ongoing negotiations for the operational management agreement were taken. Additionally, the Government approved amendments to social security legislation to help expanding the contributory regime to encompass new groups of workers to achieve universal coverage and ensuring the protection of workers engaged in temporary employment abroad. These actions demonstrate the commitment to strengthening and broadening the scope of the Social Security System in Timor-Leste.

Women: Significant achievements include the national action plan for GBV, laws against domestic violence and for child protection, and shelter houses in municipalities. The existence of robust women's organizations and sensitive judicial authorities is indicative of the presence of a supportive ecosystem. Notably, there are also efforts in health with the establishment of health posts and referral hospitals, which indirectly contribute to poverty reduction by reducing health-care costs and increasing accessibility.

People with disabilities: Social protection programmes specifically targeting people with disabilities, subsidies, and the establishment of a national rehabilitation centre were noted as progress.

Local communities in Oecusse: Changes since 2019 suggest significant infrastructure improvements (access to schools, clean water, electricity), which indirectly aid in poverty reduction by improving living conditions and access to basic needs. The reduction of school distance and improvement of water and electricity access is a significant achievement in raising living standards. In Baucau: Subsidies (Bolsa da Mãe), academic scholarships, School Feeding Programmes, and social housing for vulnerable people (Uma Kbiit-Laek) indicate that concerted measures are in place to reduce poverty and improve social protection.

BOX 9. SOCIAL PROTECTION AND THE MIGRANT POPULATION IN TIMOR-LESTE

The GoTL acknowledges the importance of establishing robust policies to safeguard both Timorese migrants abroad and the migrant population within Timor-Leste. However, social protection mechanisms are still not available for migrants or Timorese overseas (IOM, 2022). According to the Law on Immigration and Asylum (No. 11/2017), asylum seekers should have immediate access to social protection and benefits. However, this law has not been fully implemented (IOM, 2019). Additionally, there is currently no policy or legal framework in place extending social protection and improving social security for all migrants and their families (IOM, 2021).

Currently, many Timorese emigrants lack insurance or other forms of social protection in the event of serious illness, injury, or death. In the past, the GoTL faced challenges in arranging emergency transportation for emigrants who needed to return home due to medical issues. Some seasonal migrant workers have reported being denied access to medical care when they were ill, or having their wages deducted when they were absent from work due to illness, leaving them unable to afford living expenses in the host country. This lack of support also extends to families of emigrants who passed away abroad and require assistance with funeral arrangements (IOM, 2021). Recent changes in the social protection legislation provides foundation for expanding social protection for Timorese emigrants.



4.3. Priorities and recommendations

Drawing upon a comprehensive desk review, extensive consultations, results from the SDG progress assessment, and the SDP, the VNR-2 identified the following priorities for strengthening social protection in Timor-Leste. These priorities represent critical areas of focus that require immediate attention to promote sustainable development, poverty reduction, and enhance the welfare of vulnerable groups in the country.

- The GoTL should revise fiscal policy to increase social protection expenditures to meet the ILO's recommended 5% of GDP for a basic social protection floor (ILO, 2022). This may involve reallocating resources to prioritize programs that effectively reduce poverty and promote human development (World Bank, 2022). To further strengthen the Social Security Reserve Fund and the Investment Policy for social protection, policymaking should focus on expanding coverage to include people with disabilities and those currently outside the social protection framework, including Timorese emigrants, women, and youth in informal employment. This will help meet SDG Target 1.3.
- Timor-Leste can leverage already developed budget markers for child, nutrition, and gender to better allocate funds towards social protection initiatives. This will improve financing mechanisms for social protection, and ensure that resources are allocated efficiently and effectively to safeguard the well-being of vulnerable populations. By incorporating these markers into the budgeting process and by linking them with the data and statistical systems, policymakers can more effectively target resources towards programs that address the specific needs of vulnerable groups. The disability budget marker should be created in consultation with Disabled People's Organizations, using lessons learned from previous budget markers.
- Timor-Leste should explore developing forecast-based financing mechanisms. These initiatives can help anticipate and mitigate the impact of natural disasters or other shocks on vulnerable communities. By proactively allocating funds based on early warning systems or predictive models, Timor-Leste can enhance its ability to protect the most vulnerable populations and ensure timely support during crises (Government of Timor-Leste, 2022c).
- Government policy should drive youth-focused investment, including initiatives for job creation and active engagement in the national social security system as a revenue source. In addition, the government should enact policies encouraging overall youth development to ensure a sustainable social protection system.
- Existing poverty reduction social protection programs like Bolsa de Mae, Bolsa de Mae-Jeresau Foun (for pregnant women, children, mothers, and children with disabilities), SAll [5], and Uma Kbiit-Laek (housing for the most vulnerable) should be preserved and strengthened through policy dedication. These programs align with the GoTL's Leave No One Behind principle and are acknowledged as crucial investments that transfer state income to the most vulnerable individuals in the country.
- To enhance service delivery in social protection, it is important to implement policies that streamline beneficiary identification, registration processes, payment systems, and monitoring mechanisms. This includes improving civil registration systems and establishing a social registry. The forthcoming National Unique Identification number should be linked to this improvement, enabling efficient management of demographic, dwelling, and socioeconomic data. By implementing a unique identifier, issues such as multiple identity systems and duplicate registries can be addressed, facilitating seamless integration of programs and databases. Additionally, promoting birth registration and simplifying the registration process in accessible locations using advanced technology can ensure proper documentation for children.

- The government should enact policies that support the development of digital financial services and a robust banking infrastructure. These policies should ensure the adoption of mobile banking and electronic transfers, even in remote areas. Additionally, financial literacy programmes should be introduced to aid users in navigating these digital platforms.
- Focused investment in GBV reduction and child protection programmes is recommended. Using the child, gender markers and nutrition markers development and funding of comprehensive support services like shelters and counselling for survivors of GBV should be prioritized, with special provisions for marginalized groups, such as persons with disabilities and LGBTIQ individuals.

5. FOOD SECURITY AND NUTRITION

5.1. SDG 2 progress assessment

SDG 2, zero hunger, focuses on ending hunger, achieving food security, improving nutrition, and promoting sustainable agriculture. The SDG faces significant challenges in Timor-Leste. Unfortunately, progress towards this goal has come to a halt. As of 2023, out of the eight targets set for SDG 2, Timor-Leste is only on track to achieve one target. Two targets require accelerated efforts to make meaningful advancements, while two targets are regressing. The four important targets related to the agricultural sector (enhancing the incomes of small-scale food producers, promoting sustainable agriculture, ensuring access to genetic diversity in seeds, and promoting agricultural export) have insufficient data in Timor-Leste (Figure 17).



Figure 17: SDG 2: Zero Hunger, SDG progress assessment at target level

Source: (ESCAP, 2023b)

- **Target 2.1** aims to end hunger and ensure access to safe, nutritious, and sufficient food for all. The prevalence of undernourishment, or the proportion of households not meeting 100% of their energy intake, was 26.2% in 2020, up from 25.0% in 2019. In 2022, Acute Food Insecurity Phase Classification (MAF, GDS, FAO and WFP, 2023) identified that during the lean season (November 2022 to April 2023), nearly 300,000 people representing 22% of the total population faced high levels of acute food insecurity or Integrated Phase Classification (IPC) Phase 3 or above. Of those, 286,000 people or 21% of the total population were classified in IPC Phase 3 (Crisis), and 13,000 (1%) in IPC Phase 4 (Emergency). Out of the 14 municipalities, 11 were classified in IPC Phase 3 (Crisis), whereas three municipalities were in IPC Phase 2 (Stressed). Ermera has 5% of its population in Phase 4 (Emergency), making up 1% of the total population in Phase 4 (Emergency). Based on the Cost of Diet Analysis conducted in March 2023, it was observed that nutritious food items, when available, were priced high (MAF, GDS and WFP, 2023). Moreover, there were limitations in the availability of food, particularly items rich in iron.

- **Target 2.2** focuses on ending all forms of malnutrition, which is measured through the prevalence of stunting and wasting. As of 2020, the prevalence of moderate to severe stunting among children under 5 years old in Timor-Leste stood at 46.7%, indicating a slight improvement compared to 51.7% in 2013. Despite this progress, this remains the highest proportion in the region and ranks third globally. Nearly half of the children in Timor-Leste are stunted. Similarly, the proportion of children experiencing moderate to severe wasting has seen a slight decline, from 11% in 2016 to 8.6% in 2020. However, it still holds the highest position in the region and is categorized as "very high" according to the World Health Organization's threshold (Ministry of Health, 2020). The prevalence of anaemia among pregnant women aged 15-49 years old increased from 35.8% in 2016 to 38% in 2019. The prevalence of anaemia among children aged 6 to 59 months is even higher at 46% in 2019 (World Bank, 2019b).

The following two targets have shown a reverse trend in achieving their objectives by 2030:

- **Target 2.a** aims to increase investment to enhance agricultural productivity. The Agriculture Orientation Index [6] was 1.28 in 2016, but it declined to 0.64 in 2019, indicating a reduction in investment in agriculture. Moreover, official flows to the agriculture sector decreased from US\$32 million in 2017 to US\$22 million in 2020.
- **Target 2.c** seeks to help limit extreme food price volatility, which is measured with the Food Price Anomalies indicator based on the consumer food price index. The food price volatility index rose from -0.081 in 2019 to 0.222 in 2020. New data for 2021 indicate abnormally high general food prices (more than one standard deviation compared with the historical mean), evidently due to the ongoing effects of the war in Ukraine and the lingering supply-chain disruptions caused by the COVID-19 pandemic.

For the rest of the targets, their progress cannot be measured due to a lack of adequate data. Targets 2.3 and 2.4 aim to double the agricultural productivity and incomes of small-scale food producers as well as ensure sustainable food production systems. Preliminary data have been collected in a joint project led by the GDS, the Ministry of Agriculture and Fisheries (MAF) and FAO. However, these data are not sufficient to determine whether and to what extent Timor-Leste is progressing towards its targets.

The SDP (2011-2030) acknowledges the vital role of the agricultural sector in reducing poverty, promoting economic growth, and enhancing food and nutrition security. Specific targets related to food security under the Rural Development and Agricultural sector goals were identified. One such target, set for 2020, states that 'rural communities will have adequate food, either directly from agricultural production or through other employment and commercial activities. Families in rural areas will have the same opportunities as those in urban areas' (Government of Timor-Leste, 2011).

While the interplay between SDG 2 and other SDGs is reciprocal, the VNR-2 underscores a more pronounced relationship direction, as depicted in Figure 18. Based on VNR-2 findings, SDG 2: Zero Hunger shows substantial synergies with SDGs 1, 3, 4, 5, 6, 8, 10, and 13.

[6] The Agriculture Orientation Index for Government Expenditures is defined as the Agriculture Share of Government Expenditures, divided by the Agriculture Share of GDP, where Agriculture refers to the agriculture, forestry, fishing and hunting sector. The measure is a currency-free index, calculated as the ratio of these two shares.

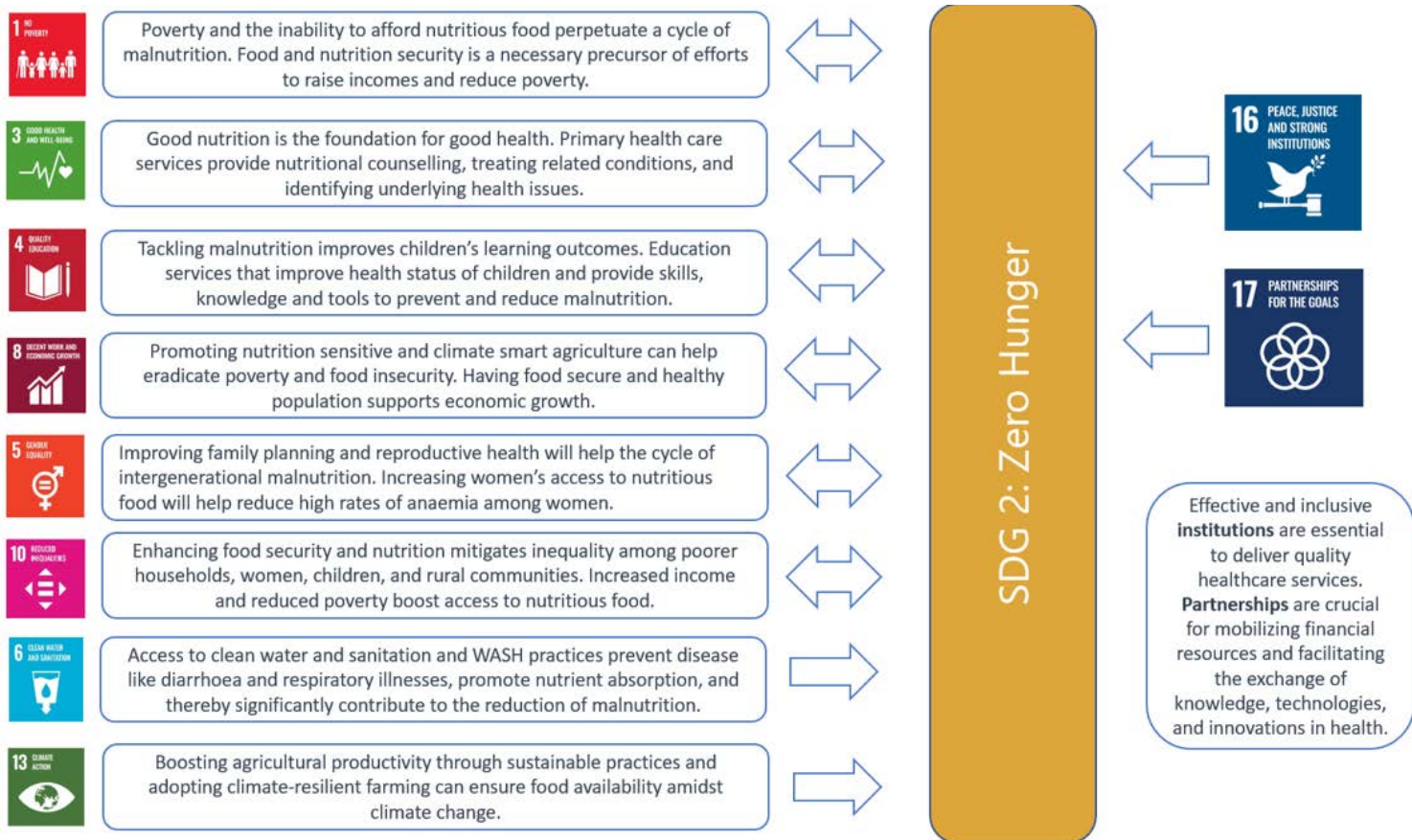


Figure 18: Synergies of SDG 2 with other SDGs

Note: SDG 2 ties to all SDGs, but for the purpose of this report and based on consultations, interviews, and case studies, only select SDGs are featured. One-way arrows suggest stronger influence on the SDG; two-way arrows represent strong mutual influence.

Source: Adapted by the author

5.2. Progress and challenges

The VNR team interviewed Filipe da Costa to gain insights into the progress and challenges related to addressing food and nutrition issues and the recent policies and programmes aimed at reducing malnutrition in Timor-Leste.



Filipe Da Costa serves as an Adviser to the Prime Minister and the Executive Director of the Unit of Mission to Combat Stunting. He has been nominated as a Scaling Up Nutrition Movement Focal Point and National Convenor of the United Nations Food System Summit. His prior roles include the Executive Directorship of Civil Society Support Services and Social Audit. Da Costa plays a crucial role in crafting the Consolidated National Action Plan for Nutrition and Food Security.

“Food availability, affordability, quality, access, and utilization remain a significant challenge, with many households struggling to meet their basic nutritional needs. For these reasons, I would call the current situation a food and nutrition emergency.”

What comes to your mind when looking at these postcards? What has changed since independence in 2002?

Filipe Da Costa: Since our independence, we have witnessed significant changes that have greatly improved the lives of our people. Although we have not yet reached our goal, we have made many positive changes. We now have a functioning democracy with open elections, and there has been a notable increase in women's participation in decision-making processes. During the transitional administration and the early governments, the United Nations helped establish basic systems that align with international standards and uphold human rights.

Fortunately, we received substantial international support and possess our own resources. By combining these factors and making wise investments, with donor support and by adopting effective mechanisms and foundations, Timor-Leste has the potential to achieve numerous goals. While there is a long way to go, I am incredibly enthusiastic and optimistic that we can make significant progress in attaining some of the SDGs, setting a positive example for others.

Can you tell us about the state of food security and nutrition in Timor-Leste?

Although we are doing well in terms of political development, many of us are still poor, food-insecure, and face malnutrition. Timor-Leste is not doing well by any international measures related to food and nutrition security. This situation hinders human development achievements in other areas. Despite the decline in the prevalence of stunting, wasting, and being underweight among young children, the country still has a high rate of malnutrition (SDG 2.1). Almost half (47.1%) of children under the age of five suffer from stunting, indicating a low height for their age, while 8.6% experience wasting, indicating a low weight for their height (Figure 19). This means that approximately 57% of children under five in Timor-Leste are not meeting expected growth standards, which is among the highest rates in the Asia-Pacific region (Ministry of Health, 2020).

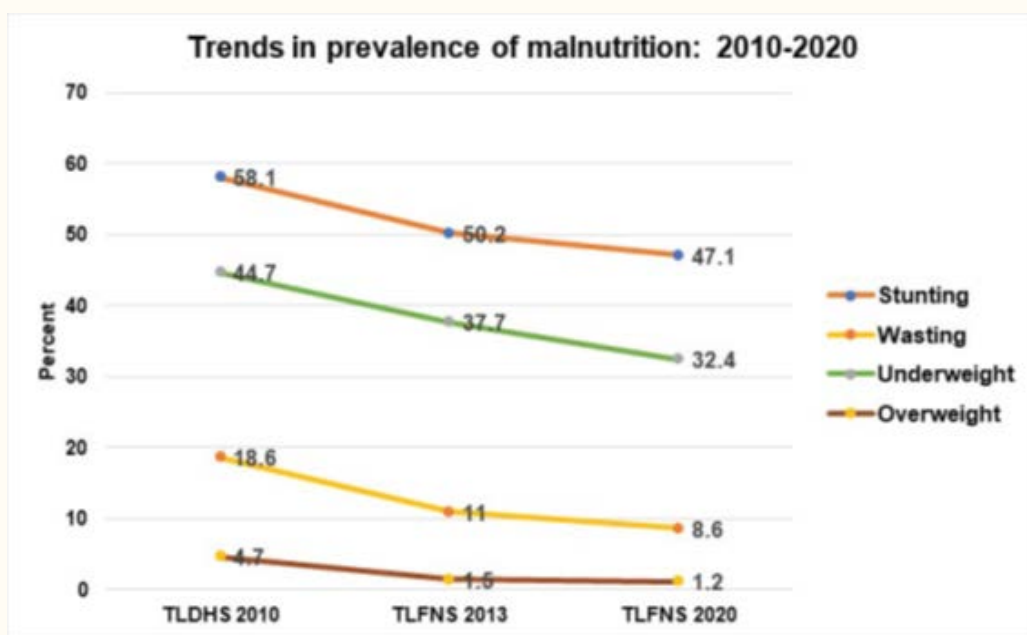


Figure 19: Prevalence of malnutrition in Timor-Leste, 2010-2020, children under 5 years old

Note: The availability of data comparison is based on global data (UNSD) to ensure consistency in comparison. Source: (Ministry of Health, 2020, p. 31)

According to the Food and Nutrition Survey 2020, the data reveals that only 46.4% of children were initiated into breastfeeding within an hour of birth, and 64% of infants were exclusively breastfed during the first six months of life (Figure 20). The survey also highlights the high prevalence of micronutrient deficiencies among children under the age of five. Another concerning finding is that 90% of mothers do not wash their hands before breastfeeding their children. This may be due to a lack of awareness about the importance of handwashing or limited access to clean water. It is crucial for every household to have access to clean water, and it is essential to educate the population about the significance of handwashing.

The situation regarding women's nutrition and health is also very concerning. 38% of pregnant women and 12% of women of

reproductive age (15-49 years) suffer from anaemia. Additionally, only 65.4% of women can achieve a minimum diversified diet, consuming at least five out of 10 food groups. Anaemia among women and stunting in children not only reflects inadequate nutrition but also increases their vulnerability to other illnesses such as pneumonia and diarrhoea. This cycle continues as pregnant women, already facing the challenges of pregnancy, are further affected by anaemia (Figure 21).

We are talking about anaemia among women and children because if untreated, it can affect a person's overall health and ability to do daily activities. Iron-deficiency anaemia reduces the work capacity of individuals and entire populations, with serious consequences for the economy and national development.

Timor-Leste is also experiencing a significant rise in overweight and obesity rates, which have tripled since 2003 and now stand at nearly 19% as of 2020. This indicates the early signs of Timor-Leste facing the triple burden of malnutrition, encompassing undernutrition, overnutrition, and micronutrient deficiencies.

In my opinion, malnutrition is a key indicator of inequality in Timor-Leste. It is interesting that the 2020 Food and Nutrition Survey conducted analyses on differences of food insecurity by household wealth. The results are not shocking but shed light on increasing inequality by region and by wealth. In Dili, households are wealthier compared to those in rural areas. So, the location and the wealth levels are also related (Figures 22 and 23). Looking at stunting alone, it is much higher in rural areas and among poorer households.

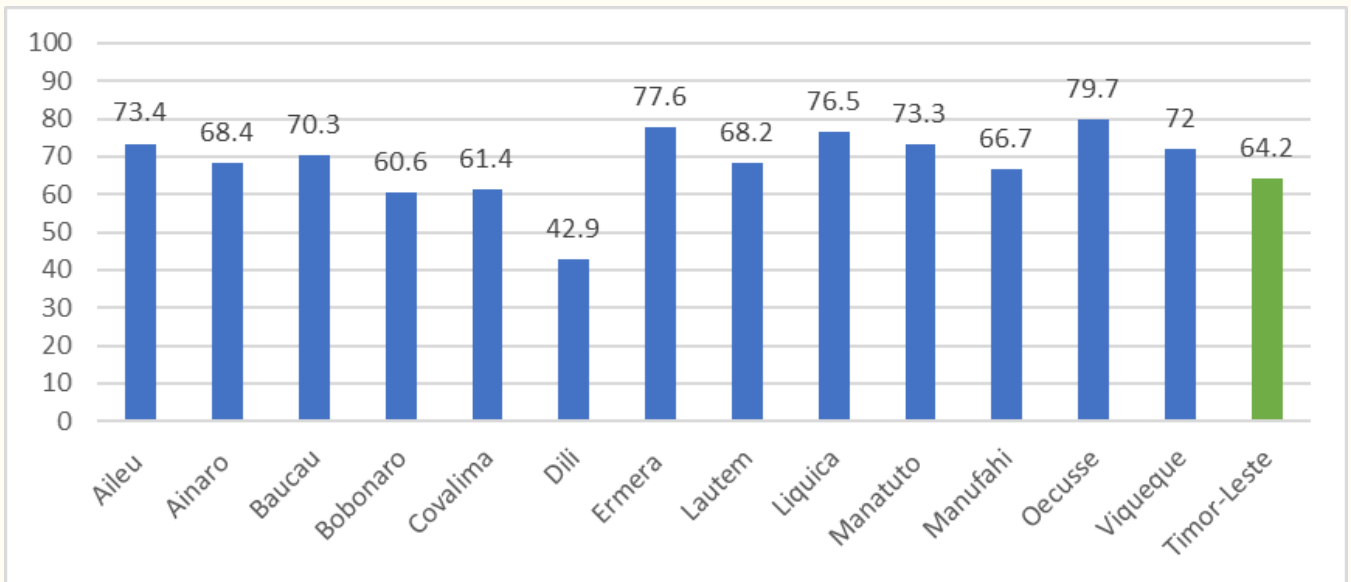


Figure 20: Proportion of exclusive breastfeeding (0-5 months), by municipality, 2020

Source: (Global Nutrition Report, 2022)

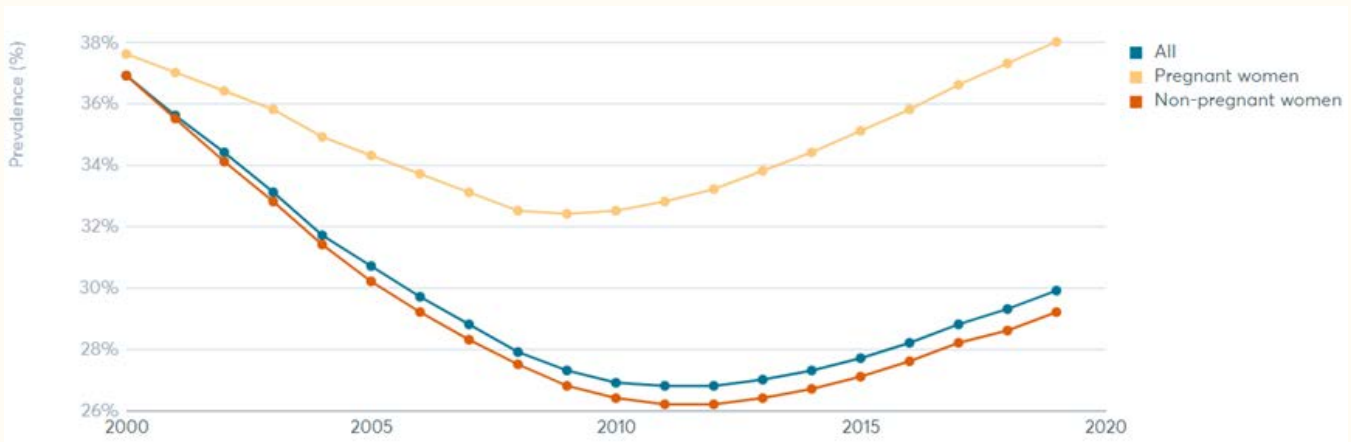


Figure 21: Prevalence of anaemia among pregnant and non-pregnant women (aged 15-49)

Source: (Global Nutrition Report, 2022)

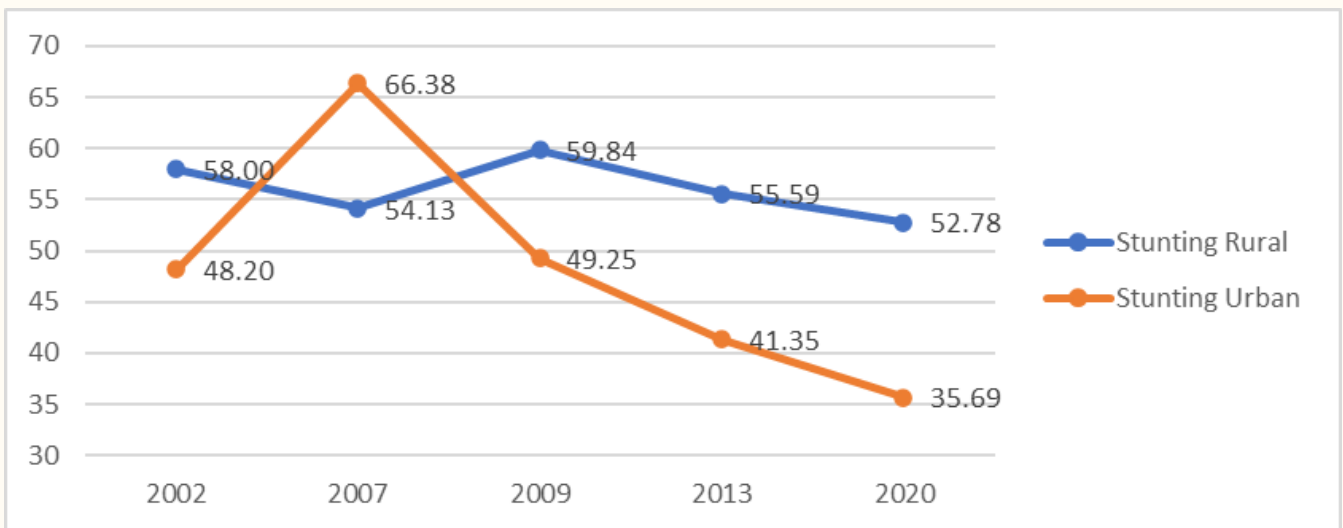


Figure 22: Prevalence of stunting by location, 2005-2020 (% of children under five)

Source: (Global Nutrition Report, 2022)

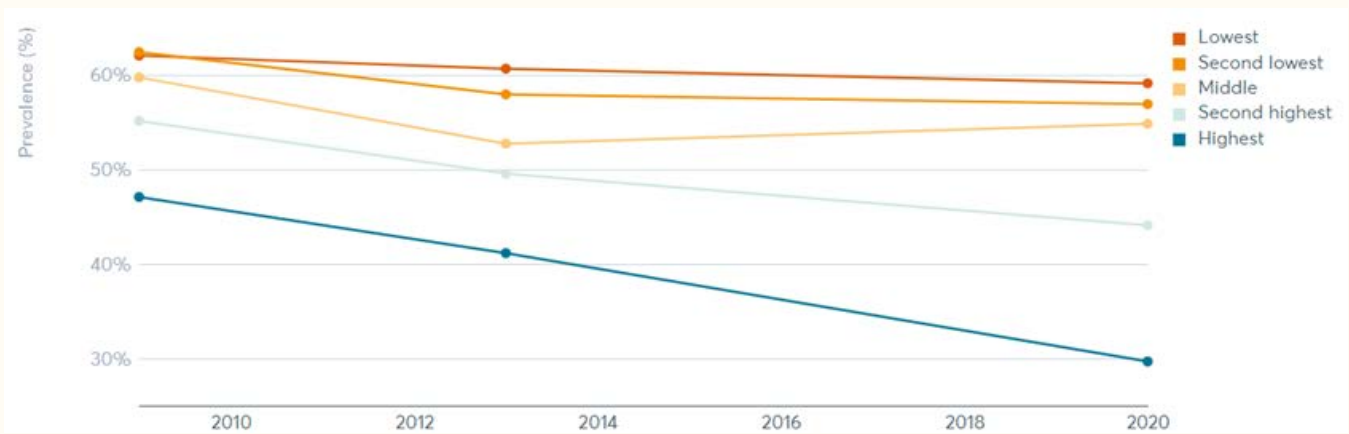


Figure 23: Prevalence of stunting by wealth quintiles, 2005-2020 (% of children under five)

Source: (Global Nutrition Report, 2022).

Note: In 2020, 59.1% of children in the poorest households had stunting, compared to 29.7% of children in the highest wealth households.

As per the recent IPC conducted by the National Commission for Nutrition, Food Security and Sovereignty (KONSSANTIL) and WFP in 2022, around 22% of the total population were experiencing high levels of hunger in the lean season. But in post-harvest season, there is not much change, only a reduction of 2% of the population facing food insecurity (Figures 24 and 25). Note, out of the 14 municipalities, 11 are classified in IPC Phase 3 (Crisis), whereas three municipalities are in IPC Phase 2 (Stressed). The main drivers of high acute food insecurity include high food prices, reduced purchasing power, the persistent impacts of the COVID-19, global conflicts, and natural disasters.



Figure 24: Current acute food insecurity November 2022-April 2023 (lean season)

Source: (MAF, GDS, FAO and WFP, 2023, p. 1)



Figure 25: Current acute food insecurity May 2023-September 2023 (harvest season)

Source: (MAF, GDS, FAO and WFP, 2023, p. 1)

Given the significant vulnerabilities that were already present before the pandemic, could you explain the specific impacts of the COVID-19 State of Emergency?

During the pandemic, the food insecurity situation was worsened by lack of food availability and accessibility as movement restrictions hindered the transportation of food between municipalities and resulted in the closure of markets, particularly in Dili. While some farmers had their own rice, the overall variety of food they could consume was reduced, leading to a decrease in the intake of vegetables, meat, and fruits. Furthermore, certain food items either did not sell in the market or became too expensive for many individuals to afford. Schools in Timor-Leste were closed starting in April 2020. Schools began to reopen in August and were fully open for in-person learning by October 2020. Due to school closures, the school feeding programme was temporarily disrupted. The amount of funding for the programme decreased in the 2020 school year reached its lowest point with only US\$ 4.0 million available, while the pre-pandemic and pre-budget impasse amount was US\$ 17.6 million in 2017. Therefore, the number of students fed, the frequency of school feeding, the size of rations, and the level of food basket variety have decreased.

Food cost inflation has been on the rise in Timor-Leste since 2020, with a significant increase of 8.2% as of September 2022, as per the World Bank Economic report (Box 10). Regional disparities in food inflation were observed, with a rate of 7.0% in Dili and 10.0% in rural areas. The rise in food inflation can be attributed to higher agricultural input costs such as transport, fertilizer, and animal feed, coupled with a global recession. The GoTL and WFP's price monitoring report indicates that the prices of imported rice, which is the most widely consumed staple in the country, have been steadily rising since February 2022. This increase is consistent with international market trends and has been exacerbated by high fuel and transportation costs. The cost of local rice is twice that of imported rice.

Poorer households continue to experience higher food insecurity compared to wealthier households (SDG 1). Surveys conducted by the United Nations and the GoTL, WFP, Oxfam and many others consistently show that severe food insecurity is prevalent among the poorest households, highlighting affordability as a critical issue. Rural households outside of Dili are particularly vulnerable to moderate or severe food insecurity. According to a WFP survey, seven out of 10 households adopt livelihood-based coping strategies to address food shortages. Primary concerns among households include increased food prices (67%) and food scarcity (16%) (World Food Programme, 2022).

VNR Consultations 4 presents the achievements, challenges, and priorities in nurturing food security in Timor-Leste.

BOX 10. IMPACT OF COVID-19 AND INFLATION PRESSURES ON FOOD SECURITY

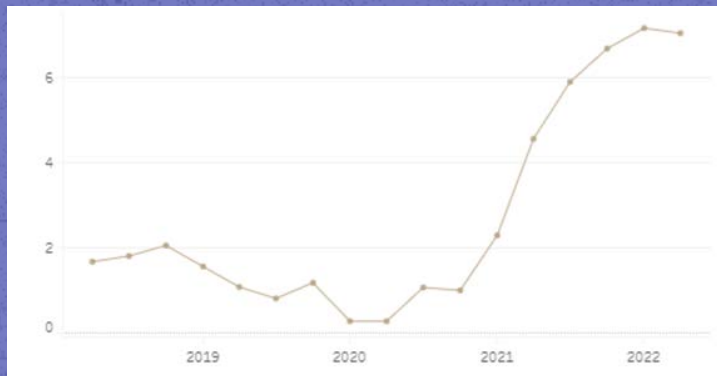


Figure 26: Change in food price inflation (%) from the previous year, 2018-2022

Source: (World Food Programme, 2023)

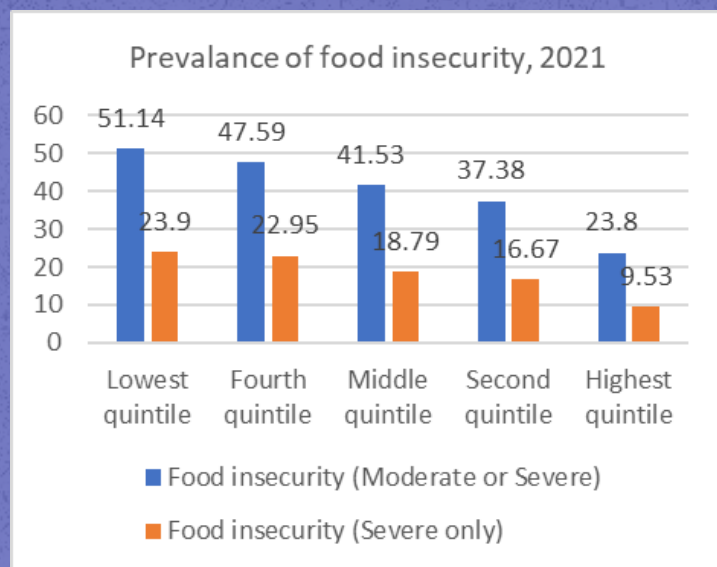


Figure 27: Proportion of households with moderate or severe food insecurity, by household wealth quintiles, 2021

Source: (United Nations and the Government of Timor-Leste, 2021)

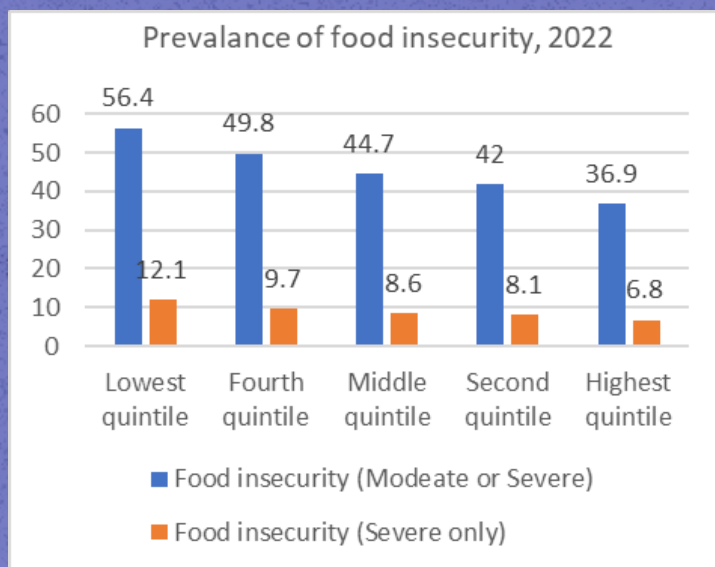


Figure 28: Proportion of households with moderate or severe food insecurity, by household wealth quintiles, 2022

Source: (GDS, UNDP and World Bank, 2022)

Using the Food Insecurity Experience Scale, households that experience moderate food insecurity typically eat low-quality diets and might be forced to reduce the quantity of food they eat. Households that experience severe food insecurity have typically run out of food, and at worst gone a day or more without eating, putting their health at risk. In July 2021, 41.4% of households reported moderate or severe food insecurity in the 30 days prior to the survey (United Nations and the Government of Timor-Leste, 2021). This figure rose to 45.4% by July 2022, although the proportion of severely food-insecure households significantly decreased from 19.3% to 8.7% (World Bank, 2022). Figures 26, 27, and 28 show changes in food price inflation, and the food security status of households in 2021 and 2022.

VNR CONSULTATIONS 4.

NURTURING FOOD SECURITY IN TIMOR-LESTE: ACHIEVEMENTS, CHALLENGES, AND PRIORITY PATHWAYS AHEAD

Ensuring food security is a critical aspect of sustainable development in Timor-Leste. The VNR consultations provide useful insights on the progress made, existing challenges, and priority areas for action to enhance food security for all.

National multi-stakeholder consultation

Achievements:

- Ministry of Health's National Action Plan for a nutrition programme
- Law increasing taxes on soft drinks and sugar
- Support from SUN (Scaling Up Nutrition) and Food System Sustainability programme

Challenges:

- Absence of Food Control Law regulating imported products.

Priorities

- Programmes for health professionals to enhance their nutrition knowledge
- Improve the quality of local food production to ensure availability of nutritious and safe food
- Strengthen food laws and regulations to control imports, promote local food production

Women's groups and stakeholders with disabilities:

Achievements:

- Increased public awareness of nutrition information via radio, newspapers, and health centres

Challenges:

- Lack of nutrition knowledge and education among pregnant women

Priorities:

- Programmes to educate women about nutrition, food hygiene, and nutritious meal preparation

Local communities in RAOEA

Achievements:

- Successful implementation of irrigation projects, i.e. Tono dam and canals connecting Toon irrigation to fields in Cunha and Lalisuk
- Training on improved agricultural techniques by the Regional Secretariat of Agriculture
- Deployment of extension workers in rural areas
- Increased availability of local products
- Establishment of permanent farms and farms for productivity groups, contributing to sustainable agriculture

Priorities

- Promote sustainable agriculture practices, good irrigation systems
- Share knowledge of ag techniques
- Establish permanent farms, productivity groups to improve sustainability and production

What were the effects of the 2021 floods on food security? What are the lessons learned from the experience?

In April 2021, floods resulted in a significant number of internally displaced individuals, with most located in Dili (8,845 people) (UN RCO, 2021) (Box 11). Evacuation centres were established, but those affected faced food shortages, disruptions in daily life, and loss of belongings, livestock, crops, and assets. The agricultural sector in Manatuto, Baucau, and Bobonaro, which together produce 40% of crops in Timor-Leste, was severely impacted. Although the number of internally displaced individuals in these areas was lower than in Dili, displacement still had a significant impact on livelihoods and food security.

The main goal of the nutrition sector during the floods was to prevent the worsening of malnutrition and provide life-saving services to those who were most vulnerable, such as children under five years old and pregnant or breastfeeding women. Intersectoral and national-local coordination was crucial. The Nutrition Department worked with local Municipality Health Services to send Nutrition Coordinators to every evacuation centre within their community health centre area. These coordinators assessed the number of children and pregnant or breastfeeding women in the centre and provided initial registration and screening to determine their nutritional needs.

Despite making significant improvements in other areas of human development, why is Timor-Leste experiencing slower progress in reducing the prevalence of stunting and anaemia?

One of the key contributing factors for high rates of malnutrition is the inadequate quality and quantity of food. Despite the potential for agriculture to support food security, Timor-Leste remains highly dependent on food imports. It makes the country vulnerable to price fluctuations and supply disruptions. This is exacerbated by the fact that the country has a limited capacity for food storage and processing, which means that much of the food produced locally goes to waste. Most of the population still relies on subsistence farming, with limited access to markets, technology, and infrastructure. Timor-Leste is a small island developing state meaning it is extremely vulnerable to climatic shocks, including La Niña, El Niño, and tropical cyclones. Extreme rainfalls caused by La Niña will become more intense and frequent while El Niño can cause droughts. As a result, food availability, affordability, quality, access, and utilization remain a significant challenge, with many households struggling to meet their basic nutritional needs. For these reasons, I would call the current situation a food and nutrition emergency.

The cost of nutritious food is high. According to a WFP study in March 2023, the cost of a nutritious diet has increased by

68% since 2019 (World Food Programme, 2023 (forthcoming)). On average a household of five people would need to spend over US\$ 300 per month to purchase the lowest cost nutrient-adequate basket. This corresponds to a range between US\$7.2 to US\$14.1 each day, across the country. Adolescent girls face the most challenges in meeting their nutrient needs, with a cost ranging from US\$ 4 to almost US\$ 12 per day. Most people do not eat balanced and nutritious food due to high cost and lack of availability. The main drivers of acute food insecurity include high food prices and unaffordability, which result in insufficient food consumption, micronutrient deficiencies, and negative coping strategies that lead to malnutrition, such as reducing number of meals and limiting portions.

In about seven years, we only reduced the stunting rate by about 3%, from 50.2% in 2013 to 47.1% in 2020. This is very slow, but I think the country is implementing the right interventions given that even though all malnutrition indicators reduced marginally, they have not gone up. The gap is the level of investment and coverage we have now is not sufficient to tackle this widespread problem. For Timor-Leste to achieve the SDG 2, more resources are needed, we need to double or triple the funding, work in synergies, and reach everyone through programmes. It is like giving weak medicine to a patient in need of intensive care and stronger treatment.

BOX 11. CYCLONE SEROJA: IMPACTS OF FLOODS AND LANDSLIDES ON COMMUNITIES AND THE AGRICULTURE SECTOR

As of July 2021, tropical Cyclone Seroja affected 4,230 hectares of cropland and caused 9,134 tons of crop losses valued at over US\$ 12.5 million. Nearly 1,570 hectares of maize fields and 2,663 hectares of paddy fields were affected. These areas represent 4.6% and 11.9%, respectively, of the cultivated area for those crops during the main growing season of 2020-21. Furthermore, irrigation schemes and canals were destroyed or damaged in 93 villages in 11 municipalities as a result of erosion due to heavy water that caused channelization, rills, and gullies along the hillside and within the canals (FAO, 2021). According to the Post-Disaster Needs Assessment report, the total damage and loss in the agriculture and food security sector was US\$ 21,251,625. Recovery needs were estimated at US\$ 50,511,753 (GoTL, World Bank and UN, 2021). Costs from livestock deaths were estimated at US\$ 15,700,700. Figure 29 presents the impact of floods on households' livelihoods.

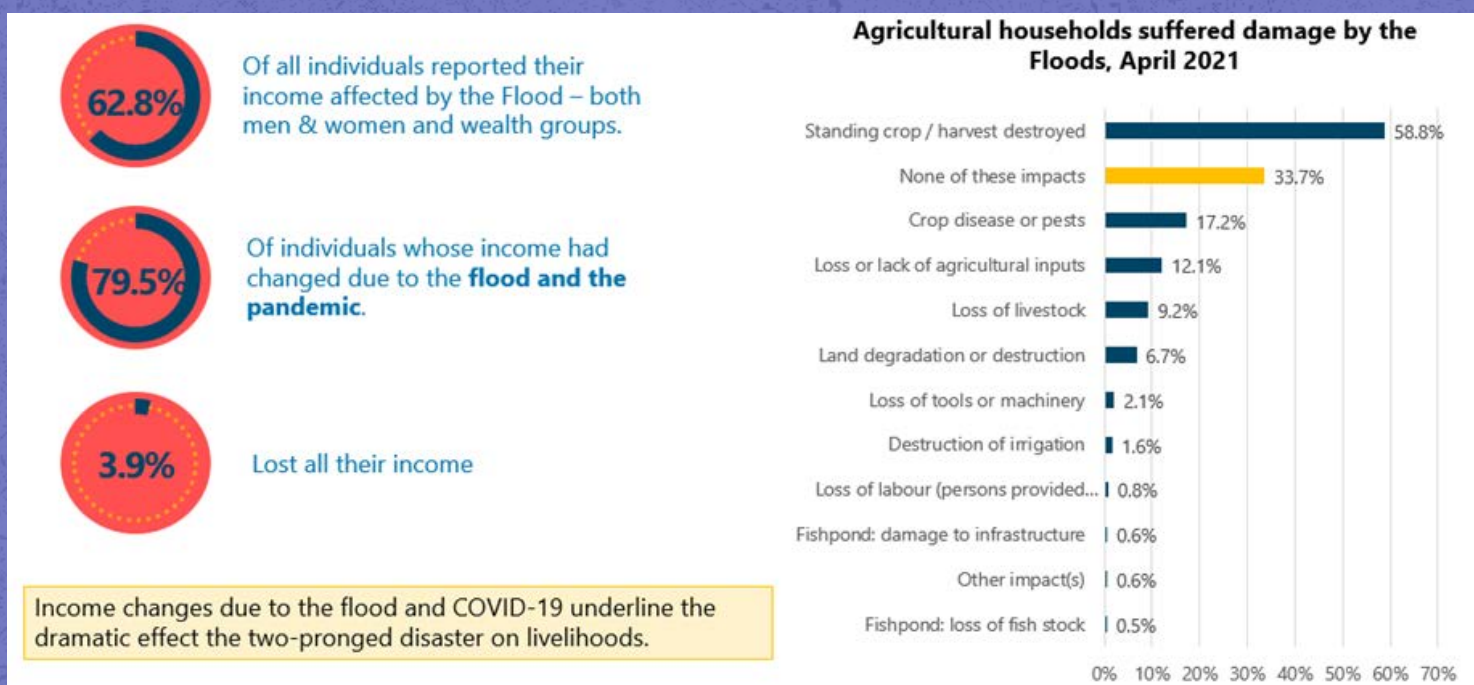


Figure 29: Impact of floods on households' livelihoods (2021)

Source: (United Nations and the Government of Timor-Leste, 2021)

The level of education also plays a significant role in nutrition outcomes. When family members have lower levels of education, they often adhere to traditional beliefs that restrict the food intake of pregnant women during pregnancy. This can result in inadequate nutrition for both the mother and the developing fetus, exacerbating the problem of malnutrition. Another key driver is the absence of community health and nutrition programmes in Timor-Leste. These programmes, typically facilitated by social mobilizers or community health volunteers, play a crucial role in raising awareness within the community about preventing and treating malnutrition. Without such programmes, there is limited knowledge and understanding of proper nutrition practices, hindering progress in addressing malnutrition effectively. These challenges are further complicated by the lack of scaled-up targeted interventions focused on the critical first 1000 days, which includes maternal and child health and nutrition, promotion of optimal breastfeeding, and appropriate complementary feeding practices.

Lastly, inadequate access to improved water and sanitation systems contributes to malnutrition. There is lack of handwashing practices before feeding and breastfeeding which also contribute to the transmission of diseases and further compromise nutrition outcomes. Poor water supply and sanitation services in both urban and rural settings lead to an increased incidence of diarrhoea and stunting and must be addressed (SDG 6).

Since the first VNR in 2019, what have been the principal policy measures implemented to mitigate these driving factors?

Firstly, the government established a dedicated Stunting Unit directly under the Prime Minister's Office (per Government Decree n. 91/2022) to counter the unprecedented impacts of the COVID-19 pandemic and flooding on food and nutrition security in the country. This unit's primary mandate is to mobilize resources towards tackling the issue of stunting. Mirroring the approach taken to combat COVID-19 through the establishment of COVID-19 Fund, this mission-specific unit will operate for a two-year period, acknowledging the urgency to address the alarmingly high prevalence of stunting in Timor-Leste.

Timor-Leste has developed a Consolidated National Action Plan for Nutrition and Food Security (SDG2 CNAP-NFS), approved by the Council of Ministers in November 2020. Through my engagement in civil society, we evaluated food security and nutrition projects and programmes, identifying 306 interventions in Timor-Leste. Given resource and time constraints, we had to prioritize, which led us to narrow our focus down to 18 high-priority interventions, determined through extensive consultations with both national and international stakeholders. Thus, CNAP harmonizes various stand-alone policies such as the National Food and Nutrition Security Policy (2017) and the Zero Hunger Action Plan (2025), which are presently managed by different agencies. Under CNAP, a limited number of high-priority interventions are selected from these existing plans, and we advocate for increased investments, enhanced implementation, and robust tracking. Consequently, CNAP is a consolidation that builds upon these pre-existing plans.

The 2020 Timor-Leste Food and Nutrition Survey identified several immediate causes of malnutrition that require urgent attention. Rates of early-initiation of breastfeeding have significantly declined, depriving infants of essential nutrients and protective factors. Diving deeper into the potential causes, stunting rates even peaked in children from 6–23 months, indicating a lack of adequate quality and quantity of complementary feeding, reiterating the need for a stronger food system-based approach to addressing malnutrition (Ministry of Health, 2020).

With our consolidated action plan now in place, we've initiated advocacy for the high-priority interventions it outlines. Timor-Leste officially joined the Scaling Up Nutrition (SUN) movement in September 2020, signalling an intensified focus on nutrition. This focus was further underscored by the adoption of the National Health Sector Nutrition Strategic Plan for 2022-2026. Moreover, Timor-Leste has charted a national food systems pathway, committing to enhance agricultural productivity as a pivotal intervention under CNAP. Beyond nutrition-specific strategies, we are integrating nutrition-sensitive approaches grounded in food system, which we believe will lead to sustainable progress over time. Now we can identify programmes that are nutrition-specific and nutrition-sensitive, thanks to the nutritional marker or tagging introduced in the budgeting system.

The government aimed to secure funding for nutrition and roll out the costed SDG2 CNAP-NFS at the national, subnational, and community levels. To achieve this, a resource mobilization strategy was developed, and a budget tracking exercise was conducted to identify funding gaps. Domestic expenditures on nutrition were also tracked to ensure adequate investment in this area. Consequently, I'm happy to see that the GoTL has started increasing the investment for improving nutrition and food security (SUN Countries: Timor-Leste, 2023).

Another significant programme is Cesta Básica. It was implemented in 2021 and 2022. Given that the agricultural sector is critical to ensuring food security in Timor-Leste, particularly nearly one quarter of the working-age population in Timor-Leste (23.5%) are subsistence foodstuff producers engaged in subsistence farming, fishing and processing and storing food (SEFOPE, General Directorate of Statistics and ILO, 2022). By purchasing from local farmers and distributing to communities, the Cesta Básica has helped boost local agricultural production, resulting in increase in agricultural production first time in a decade (Good Practice 8).

The Government has continued implementing the National Agriculture Strategic Plan to help farmers grow more food. Recognizing the challenges and damages caused by the pandemic and natural disasters and floods, the Government introduced new kinds of seeds that increase yields, distributed machines and fishing equipment, vaccinated animals to keep them healthy, made groups for farmers to work together, and fixed up land for growing coffee and other important cash crops. Due to these actions, farmers have been able to grow twice as much rice in the last five years (Government of Timor-Leste, 2021c).

It is worth noting that the recent Food Security Bulletin published by MAF reveals that rice production, owing in large part to this initiative, has increased to 85,000 metric tons, almost meeting the national requirement of 110,000 metric tons. This is a remarkable improvement from the 35,000 - 54,000 metric tons yield in the years before 2020. Alongside this initiative, the private sector and the government's National Logistics have facilitated importing the remaining required rice and procuring a stock of rice for emergency responses (MAF, FAO and WFP, 2023). As a result, the Cesta Básica has become central to our strategy, significantly enhancing food availability. Persisting in the priority to purchase locally produced goods is crucial to inspire more youth to join the farming and agriculture sector.

Good practice 7 discusses how enhancing policy coherence can address malnutrition and food insecurity in Timor-Leste.

GOOD PRACTICE 7. ENHANCING POLICY COHERENCE: ADDRESSING MALNUTRITION AND FOOD INSECURITY IN TIMOR-LESTE

Timor-Leste's strategic approach to addressing malnutrition and food security includes both the establishment of a dedicated Stunting Unit and the application of nutritional budget tagging. These innovative initiatives are best practices in nutrition mainstreaming and show the government's commitment to cross-sectoral, coordinated efforts.

The Stunting Unit, created by Government Decree n. 91/2022, is focused on tackling Timor-Leste's high stunting rates. It ensures funds are directed towards nutrition-specific interventions, especially those targeting the crucial first 1000 days of a child's life. The Stunting Unit also serves as the Timor-Leste Secretariat for the Scaling Up Nutrition (SUN) Movement, a global initiative to eliminate malnutrition by 2030. Timor-Leste joined the SUN Movement in September 2020, demonstrating its commitment to this cause. The Stunting Unit coordinates efforts by the GoTL and partners to tackle malnutrition in Timor-Leste. With the support of United Nations Agencies (FAO, UNICEF, WHO, WFP), the European Union, the Australian and Japanese governments, and other donors, development partners, and academic institutions, this multi-stakeholder platform exemplifies policy coherence in action.

The Government institutionalized Nutritional Budget Tagging in its planning and budgeting system beginning in 2023. This is a significant commitment to comprehensive malnutrition response. This system identifies, classifies, and tracks public expenditures on nutrition, thus providing insights into resource allocation for nutrition interventions.

Two types of nutritional budget tagging are incorporated:

- Nutrition-Specific interventions: These directly address immediate causes of malnutrition, by providing vitamin A supplements or promoting dietary diversification among pregnant mothers.
- Nutrition-Sensitive interventions: These target the underlying causes of malnutrition, improving aspects like agriculture and food security, social protection, early childhood development, education, sanitation, and water hygiene.





A 2023 pilot applied this budget marker to eight government entities including the MoH, MEYS, and MAF. The entities planned and budgeted for nutrition interventions, distinguishing between nutrition-specific and nutrition-sensitive activities. A total of US\$ 80,511,165 was allocated for nutrition and food security in the 2023 General State Budget (US\$ 13,177,174 of which was for nutrition-specific interventions) (Government of Timor-Leste, 2023).

This innovative practice provides a solution to a challenge reported in VNR-1 - quantifying funding allocated to address malnutrition and food insecurity. With nutrition budget tagging, the GoTL shows its commitment to enhancing the visibility and accountability of nutrition-related expenditures, paving the way for more targeted and effective interventions.

Together, these initiatives embody a cohesive approach, facilitating the alignment of strategies, policy coherence, and accountability in the fight against malnutrition. The collaborative actions of the Stunting Unit and the use of nutritional budget tagging offer a valuable model for other nations seeking to optimize their nutrition and food security interventions.

GOOD PRACTICE 8. VALUABLE LESSONS FROM THE CESTA BÁSICA PROGRAMME

A key measure of the COVID-19 Economic Recovery Plan was the Cesta Básica programme, which provided a US\$50 shopping voucher to all citizens in Timor-Leste. The programme addresses basic needs, combats hunger, supports families affected by income reduction, stimulates the local economy, and promotes agricultural production by sourcing at least 75% of the items locally.

The Cesta Básica distribution occurred in two phases, with a budget of US\$71.5 million in 2020-2021 and US\$80 million in 2022. The objective was to reach all citizens.

Lessons from the programme indicate the need for improved government capacity to plan, monitor, and enforce contractual obligations. Delegating food distribution to private firms without proper monitoring led to extended timelines. Additionally, there should be a focus on collecting and analyzing local food production data to enhance monitoring and develop programs and policies to boost local production. Figure 30 reports on satisfaction with the programme.

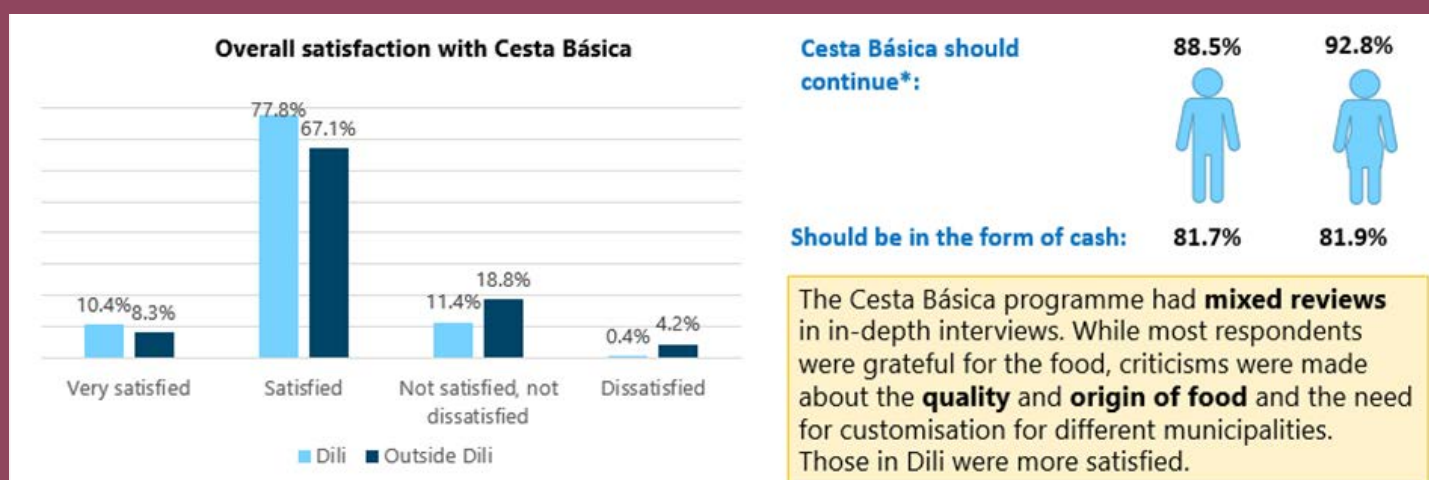


Figure 30: Population satisfied with the Cesta Básica programme
Source: (United Nations and the Government of Timor-Leste, 2021)

The SEIA-2 survey conducted in 2021 among 4292 households showed high satisfaction rates with the Cesta Básica programme. Less than 1% of respondents were very dissatisfied. In Dili, where households received vouchers, 88.3% expressed satisfaction, while outside Dili, where households received baskets, 74.7% were satisfied. While most households welcomed the Cesta Básica, they indicated a preference for alternative forms of assistance, with cash being the most preferred option.



GOOD PRACTICE 9. MERENDA ESCOLAR: ENHANCING HEALTH, EDUCATION, AND LOCAL ECONOMIES IN TIMOR-LESTE

The Merenda Escolar School Feeding Programme was introduced in 2006 and has undergone significant development since then. Funded by the General State Budget, its objectives include the provision of a daily meal that contains healthy, balanced, and essential food components to all children who attend preschool and basic education. Additionally, the programme aims to reduce poverty and the rate of malnutrition among school-age children, decrease the dropout rate, promote healthy eating habits among educational communities, contribute to the economic development of local farmers, and encourage community participation in development.

The Merenda Escolar targets students between 5 to 14 years old, and in 2018, approximately 329,403 pupils benefited from the programme. However, the programme's coverage of preschool-age children remains limited. Only 11 per cent of preschool-aged children are covered, mainly due to low preschool enrolment resulting from a lack of infrastructure in the country (World Bank, 2022).

The Programme's budget has fluctuated in the past, reaching its lowest point in 2020 due to the COVID-19 pandemic and school closures. However, the budget increased significantly for 2023 (Figure 31).

Timor-Leste signed the global School Meals Coalition and has made several commitments to enhance the programme's impact by 2030. Commitments include increasing the coverage of the national school feeding programme from 150,000 to 300,000 children within five years, establishing a budget line for school feeding using domestic resources, developing or revisiting a national policy on nutritious school feeding, creating a national directorate on school feeding in the MEYS, and promoting Home-Grown School Feeding, which connects schools with local agricultural production (Government of Timor-Leste, 2021c).

The programme provides holistic solutions to combat malnutrition and long-term diseases in children by providing them with a daily nutritious meal. It also boosts local agriculture, creates jobs, improves education, and promotes clean water, sanitation, and hygiene practices in schools.

To enhance the effectiveness of the Merenda Escolar programme in addressing childhood malnutrition, increased investment and ongoing improvement of institutional capacities are crucial.

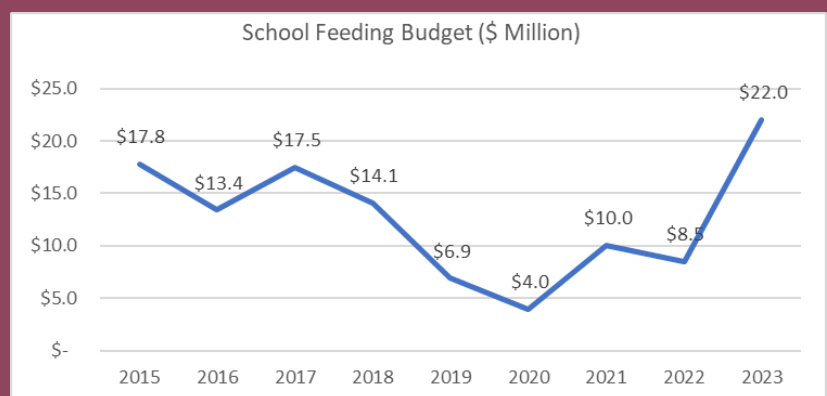


Figure 31: School Feeding Programme annual budget, 2015-2022
Source: Ministry of Finance, Budget Portal

There has been a notable surge in both awareness and activities surrounding food and nutrition in recent years. For example, the number of mother support groups has expanded thanks to the Bolsa de Mae-Jeresau Foun programme covering pregnant women, mothers, and children under five years old (SDG 3). Cash transfers can improve the capacity of the households to buy nutritious food (SDG 1).

In July 2022, the Government also increased the benefit level of Merenda Escolar – School Feeding programme from 25 cents to 42 cents per pupil per day (Good Practice 9). This will help schools in their efforts to provide nutritious meals to children. This is a crucial programme as it ensures that children receive at least one nutritious meal each day, safeguarding them against malnutrition and long-term health issues.

The Programme also contributes to children's education by allowing children to focus and helps increase enrolment and attendance, promotes retention rates and improves cognitive abilities (SDG 4). In addition to providing nutritious meals, the programme creates jobs. According to the latest reports, there were approximately 1600 jobs, such as cooks, drivers, and monitoring staff, created by the programme (MEYS, 2023). Most cooks are women, and they are paid in cash. As you know, in Timor-Leste, fewer women have access to paid jobs, so this programme benefits local women as well (SDG 5).

Another benefit of the Merenda Escolar programme is that as the Government Decree requires the use of locally produced food. Schools are provided with funds to purchase food products, and small-scale farmers play a crucial role in supplying a variety of items, ranging from vegetables, fruit, eggs, meat, fish, grains, tubers, and legumes. The programme's scope extends beyond just food; it is also connected to promoting access to clean water, sanitation, and hygiene practices at schools. The programme encourages children to cultivate the habit of washing their hands before eating, which contributes to their overall hygiene and well-being.

Despite this progress, the programme can still be improved. Firstly, the allocated funding for the programme needs to be increased and sustained. Historically, the budget allocated for the Programme has fluctuated significantly, reaching its bottom in the pandemic year of 2020. Additionally, the quality of meals should be improved by

incorporating a wider variety of ingredients. It is also essential to expand the programme's coverage, as currently, only half of the children are benefiting from it. Moreover, when schools are closed during weekends and breaks, some children might not receive a nutritious meal. This is a critical concern that must be addressed to ensure that children are not going hungry during these periods.

During the VNR-1 national consultation, the National Health Sector Nutrition Strategic Plan 2022- 2026 that was adopted by the Ministry of Health was mentioned as a positive change. Furthermore, Timor-Leste ratified a law to increase excise taxes on sugar and sugar-sweetened beverages already in effect from 2023 (SDG 3 and SDG 16). These are examples that demonstrate the high level of commitment in Timor-Leste towards addressing all forms of malnutrition and food insecurity.

The GoTL's fiscal system and bureaucratic mechanisms often delay the School Feeding Programme's financing in the first quarter of each year. A state budget review proposed two options to address this. The first option suggests advancing 50% of the funds to ensure meal access early in the year. The second, more secure long-term option involves establishing a Special Fund. Despite the potential bureaucratic issues and extra costs to maintain the fund's secretariat, an investment of approximately US\$ 210,000-US\$ 300,000 could secure US\$ 30 to US\$ 40 million per year (depending on the number of students). This proactive approach could enhance transparency, accountability, and control over the funds, preventing potential misuse (Hanjam, 2020).

What do you think should be the priorities in alleviating food insecurity and malnutrition in Timor-Leste?

We should recognize that stunting and anaemia are a national emergency. Therefore, we must increase investment from the GoTL and the international community. There could be a match-funding scheme, for example when the GoTL allocates US\$10 million a year to reduce food insecurity, donors can match with similar amount. We need to significantly scale up existing programmes based on evaluation and study results and invest in capacities. The leadership of the KONSSANTIL would play a key role in fund raising and budgeting, planning, implementation, and M&E.

There could be a Global Fund or Trust for Nutrition. We have a Global Fund for combating malaria and HIV, a similar kind of fund would help developing countries to start tackling food insecurity and malnutrition. These are fundamentals of development. When people are food-insecure and malnourished, it affects all other aspects of their lives – including health, education, and income.

We witnessed major shocks in the last four years. This shows that we need to be better prepared for future pandemics and natural disasters and have regulations. The Ministry of Health's Nutrition Cluster Contingency Plan and mechanisms are in place. We need to maintain preparation at all times, not just wait until the next shock, and start testing of the operations and have well-trained task forces on the ground.

Now that we have established the Unit of Mission to Combat Stunting, its operations should continue and be sustainable. As the Unit exemplifies the SUN strategy 3.0 approach, where the country takes the lead in setting priorities and rallying support around these objectives, embracing a multisectoral strategy. The Unit can be a central point for mobilizing resources. This coordination helps align efforts towards achieving set goals.

5.3. Priorities and recommendations

Based on desk review, expansive consultations, findings from the SDG Progress Assessment, and the overarching SDP, the VNR-2 has identified the following priorities for increasing food and nutrition security in Timor-Leste.

- Declare the food and nutrition situation to be a national crisis: The Government should acknowledge the severity of the issue and prioritize it as a public health concern. Immediate humanitarian assistance is required to safeguard the lives and livelihoods of the 22% of the population classified in IPC Phase 3 (Crisis) or higher, as well as the three municipalities with 5% of their population experiencing Emergency food insecurity (IPC Phase 4). Delays in the humanitarian response will result in a further decline in food security.
- Establish the Stunting Unit as the secretariat for the fund to streamline high-impact interventions, extending its role beyond the COVID-19 crisis. To overcome fiscal and bureaucratic delays that hinder the School Feeding Programme, two options are recommended: advancing 50% of funding to ensure early-year meal access or creating a Special Fund. Despite incurring costs, the proactive approach of the latter option has the potential to secure an annual budget of US\$30- US\$40 million. This approach would enhance transparency and accountability of the fund while effectively preventing misuse.
- Track expenditures against programme coverage: With increasing funds allocated for nutrition in recent years, the focus should shift to ensuring efficient expenditure tracking and program coverage. Adequate financing for program components is crucial for comprehensive system strengthening. To achieve this, establish a robust M&E system in partnership with FONGTIL's Social Audit Network. This collaboration will assess program impact and effectiveness for necessary adjustments. ANAPMA, KOSSANTIL, the Ministry of Health, the Ministry of Agriculture and Fisheries, and the Stunting Unit can lead the M&E efforts. For example, evaluate the effectiveness of the Monthly Food Allowance for public servants based on M&E results.
- Continue effective multi-sectoral programs and initiatives: Under the Consolidated National Action Plan for Nutrition and Food Security, the Government should prioritize existing programmes Merenda Escolar, Bolsa de Mae – Jeresaun Foun, National Agricultural Sector Plan, and the Zero Hunger Programme.
 - Investments and initiatives should be directed towards bolstering agriculture and fisheries, with a focus on programs like the Escola Merendar Programme. These efforts can stimulate markets, engage youth and women, and increase incomes. It is important to intensify home-grown school feeding initiatives, supported by the MEYS in coordination with the Ministry of Agriculture and Fisheries.
 - The National Commercial Bank of Timor-Leste (BNCTL) can provide support through micro-credits, loans, and public-private partnerships.
 - Expansion of food and market value chains, improved storage facilities, and the establishment of cold chains are essential.
- Incentivize staff: Consider institutionalizing Community Health Workers with performance-based incentives to enhance health and nutrition service delivery. Collaboration with experts in healthcare, nutrition, and education to deliver accurate and up-to-date information. Their expertise can address misconceptions and provide guidance on best practices.
 - Prioritize interventions on the critical first 1000 days of life, including maternal-child health and nutrition, breastfeeding promotion, and feeding practices. Support vulnerable groups with additional social protection, particularly households with severely malnourished children. Collaborate with community leaders, and local organizations to ensure effective dissemination and engagement.

- Combine agriculture and nutrition education by leveraging community horticulture and farming practices to integrate agriculture and food and nutrition education. Highlight local products and emphasize their nutritional benefits. This approach is particularly relevant for rural areas where nutrition indicators are low and agriculture activities are prominent. Engage the community through interactive demonstrations, such as farming and cultivating activities. Promote hands-on learning and encourage active participation to enhance understanding and adoption of healthy practices.
 - Promote the cultivation of nutritious crops and indigenous varieties that are well-suited to local conditions. Encourage diversification of crops to ensure a variety of nutrient-rich foods are available for consumption. Establish community gardens to serve as practical learning platforms for nutrition education and provide a sustainable source of fresh, nutritious produce. Offer training programmes on sustainable farming practices, horticulture, and nutrition education to farmers and community members. Provide access to necessary resources such as quality seeds, tools, and irrigation systems to support agricultural activities.
 - Facilitate connections between rural farmers and local markets to enhance access to nutritious foods and create income-generating opportunities. Encourage value addition and product diversification to increase market competitiveness.

- Integrate disaster risk and climate resilience: To enhance climate resilience in agriculture, the GoTL should integrate disaster risk management strategies into agricultural and food production systems. This entails adopting climate-smart agriculture practices, reducing reliance on food imports, and promoting sustainable agricultural practices such as agroforestry, composting, and the rehabilitation of degraded lands through community-led efforts. Additionally, it is crucial to allocate sufficient financial resources towards research on climate-resilient crop species and climate-smart agricultural practices. This commitment necessitates access to climate financing and technical assistance. Technical assistance will be vital in supporting the implementation of these recommendations.

- Prioritize improving data collection: To enhance evidence-based decision making in the agricultural sector, prioritize improving data collection for SDG targets, particularly in agriculture (SDG 2.3, 2.4, 2.5, and 2.b). Strengthen the linkage between national data from the Ministry of Agriculture and Fisheries and the Institute of National Statistics (INETL), utilizing Agriculture Census data to fill SDGs data gaps. Improve coordination and collaboration between the Ministry of Agriculture and Fisheries and INETL, establishing standardized methodologies for data collection, analysis, and reporting that align with international standards and SDGs indicators. Prioritize capacity building for data collectors and analysts to effectively utilize national and international data. Collaborate across ministries (health, education, public works, and agriculture) to improve data collection and analysis. By strengthening these linkages and transforming national data into internationally comparable data, Timor-Leste can monitor SDG progress and inform evidence-based policymaking for sustainable agricultural development.

6. HEALTH AND WELL-BEING

6.1. SDG 3 and 6 progress assessment

SDG 3: Good health and well-being states ‘ensuring healthy lives and promoting well-being at all ages is essential to sustainable development’. The goal consists of 13 targets. Timor-Leste is on track to achieve three targets, needs to accelerate progress across eight targets and reverse trend in two targets (Figure 32).

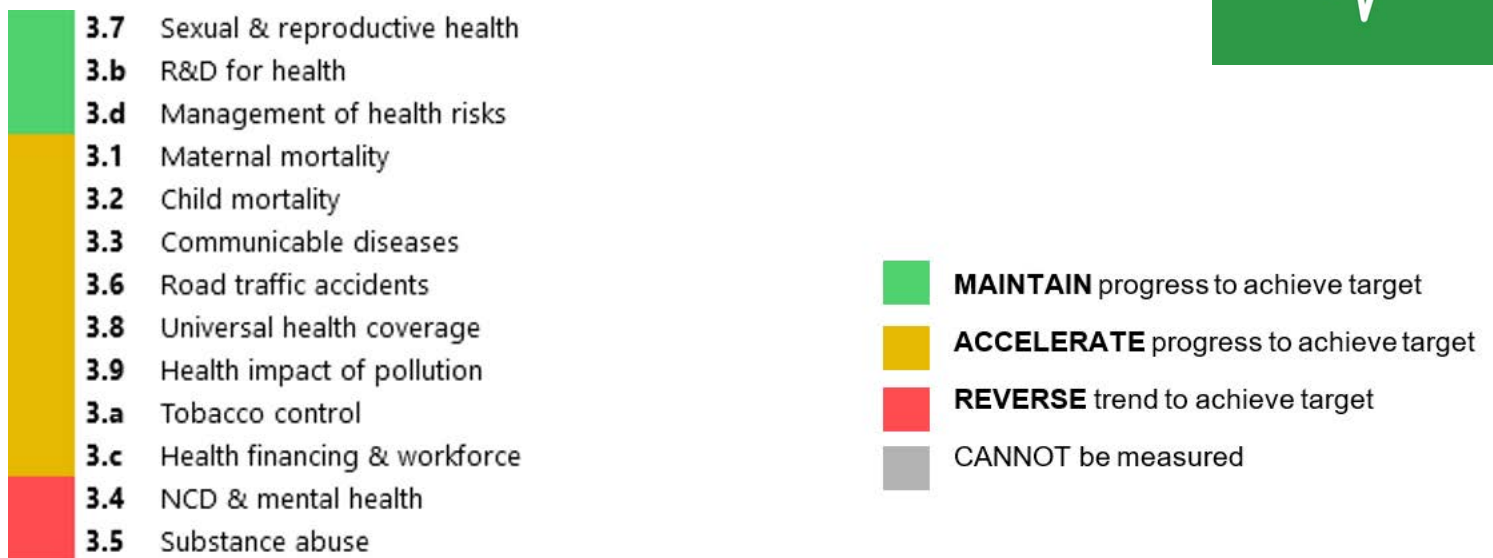


Figure 32: SDG 3: Good Health and Well-being, SDG progress at target level

Source: (ESCAP, 2023b).

Note: For more details at indicator level, see the statistical annex.

Targets 3.7 and 3.b, which focus on universal access to sexual and reproductive care, family planning, education, and vaccines, as well as **target 3.d** on early warning systems for global health risks, are on track to be achieved by 2030.

- **Target 3.7** aims to reduce adolescent births, with targets set at 15.5 births per 1000 women aged 15-19, and zero for the age group 10-14.
 - In the 15-19 age group, births per 1000 women have consistently fallen from 78.3 in 2001, to 50 in 2010, and 42 in 2016. If this downward trajectory continues, the target of 15.5 by 2030 is within reach.
 - The 10-14 age group experienced a slight decrease from 0.5 in 2012 to 0.4 in both 2014 and 2015. Although the decrease is smaller, the current trend suggests progress towards the goal of nearly zero adolescent births in this age group by 2030. However, it is important to consider that more recent data could offer a more nuanced perspective. Access to family planning methods in Timor-Leste is primarily limited to married women with children, creating significant barriers for adolescent girls [7] (Cummins & Fonseca, 2017). The lack of data for this indicator may also be attributed to stigma and under-reporting.
- **Target 3.b.** aims to support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries.
 - For indicator 3.b.1 the diphtheria-tetanus-pertussis (DTP3) vaccine rate rose from 76% in 2015 to 90% in 2019, with a slight decline to 86% in 2020. Despite this dip, the overall trend indicates advancement towards the SDG target of 100% coverage by 2030.

[7] These barriers include a lack of awareness and healthcare services, scarce rural health facilities, cultural constraints, inadequate education about contraception, gender norms, and stigma surrounding unmarried individuals seeking medical help. The lack of male involvement in contraceptive choices and limited youth-friendly health services further compound these challenges.

The measles vaccination rate remained around 80% in 2019 and 78% in 2020. These slight declines in 2020 may be attributed to disruptions in immunization services caused by the pandemic.

- For indicator 3.b.2, both gross and net disbursements of ODA to medical research and basic health sectors are provided, with a target value of US\$ 29.2 million 2019 by 2030. Both gross and net disbursements have shown an upward trend from 2015 to 2020, with a significant jump in 2020 reaching approximately US\$ 38.8 million. This increase may be a response to the COVID-19 pandemic, indicating that more resources have been allocated to the health sector to address urgent needs and gaps.
- **Target 3.d.** Indicator 3.d.1, measures health capacity and emergency preparedness using the SPAR tool index. This index, averaging 13 components, aims for a score of 100 by 2030. In Timor-Leste, the SPAR score was 44 in 2018, dropped to 37 in 2019, rose slightly to 42 in 2020, and made a significant leap to 60 in 2022, indicating substantial progress. Fluctuations may be linked to the COVID-19 pandemic's impact, which highlighted the need for robust health systems.

Progress towards achieving several of the health targets outlined in the SDG 3 has been slow in recent years:

- **Target 3.1** to reduce maternal mortality rate has shown slow progress. The target is measured by two sub-indicators. The first indicator on deaths per 100,000 births, the rate in Timor-Leste decreased from 160 in 2015 to 142 in 2017. The set target for Timor-Leste is to reduce the maternal mortality rate to 70 deaths per 100,000 live births by 2030. The second indicator on the percentage of births attended by skilled health personnel, which is crucial for reducing maternal and neonatal mortality, showed an improvement from 63% in 2015 to 68% in 2022, with a drop to 48% in 2021 possibly due to the impact of the COVID-19 pandemic. The target for this indicator is to reach 100% by 2030, indicating that there's still a substantial gap to fill.
- **Target 3.2** on reducing infant and under-five child mortality rate (deaths per 1,000 live births) has made progress in reducing child mortality over this period. The data shows a positive trend, with the rate decreasing from 50.8 deaths per 1,000 live births in 2015 to 44.2 in 2019 and further reducing to 39.6 in 2021.
- **Target 3.3** which aim to combat communicable diseases, has been slow. HIV and tuberculosis cases have not significantly decreased. The number of new HIV infections was 10 per 100,00 population in 2020 compared to 9 in 2015. The number of deaths due to tuberculosis was 1100 in 2019 (the latest available data) while the number was 1200 in 2015. The rates of cardiovascular disease have risen. Malaria Deaths: The data shows that there have been no reported malaria deaths from 2015 to 2022, indicating effective disease control and prevention efforts. Achieving zero malaria deaths aligns with the SDG 2030 target and demonstrates Timor-Leste's progress in managing this disease.
- Efforts to reduce road traffic deaths (**Target 3.6**) have been hampered by slow progress. The target is measured by number of traffic deaths per 100,000 population. Men appear to be particularly susceptible to road accidents. For men, the road traffic death rate per 100,000 population has shown a slight decrease from 18.28 in 2015 to 16.86 in 2019. While for women, the rate has decreased from 7.85 in 2015 to 6.83 in 2019. The overall road traffic death rate per 100,000 population has been slightly decreasing from 13.12 in 2015 to 11.90 in 2019.
- Achieving essential health service coverage (**Target 3.8**) has also proven challenging, with the 'universal health coverage index' only increasing from 53% in 2018 to 55% in 2020 (the target for 2030 is 100%).

- Tobacco use (**Target 3.a**) remains a significant issue, overall tobacco uses in the population aged 15 and above fell from 42.5% in 2015 to 28.4% in 2016 but rose to nearly 39.2% in 2020.
 - Tobacco use in females dropped from 12.7% in 2015 to 10.8% in 2020. Despite fluctuations, the prevalence is already below the 2030 target of 24.7%.
 - Male tobacco use remains high, starting at 72.3% in 2015, dropping to 69% in 2020, which remains significantly higher than the 2030 target.
- **Target 3.c** is measured by health worker density, in four categories: dentistry personnel, nursing and midwifery personnel, pharmaceutical personnel, and physicians. Overall, the data shows progress in the health worker density across various categories, but there's still considerable work needed to reach the 2030 SDG targets.
 - The density of dentistry personnel has drastically declined from 0.08 per 10,000 population in 2019 to 0.02 in 2020. This trend suggests a significant shortage of dental health professionals, far off the 2030 target of 0.32. Enhancing the capacity of dental health services should be prioritized to address this gap.
 - Nursing and midwifery personnel density indicator has shown a slight increase from 14.82 per 10,000 population in 2015 to 17.56 in 2019, and marginally decreased to 17.48 in 2020. The progress is positive, but there's still a significant way to go to achieve the 2030 target of 35.6. Continued efforts are needed to train and recruit more nursing and midwifery staff.
 - There's a dramatic increase in the pharmaceutical personnel density, from 0.08 per 10,000 population in 2015 to 2.13 in 2019 and 2.09 in 2020. This substantial improvement indicates a strengthened pharmaceutical sector. Nonetheless, there's still some distance from the 2030 target of 6.5, and the momentum must be sustained to meet this target. The physician density has increased from 6.95 per 10,000 population in 2015 to 7.69 in 2019 and slightly decreased to 7.56 in 2020. The rate of increase needs to be accelerated to achieve the 2030 target of 21.3. This indicates a need to attract and retain more physicians in the country.

The following two targets have shown a reverse trend in achieving their objectives by 2030:

- **Target 3.4** concerning reducing premature mortality from non-communicable diseases is measured by mortality due to cardiovascular disease, cancer, diabetes, or chronic respiratory diseases. This target is showing a reverse trend and is a critical health concern. The mortality rate attributed to these diseases seems to have slightly increased from 18.6% in 2015 to 19.9% in 2019.
- The harmful consumption of alcohol (**Target 3.5**) is another area where progress has faltered. The amount of alcohol consumed per person aged 15 and over has remained relatively high, with regression noted in recent years. There has been no significant change between the data for 2015 was 0.53 liters per annum for the overall population aged 15 and above and for 2019, 0.53. Men consume more alcohol than women (0.84 litres versus 0.21 litres per annum).

SDG 6: Water and sanitation aims at ‘ensuring availability and sustainable management of water and sanitation for all’. The goal consists of eight targets. Clean water and sanitation are fundamental to maintaining good health. Without access to clean water, communities are more vulnerable to waterborne diseases, negatively affecting overall health. Proper sanitation facilities help control the spread of diseases, including those that can be fatal for children, such as diarrhoea which can also cause stunting in children. Timor-Leste is on track to achieve one target, must accelerate progress across three, and must reverse trends in two targets (Figure 33).

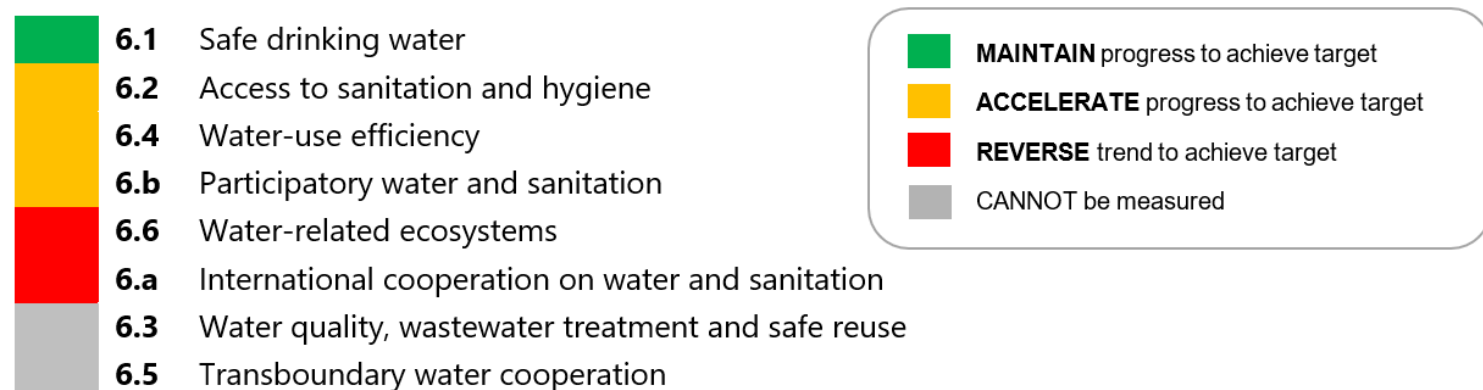


Figure 33: SDG 6: Clean Water and Sanitation, SDG progress assessment at target level
Source: (ESCAP, 2023b).

The following target is on track to be achieved:

- **Target 6.1:** universal and equitable access to safe and affordable drinking water for all is measured by the proportion of the population using safely managed drinking water services. From the SDG Progress Assessment, it is evident that there has been a significant improvement. In 2015, 75.25% of the population had access to at least basic water service, and this figure rose to 85.5% in 2020.

For the following targets, progress is observed but it needs to be accelerated:

- **Target 6.2** focuses on access to adequate and equitable sanitation and hygiene for all and ending open defecation. SDG Indicator 6.2.1 relates to safely managed sanitation services. There has been a clear reduction in the population practising open defecation: the percentage dropped from 22.45% of the population in 2015 to 18.22% in 2020. Looking specifically at rural and urban populations, the rural areas saw a decline from 30.84% to 26.52%, while urban regions reached an impressive zero per cent in 2020, down from 2.39% in 2015. These trends highlight improved sanitation practices over time, particularly in urban areas. However, the proportion of the population with basic handwashing facilities on premises did not change between 2015 and 2020 (28% total, 22% rural, and 43% urban). This is an area of concern and potential focus for future interventions, particularly in enhancing hygiene practices, as there has not been progress over the five-year period.
- **Target 6.4** aims to substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of fresh water to address water scarcity. According to Indicator 6.4.2, in 2015, Timor-Leste recorded a water-use efficiency of US\$ 1.17/cubic metres while it was US\$ 0.93/cubic meters in 2010. There is insufficient data for SDG Indicator 6.4.2, which evaluates water stress. In 2010 and 2015, 28.27% of total renewable water was withdrawn annually. Unfortunately, there’s no data for subsequent years to track the progress or regression.

- **Target 6.b:** Support and strengthen the participation of local communities in improving water and sanitation management. The first indicator tracks whether there are procedures in law or policy that allow for participation by service users and communities in planning programmes for the rural drinking water supply. Timor-Leste's score remained at the maximum of 10, indicating that the procedures are clearly defined in the country's law or policy. The second indicator assesses the extent to which users and communities are participating in planning programmes for rural drinking water supply. The score here remained at 2, signifying a moderate level of community participation. The target by 2030 is to reach a score of 3, indicating high participation.

The following targets are showing reverse trends:

- **Target 6.6** aims to protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes. The data indicates a consistent and significant decline in the area of permanent lakes and rivers in the region being tracked. Between 2015 and 2021, the decline has accelerated, moving from -1.57% in 2015 to -42.02% in 2021. The 2030 target for this indicator is 0% change, which implies maintaining the existing area of water-related ecosystems without further decline.
- **Target 6.a** aims to expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes. From 2015 to 2020, the ODA for water supply dropped from approximately US\$ 16.91 million in 2015 to US\$ 3.90 million in 2020. It's worth noting that even though progress is slow on SDG 6, this is caused by low and diminishing international support. The target for this indicator is to reach \$33.82 million by 2030. This underscores the need for renewed commitment and increased financial support from international donors to enhance water supply and sanitation in the region.

The **targets 6.3 and 6.5** do not have sufficient data to assess progress.

The SDP lays out that by 2030 Timor-Leste will have a healthier population because of comprehensive, high-quality health services accessible to all Timorese people. In turn, this will reduce poverty, raise income levels, and improve national productivity. SDP targets related to health sector for 2030 include the following (Government of Timor-Leste, 2011):

- A municipal hospital in all 13 municipalities (now 14 municipalities)
- 100% of health facilities will be fully equipped and staffed for management of chronic diseases
- 100% of health services will have infrastructure that is safe, environmentally friendly, and sustainable
- Comprehensive high-quality health services accessible to all Timorese people

The VNR-2 finds that SDG 3: Good Health and Well-being has strong synergies with SDGs 1, 2, 4, 5, 6, 8, 9 and 10 as shown in Figure 34.

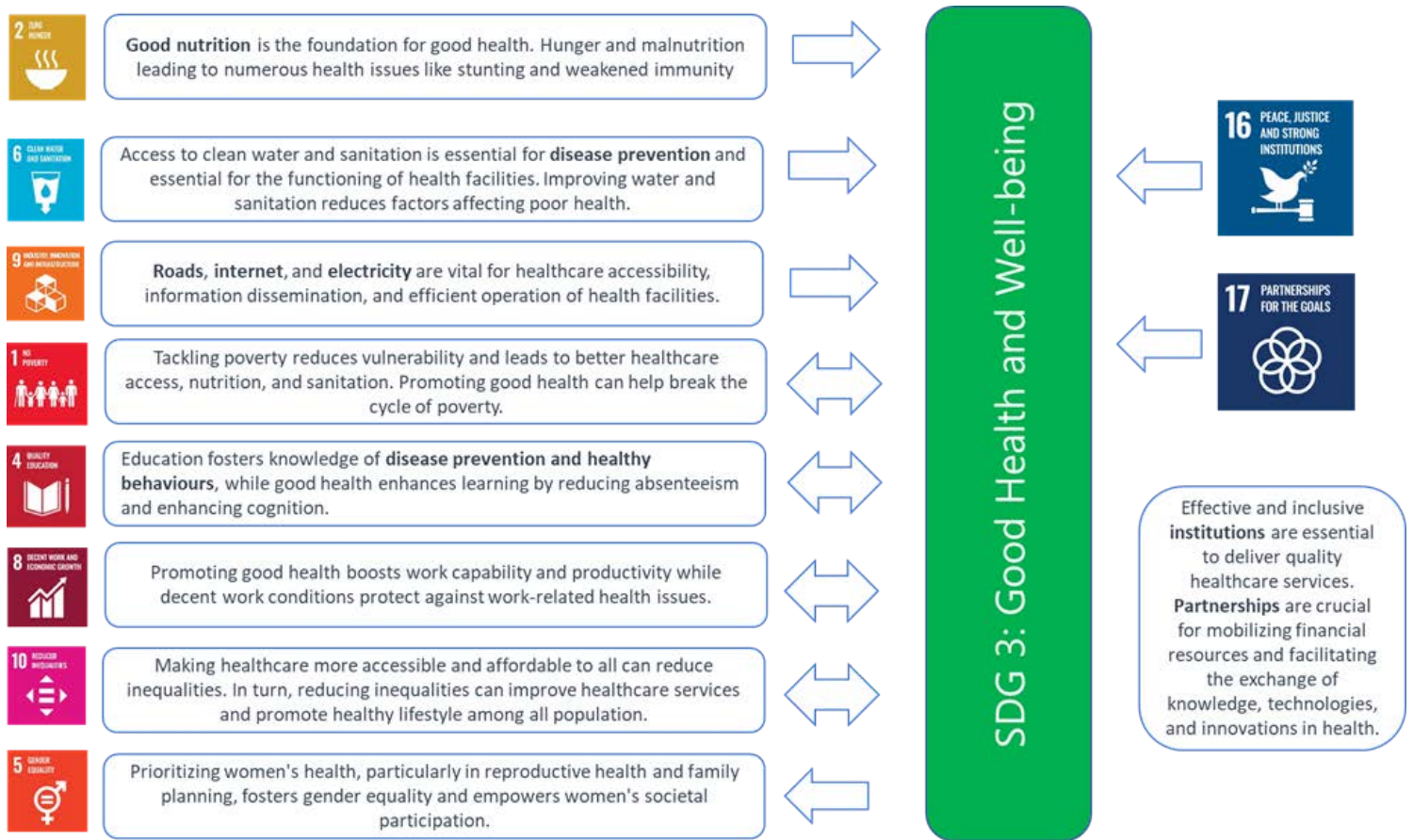


Figure 34: Synergies of SDG 3 with other SDGs

Note: SDG 3 ties to all SDGs, but for report relevance and based on consultations, interviews, and case studies, only certain SDGs are featured. One-way arrows suggest stronger influence on the SDG; two-way arrows denote mutual influence. Source: Adapted by the author

6.2. Progress and challenges

The COVID-19 pandemic significantly impacted the health sector, revealing geographic inequalities in health infrastructure, outcomes, and access to services for vulnerable and poor households, as highlighted in VNR-1. However, the health sector seized the opportunity to accelerate progress in certain areas such as testing, health communication, expanding infrastructure, and international cooperation. According to the nationwide COVID-19 SEIA-2, health facilities received high satisfaction ratings during the State of Emergency, with nearly 90% of respondents expressing satisfaction, making it the most satisfying institution (United Nations and the Government of Timor-Leste, 2021).

To assess progress, challenges, and the pandemic's impact on Timor-Leste's health sector, the VNR team interviewed Nevio Sarmento. This section presents his experience in the health sector, along with insights from national, local, and target group consultations, as well as the SDG Progress Assessment.



Nevio Sarmento is a Timorese microbiology scientist and a Ph.D. candidate at Charles Darwin University. He took one year gap from his PhD when COVID-19 hit to help the Government's pandemic response and upgrade the national laboratory with his team. He is currently conducting research on childhood pneumonia and malnutrition in Timor-Leste in the hope of providing baseline data to assist the Ministry of Health in introducing the Pneumococcal Vaccine in the country.

“Trust in evidence, science and local capacity. When the pandemic hit, we were able to upgrade the national laboratory with a Timorese-led initiative and international partners’ support. This allowed us to produce real-time data on the spread of the infectious disease. This reminded us yet again what gets measured gets done.”

Can you describe what the situation was like in Timor-Leste before the pandemic?

Nevio Sarmento: Timor-Leste still has many infectious diseases such as tuberculosis and pneumonia. The cases of Lepra are also high. The capacity of the national laboratory to detect and test diseases was low, especially in rural areas where the infrastructure was not set up. Pneumonia remains high in the country. There are around 5000 incidents of children under five with pneumonia were treated in hospitals. The main reason causing pneumonia among children under five is malnutrition. It is a causal-effect relationship - if you have malnutrition then your immunity is lower and the bugs that stay in your nose transfer to lungs and start affecting the blood system. So, malnutrition has the biggest impact, and we are hoping to find ways to minimize the number of children with pneumonia.

Without knowing whether the disease is caused by bacteria or virus there are a lot of cases of prescription of antibiotics. Timor-Leste does not regulate the purchase of antibiotics over the counter, although purchases should be based on prescriptions from medical doctors. However, antibiotics are sometimes prescribed even when it is not known if the illness in question is caused by bacteria or a virus. We have some bacteria that have 75% resistance to antibiotics. Given the regular stockout of essential medicines, including antibiotics, it is important to prescribe antibiotics in a targeted and evidence-based way. Therefore, it is important to develop microbiology laboratories in Timor-Leste to help doctors diagnose their patients with accuracy and prescribe appropriate measures.

According to a 2017 WHO data, 2100 children under five in Timor-Leste died due to preventable causes. 20% of these deaths were from pneumonia (WHO, 2020). The Food and Nutrition Survey 2020 revealed that stunting was strongly associated with diarrhoea and fever in terms of morbidity. Stunting also showed a strong association with the education status of mother/caregiver, family wealth quintile, and lack of access to improved sanitation. Wasting was associated with diarrhoea, fever, and the family's wealth quintile (Ministry of Health, 2020).

Before COVID-19, the health infrastructure in Timor-Leste was not ready for a pandemic. Municipalities were not prepared, and we used existing laboratories that were not designed for microbiology. Referral hospitals were in a slightly better position and had some ideas what to do based on previous experience testing tuberculosis. There are also other general infrastructure issues. For example, power cuts are still common in both urban and rural areas. Internet connection and speed are a big problem in Timor-Leste. Before COVID-19 hit, we did not have an online system for sharing and using information and statistics.

Molecular diagnostic capacity in the country was limited. Since 2011, we have been testing only influenza for monitoring changes in seasonal influenza. The National Laboratory, which is the only microbiology centre in the country, was set up in 2016 with international support, and employed five full-time staff in Dili. There were only two to three scientists that knew how to use PCR and a handful of people working in that area. Investment in PCR is expensive, and the majority of funding was coming from WHO. Lack of human resources is a major challenge in the health sector.

When COVID-19 hit, there were only five people working in the Laboratory, none of whom were familiar with PCR tests.

In addition to health infrastructure, we should also talk about WASH infrastructure and preparedness. Handwashing facilities, for example, are essential for preventing diseases such as diarrhoea. Preventing diarrhoea enhances food nutrient absorption, and improves the health of children, mothers, and entire communities. However, according to the 2016 Demographic and Health Survey, only 27.7% of all households in rural areas had fixed handwashing facilities, and only 22.5% of households practised handwashing. We know stunting in rural areas is also much higher than in urban areas. So, we have a lot to do in improving access to water and sanitation, especially in rural areas.

VNR Consultations 5 presents challenges and setbacks in health services in Timor-Leste.

What happened when COVID-19 hit Timor-Leste? How did the health sector and the National Laboratory respond?

From the first COVID-19 case in the country, there were major problems with testing. We had to send our samples to Australia and wait one week to get the results because the National Laboratory was not ready. The national budget to fund the national laboratory to test COVID-19 and other general operations came late, only in 2021. We knew that PCR was important to diagnose COVID and fight the pandemic. So, at the early stages of COVID-19, with the support of many donors, we managed to expand the molecular lab (Good Practice 10). The director and staff of the Laboratory were proactive and diligent in reaching out to donors requesting targeted support. We are grateful for financial support from international organizations, including WHO, UNDP, UNICEF, DFAT, KOICA, WFP, and UK Aid. Their assistance in procurement in times of global supply chain issues. As laboratory equipment is in high-demand yet low-supply in a small island development state like Timor-Leste, international agencies' financial support was critical.

VNR CONSULTATIONS 5. CHALLENGES AND SETBACKS IN HEALTH SERVICES IN TIMOR-LESTE



The National Consultation identified the lack of storage facilities for medicine, leading to constant stockouts, as a major challenge. High staff turnover and a lack of specialists in health and disability sectors pose a critical problem. There are also legislative gaps, like the absence of a health quarantine law and a Law on Control of Disease Vigilance. Infrastructure challenges, particularly regarding transportation at municipal levels, create further impediments.

Women's groups brought multiple issues to light, including the lack of basic amenities like clean water and electricity in health facilities, coupled with poor road conditions and transport, leading to inaccessibility. There is a problem with secure medicine storage in some existing facilities, leading to persistent stockouts or expired medications. Challenges such as difficulty obtaining legal documents for subsidies, a lack of health awareness, dropout cases during treatment, lack of mental health support, and imbalanced human resource allocations further contribute to the problems faced in this sector.

People with disabilities face distinct challenges, including inadequate access to health information, lack of early detection centres, and insensitive handling by health-care staff. Insufficient access to health post buildings and issues around health-care expenses compound the difficulties faced by people with disabilities.

For the LGBTIQ community, discrimination by health officials, the rising number of HIV cases due to a lack of Antiretroviral Therapy sites, and problematic requirements for medical certificates present considerable obstacles. Moreover, the lack of access to family planning services for LGBTIQ individuals highlight a critical gap in inclusive health-care provision.

Regionally, Baucau faces challenges like those mentioned by women's groups, such as distant health clinics, insufficient medicine stocks, and issues with waste management. High malnutrition rates due to limited household resources and inadequate family planning further exacerbate health issues.

GOOD PRACTICE 10. COLLABORATION IN THE COVID-19 LABORATORY RESPONSE

The National Health Laboratory was tasked to lead Pillar five – Laboratory Response in the Timor-Leste COVID-19 pandemic response task force. The collaboration between the National Health Laboratory and international and national partners was important in strengthening the laboratory response to COVID-19 in Timor-Leste. The collaboration allowed the National Health Laboratory to refurbish the laboratory, procure equipment and reagents, and recruit staff. The collaboration with Menzies School of Health Research and WHO helped to establish teams to operationalize the laboratory pandemic response, while the collaboration with KOICA provided additional support for infrastructure investments and human resource training. The Fleming Fund Grant (UKAid) investment at the Laboratory by Menzies provided the foundation for more microbiological work, including capacity-building, research, and surveillance.

The Ministry of Health also collaborated with UNDP, UNICEF, IOM, and foreign embassies and DFAT.

UNICEF has been pivotal in procuring medical supplies and vaccines, both locally and internationally. It furnished personal protective equipment for health centres, procured 21 vehicles for vaccine transport, and acquired Pfizer vaccines for adolescents and adults for booster doses in 2022. Furthermore, UNICEF enhanced the cold chain capacity of the country, installing 16 ultracold freezers capable of storing 750,000 Pfizer vaccine doses at the Dili national warehouse, expanded to four regional warehouses.

UNDP supported the Ministry of Health in procuring vital COVID-19 supplies and medicines and contributed to enhancing national capacities for better procurement and supply chain management, maintaining transparency and accountability. Working closely with key national stakeholders like the Autonomous Service for Medicines and Health Equipment, the National Laboratory, and the Department of Pharmacy, UNDP strived to enhance the quality and efficiency of medical supplies procurement. From 2021 to early 2023, UNDP furnished a substantial range of medical instruments, medicines, diagnostics, and consumables, significantly contributing to the country's pandemic response.



Initially, the Laboratory couldn't conduct PCR tests, so we sent 100 tests to Australia for comparison. The results matched at 99.9%, boosting our confidence to continue PCR testing nationwide since April 2020. This eliminated the need to send results to Australia, as we trusted our own data. We introduced the Laboratory Information Management System for real-time information and monitoring. In 2021, we distributed PCR machines to each municipality, trained staff, and expanded our team from 5 to 28 members nationwide.

As a result, we performed 2500 tests per day and delivered immediate virtual results. In 2011, the country conducted only 100 PCR tests per month. Fortunately, the National Laboratory had a generator, allowing continuous operation despite power cuts. We maintained 24-hour work with three shifts of 8 hours until early 2022, requiring comprehensive staff training. COVID-19 expedited investments and instilled trust in the National Laboratory.

The Laboratory worked directly with the Integrated Crisis Management Centre (CGIC) to manage the COVID-19 situation in the country (Box 11). We led the laboratory response as part of the National Laboratory. Our diagnosis results were critical for CGIC decisions affecting people's livelihoods— whether to have restrictions, what type and how.

The Laboratory operated successfully during the pressure of the first year, as the GoTL acted very fast by restricting movements and borders when needed and vaccinating half of the population before COVID-19 hit its peak.

It should be mentioned that the dengue situation in Timor-Leste still presents a complex challenge, particularly during the COVID-19 pandemic. Dengue disproportionately affects children and has seen a surge in cases and deaths, compounded by pandemic-related difficulties like limited health service access and overlapping symptoms. Supply chain disruptions have also led to pesticide shortages. Despite the government's focus on combating COVID-19, dengue cases have continued to rise, with 2022 already recording more deaths than the total number in 2021 and 2020. In addition to the direct risks associated with the COVID-19 pandemic, there were significant concerns about disruptions to essential services, particularly healthcare. Therefore, keeping health services operational during the restrictions and continue reaching those who needed them was important. For that cause, volunteers were essential to reach remote communities and ensure uninterrupted healthcare (Good Practice 11).

You mentioned the critical roles of national directors in identifying needs, and the importance of international support. What else do you think was important for building a good standard National Laboratory?

Trusting our own people was key. We led the COVID-19 response tasks backed up by our international counterparts. All COVID-19 testing was led by Timorese people, and we had to trust our capacity to do this. The Ministry of Health knew we could do it and they let us do it. We produced testing results within 24 hours, and for critical people we had the results within 6 hours.

There were challenges with misinformation too, especially spread through Facebook and WhatsApp with “overnight experts and overnight microbiologists”. To combat this, it was important to get public trust in the scientific community and in data to increase public buy-in and support. The fact that CIGC was headed by Doctor Rui de Araújo, who was an already trusted doctor, was helpful. Every afternoon, Doctor Rui de Araújo read out the PCR results on national TV, and was livestreamed on social media. This allowed most of the population to access timely, reliable COVID-19 information [8].

Box 12 presents Timor-Leste's COVID-19 overview, while Box 13 summarizes health service use during the pandemic.

[8] According to the SEIA-2 results, 64.1% of the respondents had received COVID-19 information from TV, 49.3% from health centres and 36.3% from internet and social media (United Nations and the Government of Timor-Leste, 2021)

BOX 12. TIMOR-LESTE COVID-19 OVERVIEW

Timor-Leste had its first positive case of COVID-19 on 21 March 2020. A week later, the National Parliament declared a State of Emergency in response to the threat of COVID-19 in the country. Accordingly, the GoTL imposed various measures such as domestic and international travel restrictions, closure of schools, and physical distancing. The State of Emergency was continuously extended a month at a time until September 2021, with a total lockdown (or a health fence) implemented in the capital city, Dili, to curb COVID-19 cases. The nationwide vaccination programme against COVID-19 started on 7 April 2021 with a goal of vaccinating the total population by the end of 2021. As of 2nd May 2023, this includes 866,397 (first dose) total, 768,171 (2nd dose), and 284,589 (booster) people above 12 (WHO, 2023a) (Figure 35).

The restrictions in Timor-Leste mainly focused on people with symptoms. When community transmission started, the health sector response focused on treating people with moderate and severe cases as it was more efficient. Thanks to effective COVID-19 vaccines, community transmission did not lead to many deaths. Many of the positive cases were asymptomatic. As of 26 April 2023, Timor-Leste had registered 23,428 cumulative cases of COVID-19 and 138 deaths (WHO, 2023a).

Effective implementation of COVID-19 mitigation and response measures required coordinated intervention of government departments. The government created an Interministerial Commission, chaired by the Prime Minister, on 18 February 2020. It included all ministries and other relevant state secretaries. Once the State of Emergency was declared, the Integrated Crisis Management Centre was established on 31 March 2020 (Government Resolution #14) under the Prime Minister. During the State of Emergency, the CGIC worked as a situation room and consisted of eight task forces.

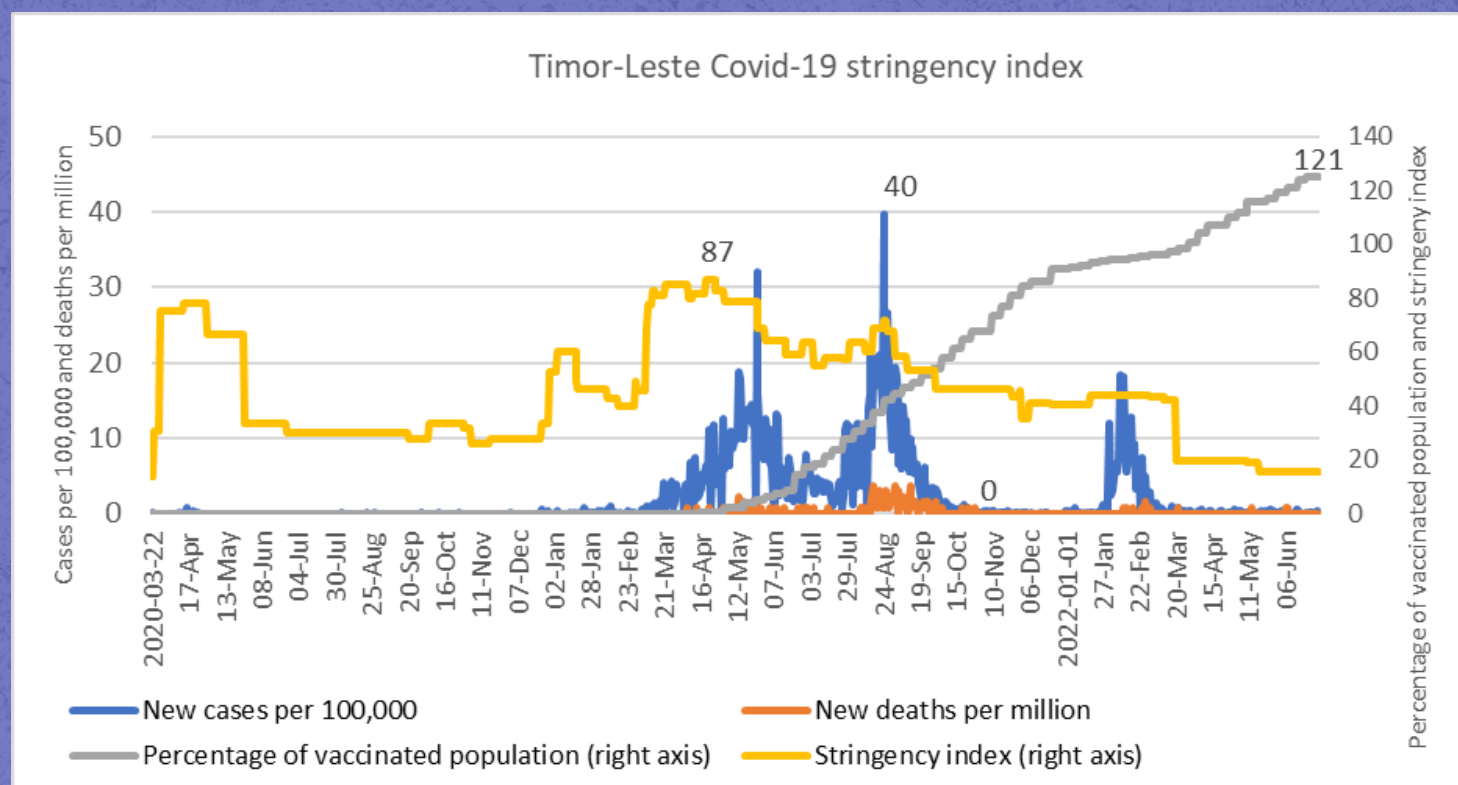


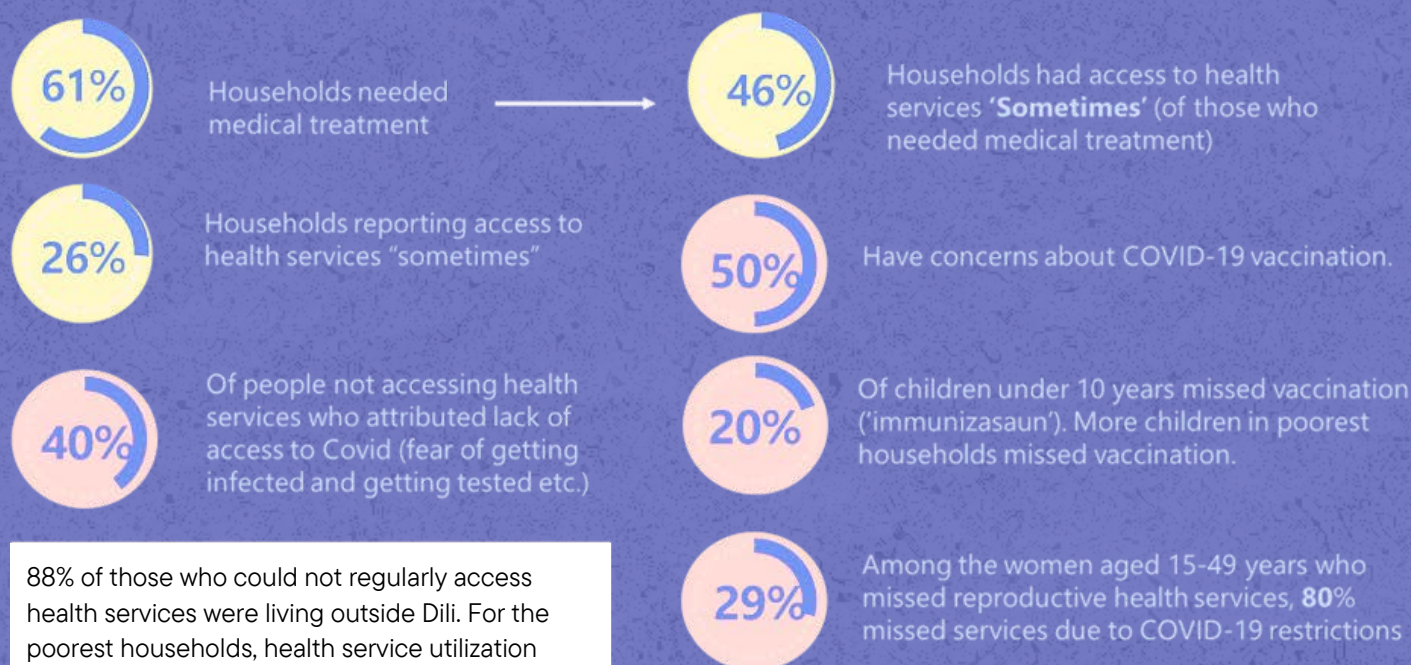
Figure 35: COVID-19 cases, deaths, vaccinations and stringency index, Timor-Leste

Source: (Hale, et al., 2021).

Note: The stringency index varies between 0 and 100 that records the strictness of government policies regarding COVID-19 pandemic. (0 - lowest strictness, 100 - highest strictness). The rate of vaccinated population is higher than 100% because it includes second dose and booster vaccines.

BOX 13. HEALTH SERVICE USE DURING THE COVID-19 STATE OF EMERGENCY

Of the 4292 households surveyed across Timor-Leste in 2021, 20% of children under 10 years old had missed vaccinations, while 29% of women aged 15-49 years had missed reproductive health services (Figure 36).



88% of those who could not regularly access health services were living outside Dili. For the poorest households, health service utilization decreased (14.2%) more than the wealthiest households (3.7%).

Figure 36: Health service utilization during the COVID-19 State of Emergency

Source: (United Nations and the Government of Timor-Leste, 2021)

Medical doctors actively engaged with the public through TV and radio interviews, translated materials in Tetum, posted on Facebook, and created and shared videos targeting the youth. Our local health workers played a vital role by directly interacting with people and communicating in local languages and dialects.

Currently, the laboratory has the capability to detect various hepatitis viruses, tuberculosis, malaria, HIV full profile, and all other testable virus strains, antibodies, and diagnostic microbiology. Additionally, we passively monitor COVID-19 strains, demonstrating the readiness of the National Laboratory for future pandemics.

One notable achievement in the country is the eradication of malaria. We can now investigate any reported cases of malaria to determine whether they are indigenous or imported. By implementing well-coordinated measures and actively tracing active cases, we can employ a similar strategy to combat tuberculosis. Timor-Leste has made significant progress in reducing child mortality and achieving various targets compared to the initial measurement of these indicators in 2005 and 2006.

What other policies and reforms are under way in Timor-Leste, and have they shown any results yet?

Timor-Leste made significant progress in terms of the policy environment. Since the first VNR, the Health Financing Strategy 2019–2023 was launched (WHO, 2019). The Strategy aims to guarantee financial protection for the population, enhance health funding to address unmet needs, diminish inequities in resource availability and service utilization across different territories and population groups, and augment system-level allocative and technical efficiency, as highlighted by WHO in 2019 (ILO, 2021). The Strategy was developed in alignment with the National Health Sector Strategic Plan 2011–2030. This is an important document as it stands, a considerable share of health funding is covered by Timor-Leste's oil revenues; donor health spending has been declining over the years, except the recent increase during the COVID-19 pandemic. The total expenditure on health remains relatively low, at around 7.16% of the GDP. Also, as the VNR team reported, all consultations with target groups, such as women and people with disabilities, mentioned the need to strengthen health sector financing as a priority. Following the Strategy, a new Health Financing Unit was launched in March 2023 with the support of the USAID. The Health Financing Unit will perform health financing data collection and analysis, health accounting,

track health expenditures and coordinate technical assistance activities with development partners. This will ultimately help produce valuable evidence for decision-making.

I also note that the excises taxes on unhealthy food and tobacco introduced by the GoTL will likely result in numerous positive outcomes for public health and tobacco control. It will position Timor-Leste as a success story in the fight against obesity, non-communicable diseases, and tobacco addiction. I'm optimistic that we will see some real progress towards the SDG Targets 3.4 and 3.a in the third VNR. Timor-Leste is one of the few low-income countries adopting pro-health taxes and implementing significant tax increases on sugar, sugar-sweetened beverages, and tobacco (Good Practice 12).

Other key policy changes including the updated Family Planning Policy, and the Review of the National Health Strategic Plan was conducted. The updated Family Planning Policy allows all couples access to contraceptive services, thereby contributing to the prevention of unplanned pregnancies (Good Practice 13). The policies and legislation have positive effects not only for health but also for reducing malnutrition, breaking the cycle of poverty.

VNR Consultations 6 presents community and stakeholder perspectives on health care achievements.

GOOD PRACTICE 11. VOLUNTEER HEALTH PROFESSIONALS IN RURAL AREAS DURING COVID-19

The Saude ba Ema Hotu (SABEH) program offers medical consultation services directly to remote communities through a team of volunteer healthcare professionals. These volunteers, including doctors, nurses, midwives, public health officers, and non-health personnel, assist in providing SABEH programs for community development. In 2021, 78 volunteers were engaged, providing free medical consultations in seven remote villages across Timor-Leste. These areas often lack regular health services or mobile clinics.

Volunteers conducted basic medical consultations, promoted health and prevention, raised awareness about COVID-19, administered vaccines, made home visits for patient care, and provided antenatal care. They served a total of 14,210 patients. Additionally, SABEH volunteers supported the COVID-19 vaccination rollout by administering 10,458 doses and advocating for vaccinations within the communities. SABEH also collaborates with non-health organizations interested in volunteering for other social issues in remote communities.

GOOD PRACTICE 12. SUCCESS FOR TIMOR-LESTE'S PRO-HEALTH TAXES

Timor-Leste has implemented taxes on sugar and confectionery products, as well as sugar-sweetened beverages, to align with global recommendations and improve health behaviors. The tax rates are set at US\$1 per kilogram for sugar and confectionery, and US\$3 per litre for sugar-sweetened beverages, flavored waters, and drinks with added sugars. The government is considering further increases in these taxes, as they have proven effective in reducing the consumption of harmful products.

These measures hold great potential to address critical health indicators in Timor-Leste, such as stunting, malnutrition, and overweight/obesity in children and women. By promoting healthy eating habits through higher taxes on sugar-sweetened beverages, the country aims to improve the health of future generations.

The implementation of pro-health taxes is a significant step towards promoting public health and encouraging healthier choices. The World Health Organization (WHO) in Timor-Leste strongly supports these taxes as a powerful tool in creating a healthier society. The government's commitment, along with the Ministry of Health's efforts, is inspiring, according to Dr. Arvind Mathur, WHO Representative to Timor-Leste.

Timor-Leste also faces a high burden of non-communicable diseases, including cardiovascular disease, cancer, diabetes, and Chronic Obstructive Pulmonary Disease. To address this, the country has increased tobacco taxes, aiming to reduce tobacco consumption and combat tobacco-related non-communicable diseases.



VNR CONSULTATIONS 6.

COMMUNITY AND STAKEHOLDER PERSPECTIVES ON HEALTH CARE ACHIEVEMENTS

At the national level, the Ministry of Health has been proactive in managing the COVID -19 crisis, achieving widespread vaccination coverage. The passage of crucial legislation, such as the Family Planning Policy and revisions to the Health Strategic Plan, shows a keen focus on strategic policymaking to enhance public health. Enhancement of health services, with initiatives such as the mobile intensive care units launch, integrated immunization programme, cervical cancer screening, and obstetric and neonatal emergency care facilities and the successful implementation of the Bolsa de Mae-Jeresau Foun programme were reported as key achievements.

Notable progress has been made in terms of improving accessibility and inclusivity, particularly for women, people with disabilities, and the LGBTIQ community. Efforts like establishing residences for health-care workers, offering targeted reproductive health training, providing subsidies for pregnant mothers, and designing inclusive programmes demonstrate an intent to ensure no group is left behind in health-care access.

Women's groups have observed several important developments in the health sector. There has been an increase in accessible health infrastructure, including referral hospitals, community health-care centres, health posts, and clinics. Additionally, residences for health-care workers have been established, potentially enhancing service delivery. Improvements have also been noted in health equipment and materials, contributing to better health-care quality. Furthermore, initiatives such as information and training on reproductive health, the introduction of a subsidy for pregnant mothers and babies, and the inception of programmes addressing disease-specific care, nutrition, maternal and child health, and family health are testament to the comprehensive and integrated approach to health care in the country.

People with disabilities have highlighted the following progress. They received targeted health information and vaccination services during the COVID-19 pandemic. Furthermore, the development of a mini medical treatment book has catered specifically to their needs. TV-based broadcasts begun including content on services for child treatment in order to make health information more widely accesible. Lastly, the initiation of the National Action Plan on People with Disabilities marks a significant stride towards improving health-care accessibility and knowledge for this segment of the population.

In Oecusse (or RAOEA), health care has seen notable developments. Local communities highlighted that clinics have been established in numerous rural areas, providing much-needed access to health-care services for residents. These clinics are staffed with health personnel and equipped with necessary facilities, including ambulances, significantly benefiting the people of Oecusse. In Baucau, the following were considered as achievements: Government has continuously disseminated family planning information and rehabilitated 13 health centres at the village level. This action has considerably improved access to health-care services for people in rural areas. The local government's preparedness against COVID-19 and the accessibility of free health services further underscore the advancements in health care. Additionally, the introduction of the SISCA programme (integrated community health services) has been seen as a notable achievement. In Liquica, health-care services have been enhanced, most notably through the establishment of 24-hour services that are freely accessible to the public. Again, the SISCA programme has played a significant role in these improvements.

GOOD PRACTICE 13. REVOLUTIONIZING REPRODUCTIVE HEALTH SERVICES WITH FAMILY PLANNING REFORMS AND TECH-DRIVEN SUPPLY CHAINS

For Timor-Leste to benefit from the demographic dividend, we must provide the necessary conditions to decrease the fertility rate, including equitable access to health, education, and protection for the population, especially the youth. The GoTL, supported by UNFPA, is focused on meeting the universal need for family planning and striving for zero preventable maternal deaths, in line with SDG 3 on good health and well-being. The 2022 Facility Audit assessing the readiness of health facilities reported that 96% of the 272 facilities in 14 municipalities provided family planning services, 83% offered maternal health services, and 48% had HIV/AIDS services, showcasing notable progress.

The government upgraded the supply chain system for sexual and reproductive health services, using mSupply, an electronic logistics management information system. Supported by UNFPA, it improves procurement, storage, orders, and distribution for various healthcare facilities. The system reduced delays and improved delivery at national and subnational levels. In 2022, the Timorese government and UNFPA signed a procurement agreement to ensure system sustainability and access to global supply networks. The Ministry of Health/SAMES invested approximately US\$ 370,000, demonstrating the government's commitment to expanding family planning policy.

As the result of this combined support to strengthen the Family Planning Policy, the 2022 Facility Audit showed a 20% increase in the use of modern contraceptive methods. 54% of audited facilities had at least three modern contraceptive methods in stock, compared to 45% in the 2018 Facility audit (UNFPA Timor-Leste, 2023).

Lessons learned from previous Family Planning Policy suggest the importance of inclusivity, education, and accessibility:

- The principle of 'leaving no one behind' should guide the policy's focus on inclusive accessibility. It is important to ensure services are accessible to all, including unmarried adolescents and women, young people, and those in informal relationships.
- Efforts must be made to reduce societal stigma, foster youth-friendly services, and involve men in family planning decisions.
- Consistent implementation and M&E of the policy are critical to track progress, identify gaps, and adapt strategies to meet evolving needs. These lessons are pivotal for future policy implementation.



In your opinion, what are the priorities for the health sector in Timor-Leste by 2030?

Until 2030 we need continued investments in laboratories, in research and development, in service delivery and most importantly, in our own people". We have well-trained scientists, but they are not well paid, and we risk losing them. It is important to remunerate them properly, and appoint them to positions where they can have more impact and influence. Financial and management decisions about privatization or public-private partnerships should be carefully made and based on sufficient research. We have many graduates from higher education institutions, but only a few acquired quality educations for work. We need strategic management. Timor-Leste can increase investment in delivery of services by reducing overhead costs such as unnecessary meetings, travels, and purchase of cars.

We should learn how to reduce fake news and increase factcheck. Increased health communication is needed to promote health seeking behaviour. Timor-Leste still have hybrid between traditional and conventional (especially in bone healing – where accident rates are higher). Health promotion and increasing trust in doctors, trust in evidence, science and local capacity is crucial not only in times of pandemic but also in other times.

Finally, poverty, malnutrition and tuberculosis must be tackled together as interrelated problems. Ensuring every household and school has water, not to mention clean water, is a prerequisite for healthy children and people. Although our health-care services are free, the 'Indirect financial barrier study' carried out in 2019-2022 by the National University of Timor-Leste, Ministry of Health, UNICEF and WHO showed that the population face great obstacles in accessing them mainly due to indirect costs, such as transport costs. Focusing on reducing these indirect costs is important.

6.3. Priorities and recommendations

Based on desk review, expansive consultations, findings from the SDG Progress Assessment, and the overarching SDP, the VNR-2 has identified the following priorities for strengthening health-care services and improving health outcomes in Timor-Leste. Broadly, the principle of "leave no one behind" should underpin the approaches to addressing the priorities outlined below.

- Strengthen implementation of Health Sector Financing Strategy (2019-2023) and enhance coordination through the Health Financing Unit. This includes mobilizing resources, improving budget allocation, and coordinating multi-sectorial support to ensure effective utilization of funds and financial sustainability.
 - Implement a nutrition-focused and performance-based budget allocation system can prioritize resources towards nutrition interventions and incentivize municipalities to deliver high-quality health services.
 - Conduct a comprehensive review of investment and spending decisions within the health sector is necessary, with a particular emphasis on primary healthcare and human resources (World Bank, 2021a). Adequate funding for non-communicable disease care and competency-based training for health workers in primary healthcare should be prioritized to improve the availability and quality of essential health services at the primary healthcare level.
- Strengthen the health workforce and improve equitable distribution of healthcare professionals. Allocate additional resources to increase critical staff numbers, particularly nurses and pre/post-natal care providers, to address existing gaps in healthcare provision.
 - Direct resources towards supporting the implementation of the National Institute of Health's Second Strategic Plan (2020-2024), which focuses on capacity building and includes plans for decentralized training and improved health services across the country. This approach will contribute to achieving a more equitable distribution of health professionals among municipalities.
 - Prioritize the development of the health workforce by shifting the focus from simply increasing headcount to ensuring an appropriate skills-mix, equitable distribution, and improved competencies. This can be achieved by revisiting staffing levels and skills-mix, with particular attention to underserved areas that are challenging to reach.
- Develop mechanisms to reduce the costs associated with healthcare or to introduce incentives (in cash or in kind) for mothers to attend prenatal and postnatal exams, as well as to perform routine exams for children. There is lower utilization of health services in Timor-Leste compared to other countries in the region. Although health-care services are free of charge in public facilities, users often bear significant costs – financial or in time – to travel to the services (ILO, 2021).
- Scale up outreach services in remote areas. Programmes that allow access to health-care services in isolated regions or that bring these services closer to people, such as mobile clinics, should be strengthened at scale, as they remove barriers to access and will support improved geographic distribution of health care capacity.
 - As detailed in the Universal Periodic Review 2021 (ADTL et. al, 2021), implement recommendations to increase accessibility of health services for persons with disabilities by strengthening referral pathways to health services, enhancing collaborations to provide assistive devices, integrating rehabilitation services into existing health infrastructure, and supporting local community-based rehabilitation programmes.

- Improve and complete basic infrastructure at health facilities such as water, toilets, electricity, and roads to support health care services. Begin by conducting needs assessment of health facility infrastructure, mapping facilities lacking basic necessities like water, toilets, and road access. In this process, involving Disabled People's Organizations, women's groups and youth is crucial.
 - Engage local communities in this process to guarantee their investment and commitment in maintaining the facilities.
 - Develop a robust maintenance and management system to ensure the sustainability of the new infrastructure, preventing degradation and wastage.
 - As part of the public financial management reform and decentralization process, streamline procurement for infrastructure projects in health facilities, ensuring they comply with Universal Design principles, and conduct training among involved contractors accordingly.

- Implement the Disability National Action Plan (2021-2030). The Plan has four key recommendations and a workplan in place with seven outcomes. Furthermore, disseminating the progress of the plan among disabled persons' organizations and health care centres would demonstrate implementation and provide transparency/accountability for the implementation of the Disability National Action Plan.

- Prioritize inclusivity and accessibility of reproductive health services and family planning, especially for adolescents and individuals with disabilities. This involves implementing comprehensive sexual education at an early age, making health services disability-friendly, and ensuring family planning services reach remote areas. Additionally, equipping health care providers with the skills to offer age-appropriate and non-judgmental services addressing stigma associated with unmarried individuals seeking health care is essential.

- Enhance health sector emergency preparedness and response in the face of future pandemics and natural disasters. Investments should be made to enhance surveillance systems, allowing for early detection and monitoring of outbreaks or emergencies by sustaining the groundwork and operations of the National Laboratory. There is also a need for comprehensive risk assessments to identify potential hazards and vulnerabilities, enabling proactive planning and mitigation measures. Effective coordination mechanisms should also be established to facilitate seamless collaboration among relevant stakeholders during emergency situations. In this regard, a thorough review and strengthening of key components of the health system, such as procurement and supply chain systems, are essential to ensure their readiness and resilience in both routine and crisis scenarios.

- Invest in strengthening the Health Management Information System to include detailed data on disability. Comprehensive and detailed data collection on disability. This includes expanding the scope of data collection to encompass a wide range of disability-related indicators. By incorporating such data into the HMIS, Timor-Leste can gain a better understanding of the needs and challenges faced by individuals with disabilities and effectively allocate resources to improve disability-inclusive healthcare services and support systems.

7. QUALITY EDUCATION

6.1. SDG 4 progress assessment

SDG 4: Quality Education aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The goal consists of 10 targets. Timor-Leste needs to accelerate progress on four targets and reverse trend on three targets. There is insufficient data to evaluate three targets. None of the targets are on track to be achieved by 2030 (Figure 37).

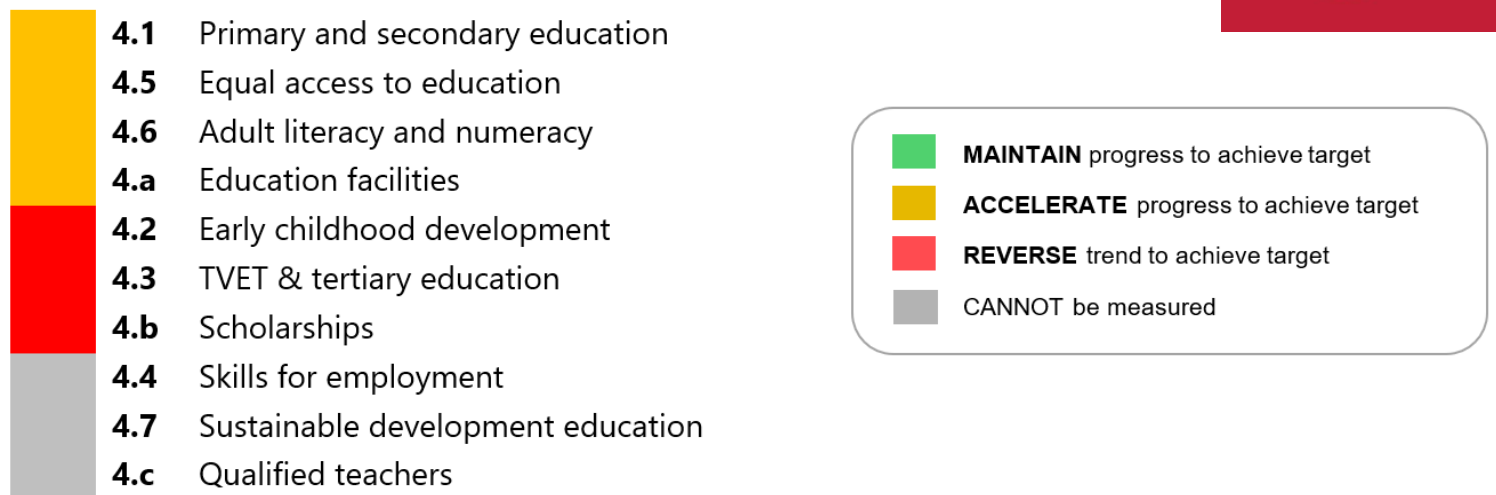


Figure 37: SDG 4: Quality Education, SDG progress assessment at target level
Source: (ESCAP, 2023b).

- **Target 4.1** aims to ensure that all girls and boys complete free, equitable, and quality primary and secondary education, leading to relevant and effective learning outcomes. Progress is being made, but it needs acceleration, especially in upper secondary education. At the primary education level, there was an overall increase in the completion rate for children, from 71.3% in 2015 to 77% in 2020. The overall completion rate for lower secondary education rose from 56% in 2015 to 61.9% in 2020. The total completion rate for upper secondary education improved slightly from 49.8% in 2015 to 51.8% in 2020.
- **Target 4.5** aims to eliminate all discrimination at all levels of education and vocational training. The only available disaggregation for Timor-Leste is by gender. Using the Gender Parity Index for the participation rate in formal and non-formal education, there were slightly more females than males (with an index of 1.05) participating in organized learning one year before the official primary entry age. More disaggregated data is needed to meaningfully measure progress towards the target.
- **Target 4.6** aims to achieve literacy and numeracy for all youth and a significant proportion of adults, irrespective of gender.
 - From 2010 to 2020, Timor-Leste experienced a steady growth in literacy rates among all age groups and genders. In 2020, the literacy rate for youth (aged 15–24) reached 85%, while 70% of individuals aged above 15 years were literate. Comparatively, the rates in 2015 were 84.4% and 64.4%. Youth literacy rates for both males and females significantly surpass those of adults (aged 15+).
 - Female literacy rates have witnessed remarkable improvements, especially within adult populations. Over the decade, the female adult literacy rate increased by 14 percentage points, highlighting progress in addressing gender disparities in educational access and literacy skills.

- **Target 4.a** focuses on constructing and enhancing inclusive and secure schools. Based on the most data from 2019, 68.1% of primary and lower secondary schools had access to basic drinking water, and 84.2% had access to electricity.

The following three targets have shown a reverse trend in achieving their objectives by 2030:

- **Target 4.2** aims to ensure that all girls and boys have access to quality early childhood development, care, and pre-primary education. The target is measured by adjusted net enrolment rate (one year before the official primary entry age). The adjusted net enrolment rate was 74.12% in 2015, dropped to 43.22% in 2017, and then increased to 50.18% in 2019 [9]. The target has regressed overall. Girls had a higher enrolment rate compared to boys (51.7% for girls and 48.7% for boys). Looking at the national data from the Education Management Information System, over the span of six years (2015 to 2020), Timor-Leste has seen a positive trend in the gross preschool school enrolment, growing from 20.47% to 27.87%. However, the preschool education rate is among the lowest globally (World Bank, 2021a).
- **Target 4.3** focuses on equal access for all women and men to affordable and quality vocational and tertiary education. This target is measured by the participation rate of youth and adults (15-64 years old) in formal and non-formal education and training in the previous 12 months. According to UNESCO data, in 2021, the overall participation rate was 24.5% (23.8% for females and 25.2% for males), which is lower than the 2030 target of 36%. There is an overall reverse trend in achieving this target.
- **Target 4.b** aims to increase global scholarship availability for developing countries, particularly least developed countries and small island developing states: Measured through ODA disbursed for scholarships, data indicates a decline in ODA for scholarships since 2015. ODA amounted to US\$ 8.1 million in 2015, whereas it dropped to US\$ 4.6 million in 2020, revealing an overall negative trend.

Progress for the following targets could not be assessed due to insufficient data:

- **Target 4.4** - Enhance the number of youth and adults possessing relevant skills for employment, decent jobs, and entrepreneurship.
- **Target 4.7** – Ensure that all learners acquire the knowledge and skills required to promote sustainable development.
- **Target 4.c** – Aim to increase the supply of qualified teachers.

The SDP also states that “by 2030, The people of Timor-Leste are living in a nation where people are educated and knowledgeable, able to live long and productive lives, and have opportunities to access a quality education that will allow them to participate in the economic, social and political development of our nation”. The relevant targets for 2030 include:

- All children will have access to a good quality preschool or classroom located at a reasonably short distance from their homes
- All children, boys and girls alike, will be able to complete a full course of quality basic education

Figure 38 presents SDG 4's synergies with other SDGs.

[9] This sudden drop could be due to a change in the way the data was reported or the methodology to calculate the rate.

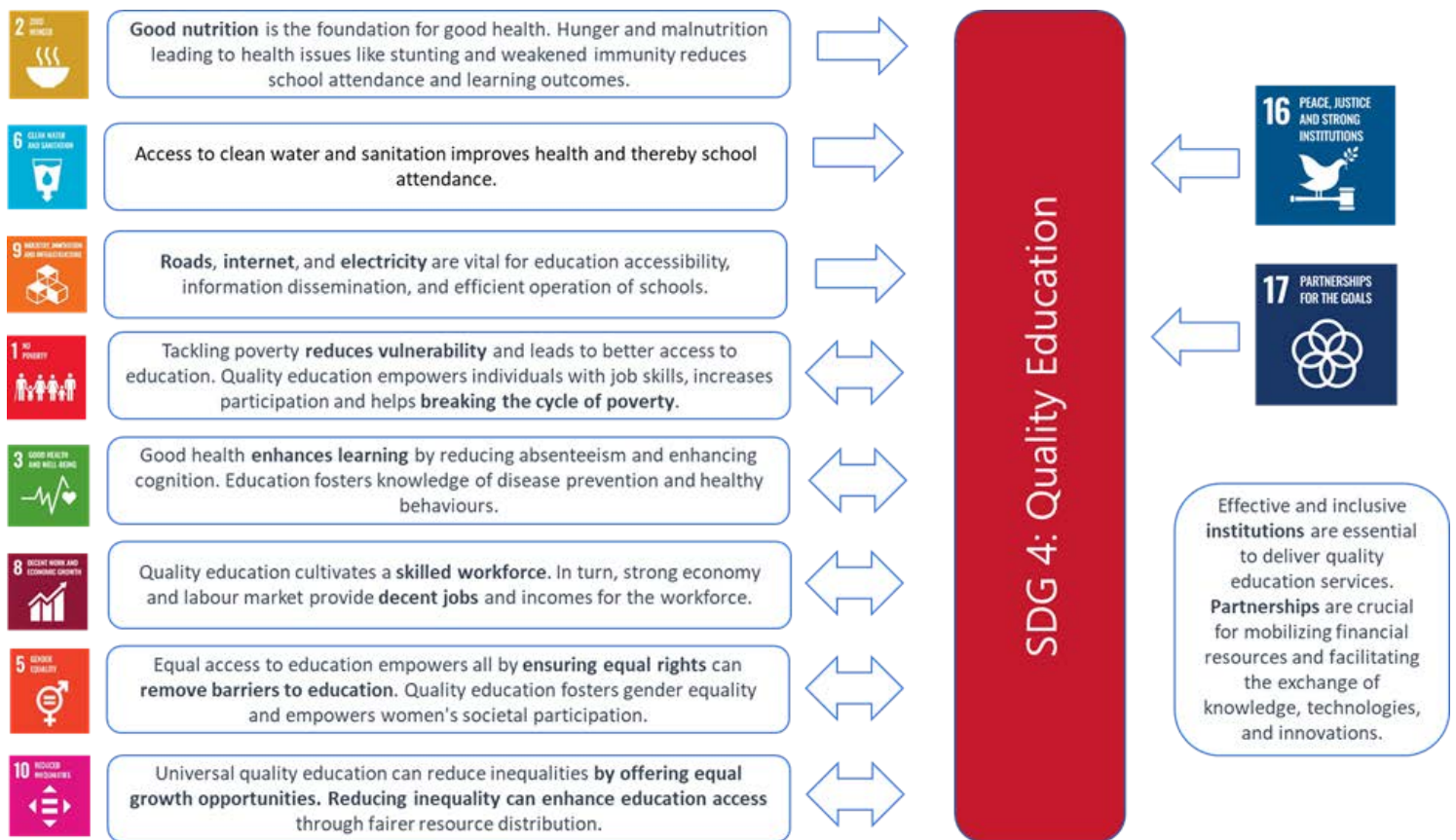


Figure 38: Synergies of SDG 4 with other SDGs

Note: SDG 4 ties to all SDGs, but for report relevance and based on consultations, interviews, and case studies, only certain SDGs are featured. One-way arrows suggest stronger influence on SDG 4; two-way arrows denote mutual influence. Adapted by the author

To gain insight into Timor-Leste's progress towards achieving SDG 4, the VNR-2 team conducted interviews with sector expert Helena Nunes and higher education sector expert Rui Hanjam. These interviews provided insights into the achievements, challenges, and the country's response to the COVID-19 pandemic, offering a comprehensive understanding of the education situation. This chapter also includes findings from VNR-2 consultations and case studies for a contextual analysis.

7.2 Progress and challenges in pre, basic, and secondary education



Helena Nunes, serves as the National Director of Pedagogics, Technology and Research at the Ministry of Education, Youth and Sports (MEYS). She has over 34 years of service in the MEYS where she has held roles including leading the School Feeding Programme 2007-2009 and Program Coordinator at the State Secretary of Gender Equality, a political appointment.

“It is encouraging to see that despite the complexities and challenges in achieving the SDG 4, we are not stagnant, and we are making progress, although it is not as fast as we hope for. It’s encouraging to see that education completion rates have been on the rise across all levels in recent years.”

The SDG 4 Progress Assessment results indicate there is a concerning reversal trend in preschool enrolment. Could you explain the current situation and factors contributing to these negative trends?

Helena Nunes: *Indeed, preschool education provides the foundations for long-term learning success, lowers dropout rates and lays the groundwork for a child’s emotional, social, and mental readiness to excel in school. Also given the high rates of malnutrition and stunting, having access to preschools where hot meals are served can contribute to reducing malnutrition in the country. Timor-Leste has made progress in expanding preschool education (Figure 39). But as you correctly point out, the gross enrolment rate was only 27% in 2020 according to the Education Management Information System. It shows that we are far off from reaching not only the SDG target 4.2 but also our SDP target of reaching a 50% enrolment rate by 2024 and 80% by 2030.*

Despite the overall growth in preschool attendance since 2013, disparities remain among the municipalities. Some regions, such as Ermera and Manufahi, have seen impressive growth although the overall enrolment rates remain lower than the national average in these

municipalities (Figure 40). Municipalities with large population, such as Dili and Baucau, lag behind with less than 20% of children enrolled. For example, an assessment in 2017 revealed that in Timor-Leste, 16% of grade one students across 128 schools couldn’t identify any letters, and 76% demonstrated zero reading comprehension. This suggests that problems in foundational learning are profound (World Bank, 2019a).

What are the reasons for this low enrolment rate in preschools?

In 2022, the MEYS and UNICEF conducted a comprehensive review of the preschool subsector. The review provides an overview of several factors that hinder the preschool education in Timor-Leste, of which majority were related to governance. First, there are many players in the preschool subsector, there’s no overarching national plan tying everything together. Especially, given municipalities have the primary responsibility for preschool financing and implementation, they expressed during the study for improved guidance on preschool standards (MEYS, UNICEF and AIR, 2022). Notably, preschool education is not compulsory by law in Timor-Leste.

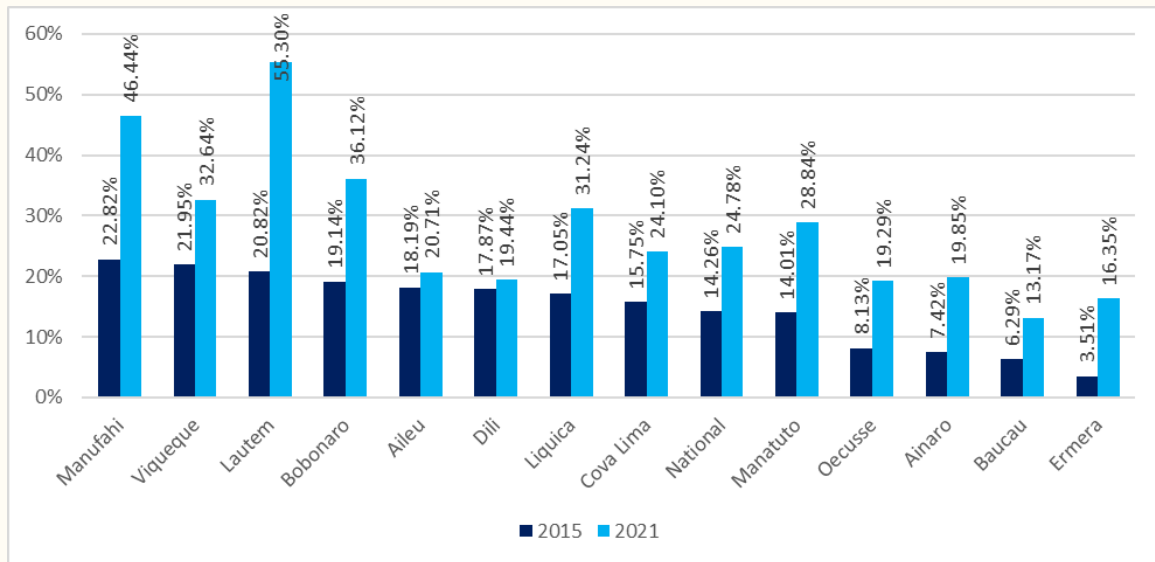


Figure 39: Net enrolment rate for preschool education, per municipality, 2015 and 2021
Source: (Ministry of Education, Youth and Sports, 2023)

What about teachers, you might ask? We're seeing a severe shortage of qualified teachers and trainers especially in rural areas. Most of those teaching preschool lack formal training. There are strategies in place to professionalize the preschool workforce, but it's a bumpy road due to funding constraints. Plus, there's a scarcity of training opportunities for educating children with disabilities, denying these children access to educators equipped to meet their needs. This is coupled with a lack of necessary teaching and learning materials. As you know, Timor-Leste has nearly 30 indigenous languages. Therefore, there's also some confusion around using first-language instruction not only at preschool but also at all levels of education.

Is there a potential association between the lower literacy rates in rural areas and a lack of preschools and early childhood education opportunities?

Yes, it's plausible. Indeed, the literacy rate is an important indicator for measuring progress in education and in the Human Development Index of the United Nations in general. Because improving literacy rates is essential for addressing economic disparities, reducing inequality, improving health outcomes, increasing political participation, and promoting gender equality.

As per the 2022 Census data, the overall literacy rate for individuals aged 10 and over is 72.4%, marking a significant improvement from 67.3% recorded in the 2015 Census. However, gender disparity persists, with male literacy at 74.7%, compared to female literacy at 70.0%. This gap, although narrowed, persisted from 2015 when male literacy was at 70.6% and female literacy

was at 63.9%. There is also an age-specific gender gap in literacy rates. The older generations have more pronounced gender gaps while the gender gap has almost closed among younger generations.

One worrying trend as you correctly point out is the persistent regional disparity in literacy rates. Dili, the capital, holds the highest literacy rate at 89.6% for residents aged 10 and over, which is considerably higher than in Oecusse (56.7%) and Manufahi (75.8%), the second-most literate municipality.

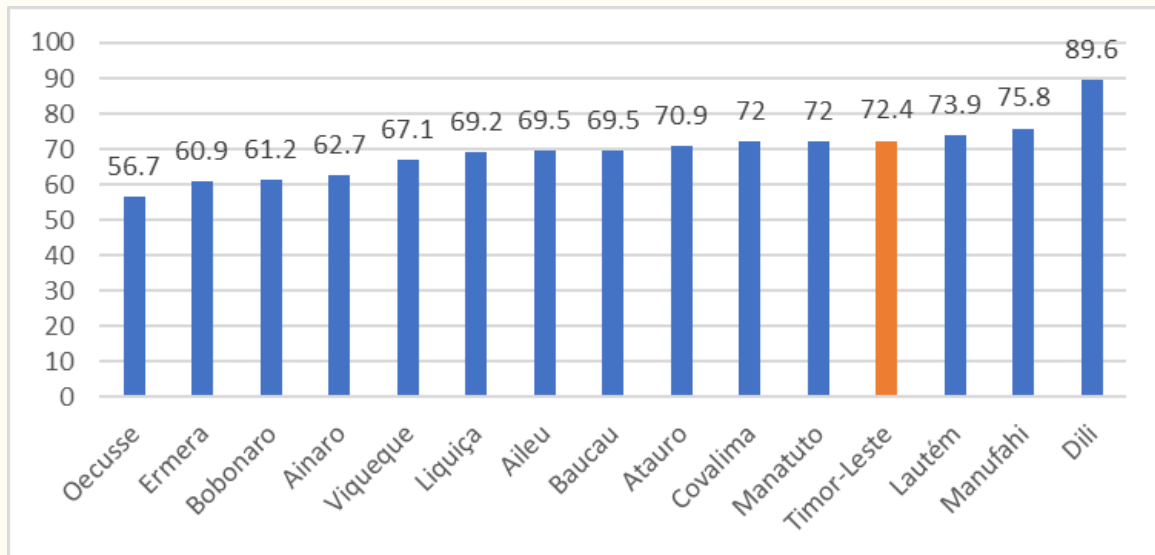


Figure 40: Literacy rate of population aged 10+, by municipality
Source: (INETL, 2023)

While it appears that lower literacy rates in municipalities may be linked to a lack of preschools, this correlation doesn't tell the full story. It's crucial to recognize that this is just one among many factors impacting literacy rates in rural areas. There are other plausible factors such as uneven resource allocation, poverty rates, a lack of qualified teachers in rural areas, and limited access to schools. Also, language barriers can pose challenges to delivering effective education and improving literacy. In many municipalities, the mother tongue is not Tetum, while at schools, children need to learn Tetum and Portuguese. In Oecusse (RAOEA) for example, most people speak Baiqueno rather than Tetum.

Are there any ongoing initiatives in Timor-Leste to address the lack of availability of preschools, especially in remote areas?

There are numerous collaborative partnerships between local governments, development partners and local communities to run community-based preschools. For example, development partners like UNICEF collaborated on a project involving 104 community preschools in Viqueque and Ermera. The programme is comprehensive, offering teacher training, resources that are sensitive to local culture, and a curriculum centred around play-based learning to establish a solid foundation. Also, ChildFund Timor-Leste has been making significant progress in early education accessibility by establishing 10 community preschools in remote areas, catering to children aged three to five. We also have community-led projects that have been supported by the GoTL's decentralized financing

through the National Program for Village Development [10] to build preschools in various villages nationwide. The active participation of communities in decision-making processes illustrates how such financing can effectively supplement the formal education infrastructure in regions where it is deficient. It is clear that community-based preschools are a good practice in achieving SDG 4. It requires collaborative partnerships between local governments, NGOs, and communities to pool resources to run these community preschools. This approach not only increases the availability of preschools, but also fosters a sense of local ownership and responsibility, supporting the sustainability of these initiatives. One such example is Veterana Kasian's initiative where she uses her Veteran Pension to establish preschools in her village (Good Practice 14). VNR Consultations 7 presents feedback on progress in the education sector.

[10] National Program for Village Development (PNDS) allocates up to US\$ 50,000 budget annually based on the proposed, voted and approved village priorities

GOOD PRACTICE 14. COMMUNITY-BASED PRESCHOOLS RUN BY FEMALE VETERAN, KASIAN

Madaglena Bidau Soares, known as Kasian, grew up in Timor-Leste during Portuguese rule when women had limited rights and were confined to domestic roles. Amidst a tense and dangerous political climate, she joined a group of women trained in weapons alongside men when Indonesian forces invaded Timor-Leste in 1975. Throughout the occupation, she bravely resisted as a volunteer soldier, enduring injuries while striving to improve her community's situation. Kasian's journey reflects her unwavering dedication to freedom and rights in Timor-Leste.

In 2008, veteran Kasian embarked on a new mission: providing education to the children in her community. Recognizing the lack of preschools, she established community preschools in her village, driven by her belief in the importance of education and the desire to honor the sacrifices of Timor-Leste's heroes. Kasian raised awareness about the critical role of preschool in cognitive development, as many community members were unaware and preferred sending their children straight to primary school unprepared.

Starting from scratch with no buildings or students, Kasian personally visited households, enrolling children aged 2.5 to 4 and persuading parents to join her preschools. She taught the children herself initially and later enlisted volunteer teachers. Currently, there are five preschools with a total enrollment of 274 children, supported solely by female teachers. Since the schools' inception, they have graduated 1,179 students.

Kasian's initiative garnered attention from local and national governments, as well as international organizations such as UNDP, UNICEF, World Vision, and the Alola Foundation. Her preschools received funding, building materials, and school supplies. Despite facing skepticism and criticism, she persevered, opening schools named after Timorese freedom fighters and historical figures.

Kasian personally funds meals for the children and plans to introduce uniforms featuring Timor-Leste's flag colors. While parents have not been asked for financial contributions, Kasian hopes for continued government support and resources, including a fishing boat to provide meals and income for local fishers and a second-hand car for school trips.

By 2030, Kasian aims to continue providing education and opportunities for children while upholding the legacy of Timor-Leste's heroes. She advocates for increased teacher salaries, housing for the underprivileged, and government support to sustain the schools.



VNR CONSULTATIONS 7. PROGRESS IN THE EDUCATION SECTOR

The VNR-2 consultations have been instrumental in providing insights into the progress made in the education sector across Timor-Leste. The findings from these discussions present a promising outlook, highlighting achievements and progress made while acknowledging ongoing challenges and areas for future focus.



Consultations were conducted in Baucau, Liquica, and RAOEA, where local communities reported notable advancements in the education sector. Key successes included achieving free education for all children (SDG 4.5), expanding schools in rural areas (SDG 4.5), increasing teacher deployment and training (SDG 4.c), and implementing the successful School Feeding Programme (SDG 2).

The education sector also witnessed positive changes regarding inclusivity for the LGBTIQ community and people with disabilities. Progress included the inclusion of LGBTIQ-related content in school materials, reduced discrimination in job vacancies and educational opportunities, and the creation of inclusive spaces within higher education institutions (SDG 4.5). People with disabilities experienced improved access to education and training centers, along with resources such as laptops and sign language translators. Noteworthy developments included the establishment of an inclusive education policy and a Sign Language Training Centre in Ermera.

Youth groups acknowledged the government's efforts to promote inclusivity, particularly by drafting policies that allow pregnant adolescents and young women to return to school (SDG 4.5). The government has introduced various programs for youth education and employment opportunities (SDG 4.4 and SDG 8), including scholarships (SDG 4.b), the School Feeding Programme (SDG 2), youth parliamentary and sports activities, and job opportunities for secondary school graduates.

At the national level, stakeholders praised improvements in infrastructure accessibility (SDG 4.a and SDG 9), inclusive teacher training, successful programs like the ALMA mentorship program (SDG 4.4), and the School Feeding Programme (SDG 2). The government's swift response to recent floods, implementing Disaster Risk Reduction guidelines for schools, was also commended. In Aileu and Ainaro municipalities, 28 primary schools implemented the Disaster Risk Reduction guidelines (SDG 13).

Efforts to equip Timorese children and youth with twenty-first-century skills were regarded as significant progress. The introduction of a new curriculum focusing on climate change, inclusive policies, equal rights, and reproductive health, along with initiatives to bridge the preschool attendance gap, demonstrated a commitment to sustainable and inclusive education. Additionally, 202 community projects were inaugurated, and 812 school desks and 2,000,000 books were distributed.

It is also encouraging to see that despite the complexities and challenges in achieving the SDG 4, we are not stagnant, and we are making progress, although it is not as fast as we hope for. The extensive consultations of the VNR-2 with various stakeholders and communities showed the people are also experiencing these progresses.

How about the situation in primary and secondary levels?

The VNR-1 report highlighted the primary school enrolment rate as one of the achievements. However, using school completion rate would be more relevant as it gives an indication of how many students stay in school long enough to graduate. This rate can help identify issues with student retention and the overall effectiveness of an education system in ensuring students complete their education.

It's encouraging to see that education completion rates have been on the rise across all levels in recent years. For primary education, boys have seen their completion rate jump from 66.2% in 2015 to 71.3% in 2020 (Figure 41). Even more promising, girls have seen an even larger increase during the same period, going from 76.2% to 82.2%. In pre-secondary education, we're observing a similar trend. Girls have seen their completion rate go up. Boys are also making strides (Figure 42). When we look at uppersecondary education, the progress is a bit slower, but still headed in the right direction (Figure 43).

Overall completion rates have risen slowly from 49.8% in 2015 to 51.8% in 2020. Girls are leading the way here, meanwhile, boys have seen almost no change, with rates inching up from 48.9% to just

over 50%. But it is worrying to note a persistent gender gap in education completion rates in Timor-Leste, with females generally having higher completion rates than males across all education levels. Also, there are significant decreases in completion rates from 77% in primary to 62% in pre-secondary and 52% in secondary levels.

We observe that boys' school dropout rate is higher and fewer boys than girls attend basic education. The number of out-of-school children increased in 2017-2019. The school dropout rate among girls and female adolescents decreased during the period of 2016-2019, however, it remained high even in grade one. Reasons for this could be linked to low access to preschool and hence lack of readiness for primary school.

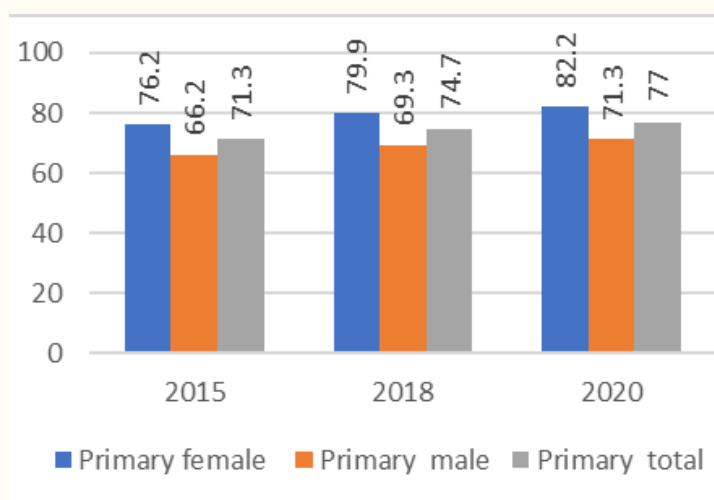


Figure 41: Per cent completion of primary education, by sex
Source: (INETL, 2023)

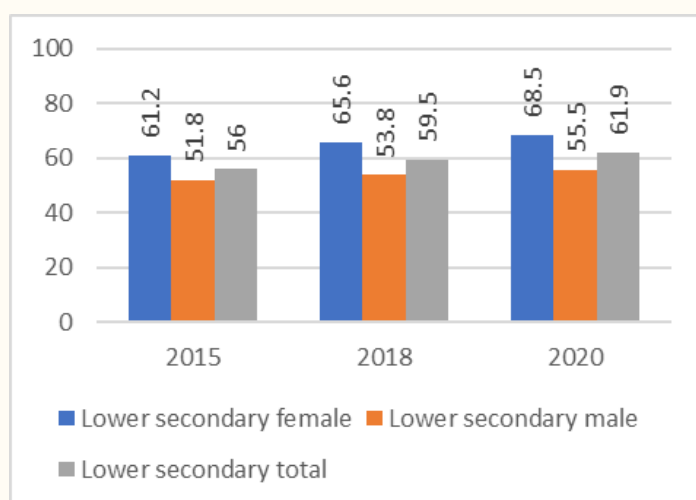


Figure 42: Per cent completion of lower secondary education, by sex
Source: (INETL, 2023)

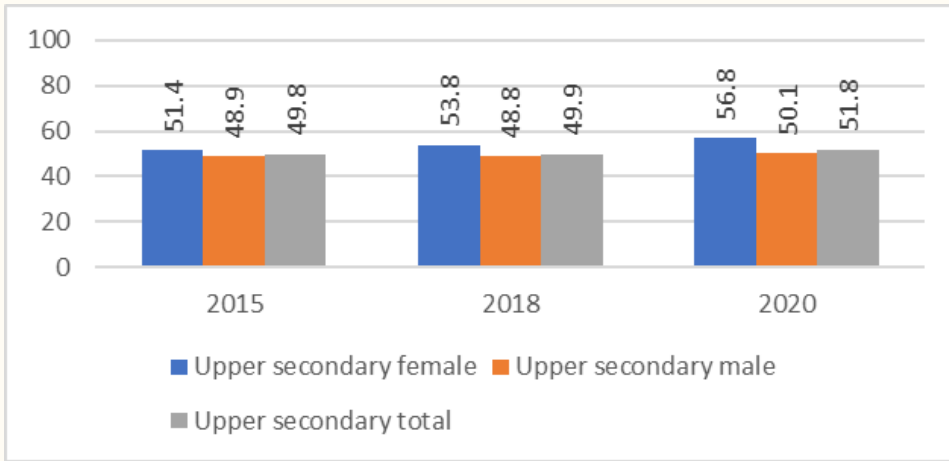


Figure 43: Completion rate by upper secondary education, % of relevant age group, by sex

Source: SDG Indicator 4.1.2: Completion rates of primary, lower secondary and upper secondary levels, (ESCAP, 2023b)

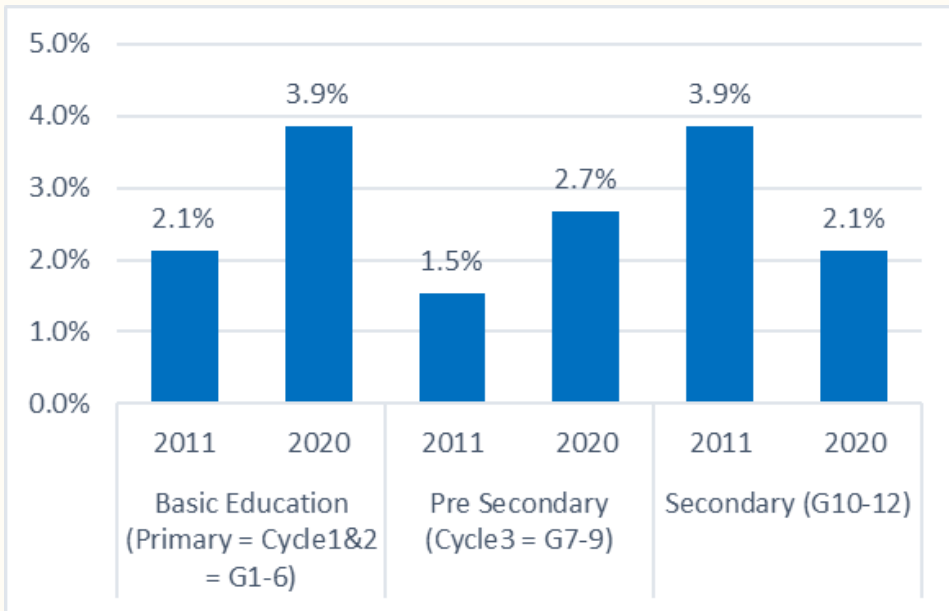


Figure 44: National dropout rate by educational level, 2011 and 2020

Source: (Ministry of Education, Youth and Sports, 2023)

Note: The latest data available before 2020 was for 2011.

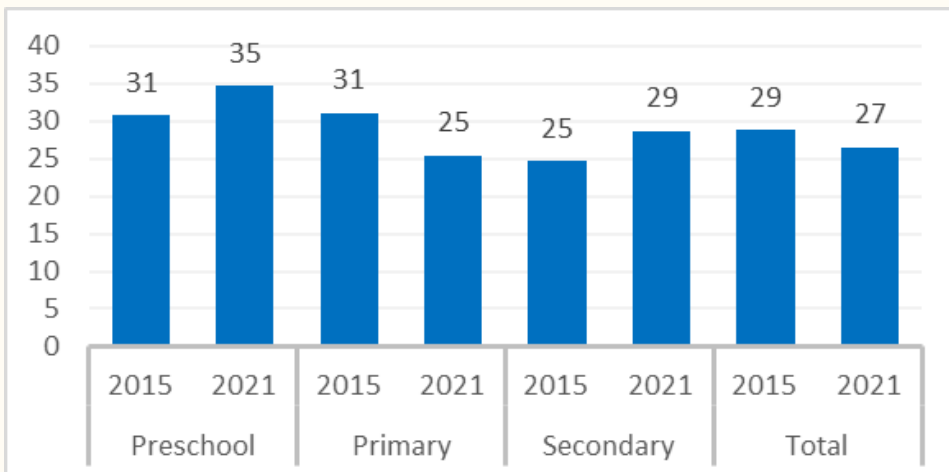


Figure 45: National average student to teacher ratio, by educational level, 2015 and 2021

Source: (MEYS, 2023)

As of 2020, the combined dropout rate for primary and pre-secondary levels was 3.5% at the national level, 2.99% for girls and 3.99% for boys. Dropout rate was highest in Liquica (5.4%) and lowest in Dili (1.8%). In Covalima, dropout rate for boys was 6.4%, significantly higher than the national average (Figure 44).

For preschool, the pupil-to-teacher ratio has increased, suggesting an increase in class size or a decrease in the number of teachers, which could impact the quality of education (Figure 45). The primary education level shows improvement, indicating better resources, more teachers, or fewer students per class. For secondary education, the ratio has slightly increased, suggesting larger class sizes or fewer teachers.

What are the main causes for dropout rates or children and youth being left out from accessing education?

There could be many factors. The more fundamental factor is poverty. It can lead to higher dropout rates as students may need to work to support their families, or the costs of schooling (including indirect costs like uniforms or transportation) may be high. From the education sector side, the poor quality of education may push children to be disengaged and drop out. This can include factors like untrained or absent teachers, lack of learning materials, or an irrelevant curriculum. Health problems such as malnutrition or other illnesses can affect attendance and completion rates. This includes issues related to safety and infrastructure including access to toilets and sanitation facilities and menstrual hygiene management in schools. If schools are located far away, are unsafe, or lack basic facilities like sanitation, this can discourage attendance and lead to higher dropout rates. These issues were all highlighted during the VNR-2 consultations by local communities and target groups.

In Timor-Leste, physical punishment and violence against children is widely accepted as a form of behaviour correction within homes and educational institutions. Surveys from 2016 indicate a significant portion of the population agrees with the use of physical violence for behaviour correction, with 74% of women and 54% of men

supporting its use. Common practices include slapping, beating with a stick, and pinching or twisting a child's ears. Unfortunately, this acceptance of physical punishment extends to educational settings as well, where a study conducted in 2016 revealed that 75% of boys and 67% of girls experienced physical punishment from teachers, such as being kicked, slapped, or pulled, during the previous year (World Vision, Save the Children, Plan International and ChildFund, 2019). This could also contribute to dropout rates (VNR Consultations 8).

How has the COVID-19 pandemic affected education? Has it brought more opportunities or more challenges?

All schools were closed during the first three months of the State of Emergency across the country. After that, when schools reopened schools in border areas and Dili were most affected by the State of Emergency, and schools in eastern municipalities were less affected and generally remained open throughout the State of Emergency. We highlight the profound impact of the COVID-19 pandemic on our children's learning and recognize that the pandemic also created opportunities and spurred new ways of thinking about how we learn and teach.

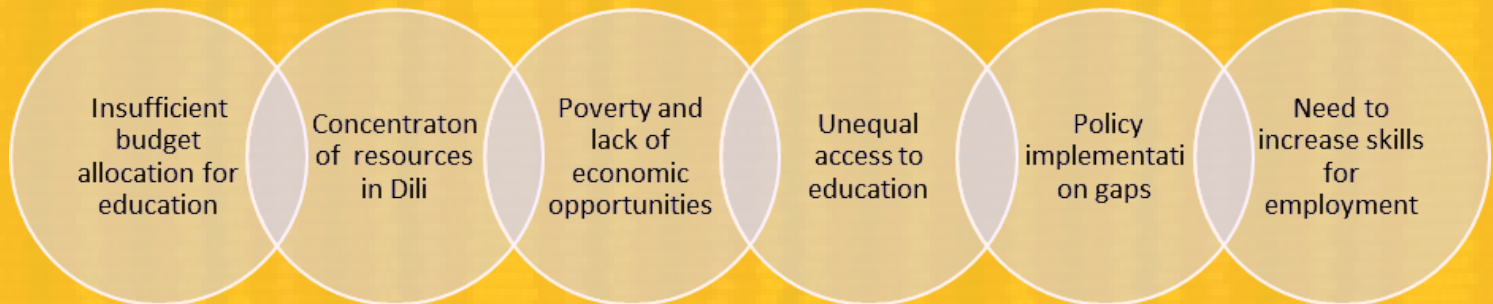
The first ever distance learning programme in the country called 'Escola ba Uma or School Goes Home', was launched within two weeks of school closure.

Educational TV shows were aired on national television and shared on YouTube and other online platforms. These videos covered the Timor-Leste curriculum from preschool to grade 6 and were scripted and presented by teachers. They were uploaded to the Escola ba Uma YouTube Channel and Facebook pages, which had 3,462 subscribers and 179,172 viewers. Additionally, a children's radio program featured stories and educational content, and a weekly SMS delivery provided "homework" for children and teens (Box 14).

During the pandemic, an important task for the MEYS was to find a platform which is available to all students, cost-efficient for the users, and easy to use for teachers and students/parents alike. Therefore, the Learning Passport platform, a collaboration between UNCIEF, Microsoft and the MEYS, was used for this purpose. We had to digitalize and upload the entire national curricula to the platform, train teachers, and roll out the platform. The content in the learning passport was from grades 0-12. This app/website version of Escola ba Uma includes books, story books, courses on twenty-first century skills, audiobooks, and all videos that were uploaded to YouTube and broadcast on TVs. There was a total of 25,923 app users, most of them from Dili. To address the lack of digitalization resources in schools, the MEYS is aiming to install internet at all 210 schools. So far, 160 schools have been connected to internet.

VNR CONSULTATIONS 8. KEY SETBACKS IN EDUCATION

The VNR-2 team held extensive consultations on the challenges, progress, and priorities of respective SDGs in Timor-Leste. Several challenges expressed by various groups.



Youth groups expressed deep concerns about inequalities in formal education. Economic constraints of households (SDG 1) and lack of parental support (SDG 4) hinder access and quality of schooling. Traditional practices, such as costly funerals and wedding ceremonies, sometimes prioritize over education, especially for poorer households. In non-formal education and extracurricular activities, limited accessibility and high indirect fees in the capital city create barriers (SDG 10 and SDG 4.a). The youth emphasized the importance of acquiring future work skills (SDG 4.4 and SDG 8) and called for more extracurricular activities and libraries nationwide. Inequalities in inclusive education and school distance in remote areas were also identified as pressing issues by the youth (SDG 4.5).

People with disabilities face specific challenges in Timor-Leste. There is no equivalent secondary education for them, requiring them to travel to Indonesia for exams to obtain a secondary diploma (SDG 4.5). The country lacks a national sign language, and teachers receive inadequate training to teach children with disabilities. The Faculty of Education at UNTL also lacks a curriculum unit focused on disabilities (SDG 4.c). Public schools lack necessary facilities for inclusive education, resulting in limited access for people with disabilities (SDG 4.a and SDG 9). Despite the existence of an Inclusive Education Policy, many schools still do not enroll children with disabilities. Although an inclusive resource center is present, its effectiveness is limited, highlighting gaps between policies and their implementation (SDG 16).

The LGBTIQ community raised their concerns too. They felt that public schools weren't sufficiently engaging with their community and that some higher education institutions continued to discriminate against them (SDG 4.5). Like people with disabilities, the LGBTIQ community noted Government policies supporting the rights of the LGBTIQ community exist, but are not fully implemented (SDG 16).

Communities in Baucau, Liquica, and RAOEA raised location-specific education concerns. In Baucau, the long distances to schools, especially in rural highlands, pose challenges (SDG 4.5). Inadequate school facilities lacking resources like libraries, tables, chairs, electricity, and sanitation were highlighted (SDG 4.a). Teachers teaching outside their expertise emphasized the need for educational quality improvement (SDG 4.6). Poverty was identified as a key barrier to access and increased dropout rates (SDG 1 and SDG 4.5). Liquica communities called for infrastructure improvements, better education quality, and job opportunities (SDG 4.4 and SDG 8). RAOEA communities focused on teacher accommodation, school libraries, and access to educational materials (SDG 4.a). They emphasized the importance of training centers covering various fields for future income generation (SDG 4.4 and SDG 8). Concerns regarding teacher well-being, including rural accommodations, were also expressed (SDG 4.c). Insufficient state budget for education and the need for improved infrastructure, materials, and policy implementation were common themes across all groups (SDG 16).

Is there a specific education sector COVID-19 recovery plan?

The Economic Recovery Plan sets ambitious goals for improvement of education and professional training. It envisages an increase in the percentage of spending on education in the context of annual General State Budget until at least the end of the legislature. The goal is that funding in the General State Budget is doubled in the next five year. The programme targets include extending the number of Centres for Learning and School Training; extending the network of secondary education, preschool and vocational training centres; maintenance/restoration works of school buildings; and improving teacher training programmes for the various levels of education.

BOX 14. COVID-19'S IMPACT ON EDUCATION

Students in rural areas and those in the lowest wealth quintile tended to use offline sources such as student workbooks, and students in urban area and those in the highest wealth quintile tended to use online resources (Figures 46 and 47).

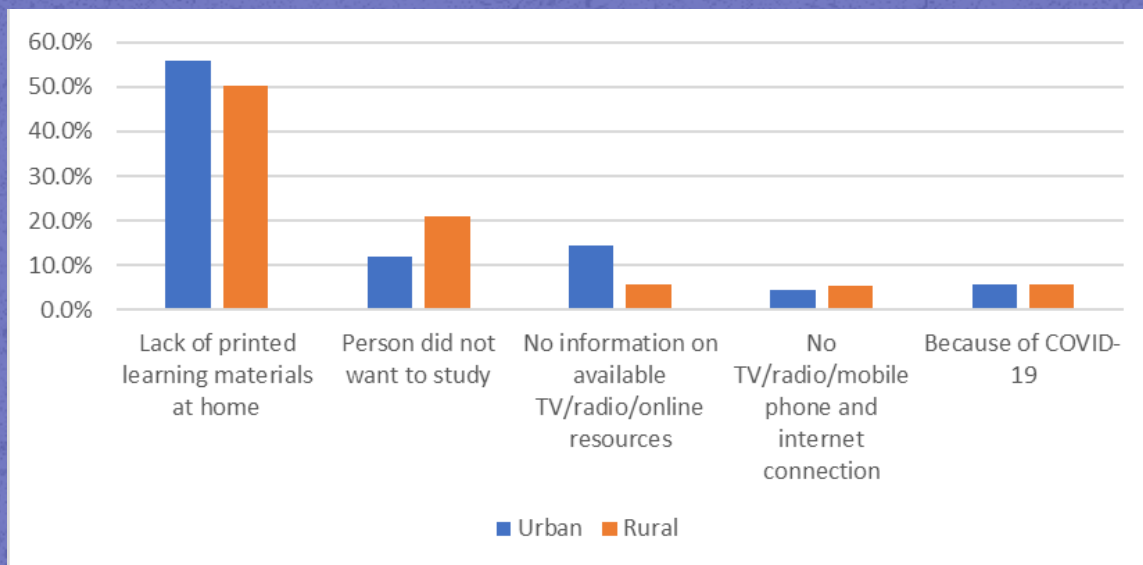


Figure 46: Reason for discontinued/irregularly continued study during school closure by residency (% of households)

Source: (United Nations and the Government of Timor-Leste, 2021)

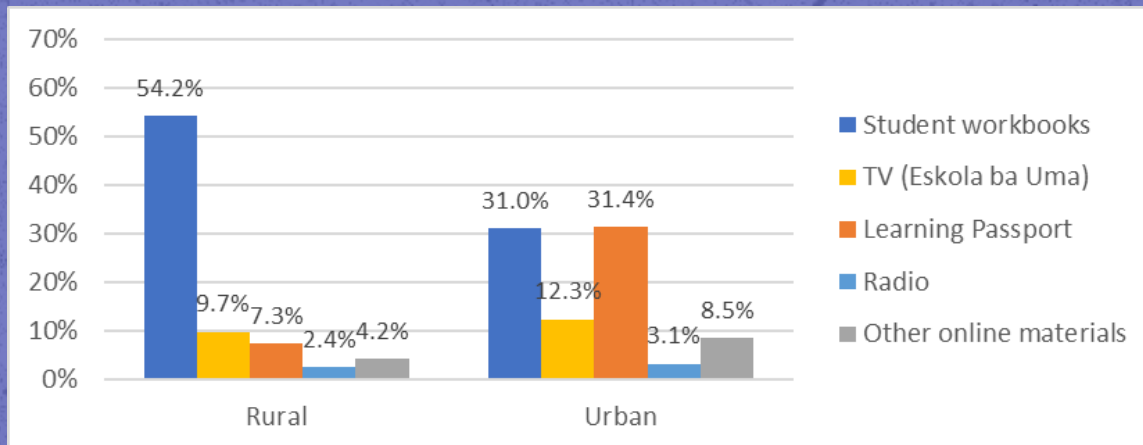
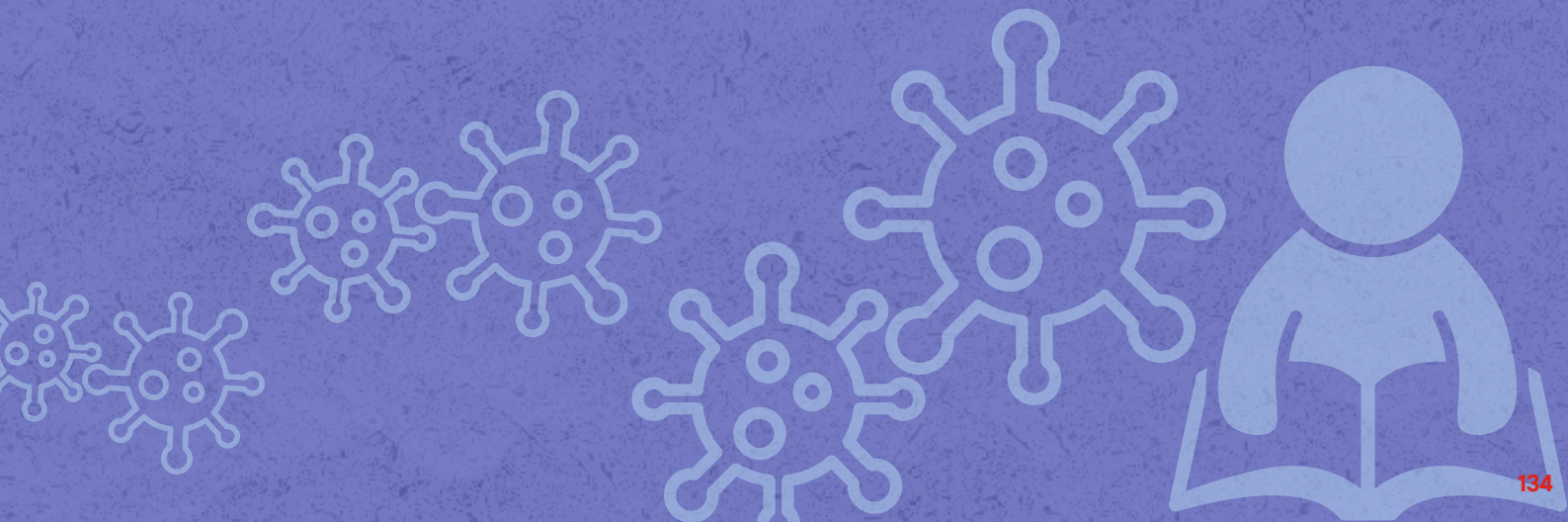


Figure 47: Sources of distance learning used by students who studied regularly or irregularly during school closure, by residency, (% of households)

Source: (United Nations and the Government of Timor-Leste, 2021)



7.3 Progress and challenges in higher education



Rui Hanjam presently serves as an Adviser at the Ministry of Higher Education, Science, and Culture. He has previously held significant roles such as Vice-Minister of Finance and Vice-Minister of Economy and Development. Prior to this, he was a Social Development Officer at the World Bank, managing various projects in education, small enterprises, labour, social protection and youth.

“The Bolsa Hakbiit programme, which offers higher education scholarships to students from vulnerable households, represents a pioneering initiative in the higher education sector. It marks a significant step in enabling access to higher education for the youth from vulnerable households, reflecting Timor-Leste's commitment to its people. This initiative represents the country's investment in its people, particularly the youth.”

The SDG targets related to youth participation in vocational education and higher education and scholarships were showing reverse trends in Timor-Leste. What are the reasons behind and what measures are being taken to address change trends?

Rui Hanjam: *In Timor-Leste, the Ministry of Higher Education is separate from the Ministry of Education, Youth and Sports. It allows the Ministry to focus on higher education institutional development and quality improvements. Currently, there are 18 higher education institutions (4 universities and 14 institutes) with an enrolment of around 65,000 students.*

A significant challenge here is that the options to study at vocational and higher education level are very slim in rural areas. Currently, five higher education institutes have branches in six municipalities, Liquica, Ermera, Manufahi, Baucau and classes at municipalities of Bobonaro, Aileu and RAOEA. This forces young people to move to urban areas in search of opportunities, for themselves or their children. While courses are offered outside of Dili, the capital, they are often seen as inadequate in providing the skills students believe they need for formal employment.

As a study by the United Nations and NGO Belun in 2018 found, the youth valued technical and administration skills as well as English and Portuguese language skills for employment (United Nations and Belun, 2018).

During the consultations, all stakeholders, especially youth, recognized the Bolsa Hakbiit scholarship programme is key progress in Timor-Leste. Can you tell us about this programme?

I'd like to start with the history of the programme. As an important foundation, Timor-Leste had established the Human Capital Development Fund in 2011. The Human Capital Development Fund is instrumental in promoting skill development and economic growth in the country. The Fund provides scholarships and training to young people to enable them take advantage of opportunities in newly expanding sectors, like petroleum, tourism, hospitality, agriculture and construction, horticulture, and fisheries. It is especially targeted at youth for local and overseas employment opportunities. The fund also supports 'training of trainers' programmes and basic

education in languages and mathematics. Moreover, the Fund aligns with the national SDP by sponsoring training for civil servants across all government agencies, thus enhancing public sector competency and contributing to the country's long-term development.

When the MECS was formed in 2018, the Ministry of Higher Education proposed the concept of the Bolsa Hakbiit laek or Scholarships for Vulnerable Students to the Government. As such providing the scholarship for disadvantaged children and youth became one of the important mandates for the Government 8th Constitutional Government.

How does the programme align with the Government's People-Centred Sustainable Development approach and the SDGs in general?

By providing scholarships to members of the Kbi'it laek (most vulnerable) families, the programme offers an opportunity to escape the poverty cycle through education (SDG 1: No Poverty) Good Practice 15). Scholarships enhance higher education access, contributing to the SDG 4's aim to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The scholarships aim to address economic, social, and cultural inequalities, aligning with the SDG's focus on reducing inequality within and among countries (SDG 10: Reduced Inequalities).

Once these students graduate university, they have a better chance of finding work. This contributes to SDG 8 by fostering an educated workforce, increasing employment opportunities, and potentially stimulating economic growth in Timor-Leste. It helps equip youth from disadvantaged families with the skills and knowledge necessary for better-paying jobs. Higher education often leads to better job opportunities and conditions, contributing to the goal of decent work. By enabling access to higher education, the programme helps to enhance the prospects of decent work for those in vulnerable situations and reduces youth unemployment, a specific target under SDG 8.

The programme is also an example of good practice for several reasons. The scholarships are designed to target a specific group (Kbi'it laek vulnerable households) that is often marginalized or socially excluded due to socioeconomic factors, thus promoting inclusivity. The application and selection process for the scholarships is outlined clearly, ensuring transparency.

Currently, public opinion about the programme is positive, as highlighted in the VNR-2 consultations as well. But the programme is in its initial stage. There should be an evaluation after 2-3 years to see the real impact of the programme to identify what are the students who received the scholarships are doing, and where those who couldn't get into the programme

are now. Also, the budget allocated should be sustained or increased, as the programmes has many multiplier effects benefiting other areas of development.

There is a lack of digital resources and ICT skills in the education sector at all levels (from VNR Consultations). What actions are being taken to improve digitalization, especially in education?

It is true that Timor-Leste grapples with a widening digital divide, underscored by disparities in effective access to modern technologies. Despite progress in basic internet access, the country lags in high-speed connections, cloud-based tools, and unlimited data access, with connectivity costs among the world's highest. There is a widening digital inequality in Timor-Leste. Without significant efforts to catch up, the progress towards inclusive development could be undermined. The digital divide, exacerbated by the COVID-19 pandemic, has revealed the disparity in 'effective access to present-day technologies' both across and within countries. Thus, bridging this digital divide in relation to other countries is essential.

Also, digitalization is crucial in Timor-Leste's enhancing areas access to quality education, health care, decent employment opportunities (including remote work), enhanced standards of living, and improved personal safety. Moreover, it fosters political participation and promotes good governance.

GOOD PRACTICE 15. SCHOLARSHIPS FOR HIGHER EDUCATION: HUMAN CAPITAL DEVELOPMENT FUND AND BOLSA HAKBIIT

Ministerial Decree No. 9/2021 outlines the regulations for scholarship allocations. Known as the Bolsa Hakbiit, this is an initiative of the Government of Timor-Leste supporting higher education for students from vulnerable families. The scholarships are funded by the Human Capital Development Fund and aim to reduce socioeconomic inequalities and democratize education. The scholarship's objective is to promote the participation of students from economically disadvantaged backgrounds in higher education, and to decrease the instances of these students discontinuing their studies.

The term Hakbiit laek refers to a state of vulnerability, defined as groups of individuals or families who are marginalized or socially excluded due to socioeconomic factors. The Ministry of Social Solidarity and Inclusion has the authority to identify and declare if a candidate is from a situation described as Hakbiit laek. The regulation does not apply to scholarships awarded to public administration employees.

The scholarship consists of monetary payments to students who meet the required conditions. These payments are intended to cover costs associated with attending higher education studies, including tuition fees, school materials, accommodation, and other living costs. The scholarship amount includes a monthly payment of \$120 to cover accommodation and living expenses.

Scholarship recipients have a set of rights and duties, including the timely receipt of payments and the obligation to report any changes that might affect their scholarship status. They must also agree to work exclusively on their studies, with some exceptions.

The number of scholarships awarded annually is determined by the budget availability. The application process is public and transparent, requiring submission of various documents and a commitment to work in Timor-Leste post-studies. This programme is a significant step towards facilitating higher education for the economically disadvantaged, aligning with the country's broader development goals. Between the Scholarship's programme's launch and March 2023, 3,331 students received the scholarship (59% female and 41% male). The scholarships are distributed covering all municipalities in the country, targeting rural areas (Figure 48).



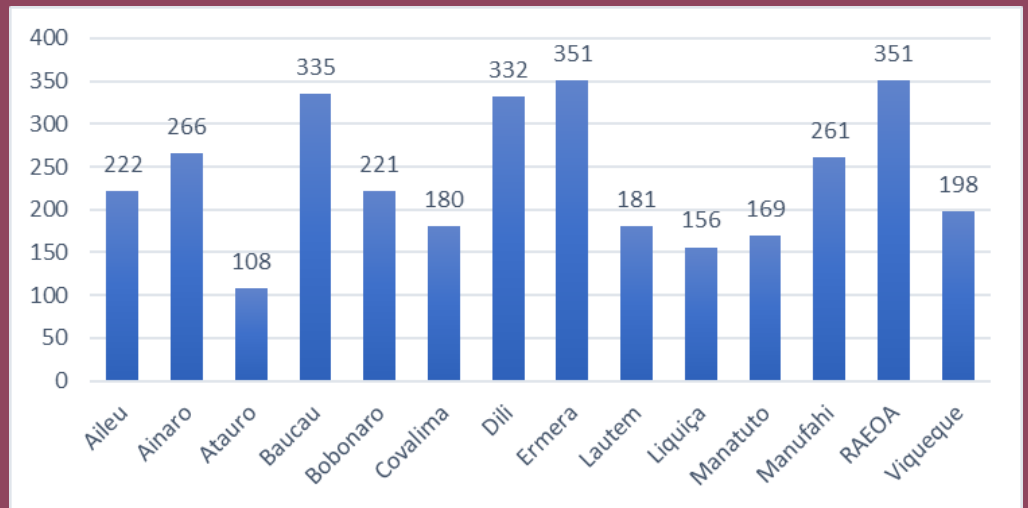


Figure 48: The distribution of the scholarships by municipalities, number of persons
 Source: (Technical Secretariat of the Human Capital Development Fund and Ministry of Higher Education, 2023)

The budget allocated for the scholarships programme (Bolsa Hakbi'it - for vulnerable youth; Veteran's children; merit-based scholarships; scholarships for lecturers in private universities; and partial scholarships in country and overseas) from the Human Capital Development Fund has doubled in 2023, indicating a positive change in the political will to invest in people (Figure 49).

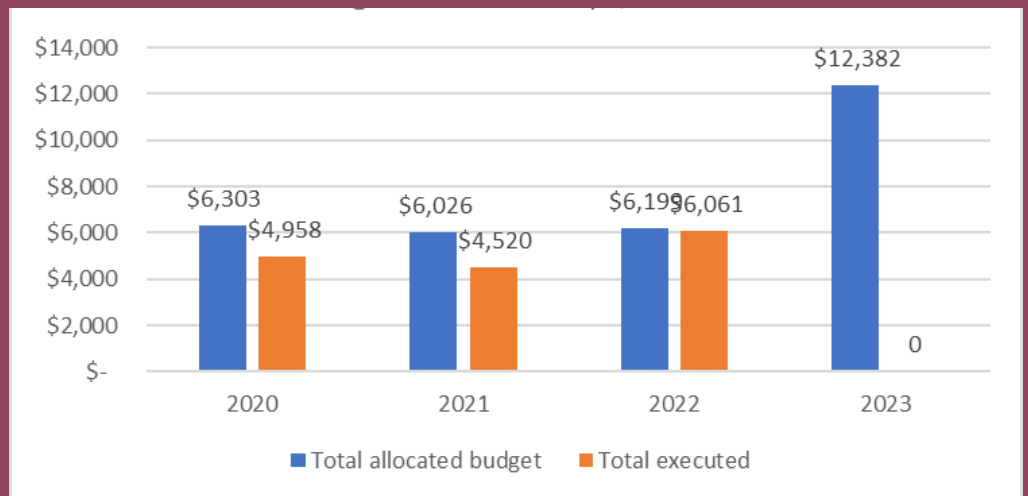


Figure 49: Total budget for scholarships funded by the Human Capital Development Fund, 2020–2023

Source: (Technical Secretariat of the Human Capital Development Fund and Ministry of Higher Education, 2023)

The Government of Timor-Leste is aware of these benefits as well as divides and challenges. That's why in 2022, the National Strategic Plan for Digital and ICT Development (2022-2032) was developed. This Strategic Plan provides strategies to harness digital and ICT tools in areas like e-governance, inclusive economy, health, education, and agriculture. In terms of education, the Strategic Plan provides ways to enhance the quality and reach of educational service delivery. Key initiatives include connecting all educational institutions to the government ICT network and the internet, establishing ICT labs, developing digital and online libraries and knowledge repositories, and implementing comprehensive student records and academic management systems using unique IDs. Furthermore, Goal 13 of the Strategic Plan outlines an important objective to integrate digital and ICT skills into educational curricula at all levels, starting from preschool. The implementation of this goal, beginning in 2024 and with a high priority through to 2027, aims to equip youth with the digital skills necessary for specialized job opportunities and to foster a digitally adept society.

One study underscored the need for enhanced digital literacy, online safety education in Tetun, and improved monitoring of online behaviour in Timor-Leste. It highlighted a knowledge gap in areas like online privacy and security and suggested integrating these into the education curriculum and conducting youth-targeted awareness campaigns (The Asia Foundation; Oxfam and Love Frankie, 2022).

So, there is a need to improve ICT skills and expand digital infrastructure in schools and training centers, while also increasing access to digital resources. But, as we address ICT skills, we must not overlook the importance of foundational literacy and numeracy skills, particularly for marginalized students, including children with disabilities and those from minority language groups. It is essential to prioritize and provide support for these students in developing strong foundational skills alongside the promotion of digital literacy.

From the VNR-2 national consultations and an interview with Helena Nunes, the adequacy of the budget is identified as a key challenge. Can you elaborate on the financing of education sector in Timor-Leste?

Timor-Leste has committed to undertaking the Global Partnership for Education to increase public expenditure compared with a base-year and to maintain public expenditure on education at 20% or more. By 2019, Timor-Leste's budget allocation for education represented just 5.5% of the total budget. The annual budgetary allocation to MEYS has not exceeded 8.4% of the total national budget over the past decade, and its share has steadily declined since 2014. There's still a significant gap in budgeting, with preschool education receiving less than one-tenth of the recommended 1% of GDP (MEYS, UNICEF and AIR, 2022). Even within the education sector budget, preschool gets only a third or less of the recommended share.

7.4. Priorities and recommendations

Based on the stakeholder consultations with various groups, desk review and expert interviews, the priorities for enhancing education in Timor-Leste can be organized around the following seven main themes.

- Prioritize education in the national budget, with the target of dedicating 15-20% of the national budget to education. Annual increments of 10 – 11% of the current education budget, as per the National Statement of Commitment to Transform Education, should be allocated based on evidence-based priority needs (Government of Timor-Leste, 2022b). While increasing the budget, improving budget execution and efficiency of spending for better student learning outcomes should be prioritised by balancing investments in capital and goods with those in services such as salaries and textbooks.
- Develop a comprehensive national plan on enhancing and expanding preschool services, with the goal to achieve universal enrolment. The plan should encompass essential elements of the preschool ecosystem, establish immediate, mid-term, and long-term objectives achievable through cost-effective activities, and clarify the responsibilities of all stakeholders involved (MEYS, UNICEF, and AIR, 2022).
- Prioritize vocational education and training as a pathway to employment, engaging private sector stakeholders in skills training investments, and scaling up overseas educational programmes in strategic sectors will contribute to a skilled workforce, economic development, and bridging the rural-urban divide. To address limited access to vocational training and skills gaps in Timor-Leste, increasing financing for vocational education and establishing standardized training centers in rural areas is crucial. Collaboration among the government, private sector, and education/training providers is essential to design and implement comprehensive programs that facilitate access for participants at all career stages.
- Enhance literacy, numeracy, and digital skills across all ages and regions to meet labour-market demands and life skills. Adapt the curriculum to foster twenty-first century skills like critical thinking and leadership. Expand access to digital resources, promote innovative digital learning strategies, and establish a Centre of Excellence for teacher training in innovative pedagogical practices and ICT skills. This can be established by strengthening implementation of the National Strategic Plan for Digital and ICT Development (2022-2032) and by focusing on Goal 13 of the plan with the focus on education sector.
- Implement universal design approaches to promote accessibility, enhance basic infrastructure across all education levels, and establish safe spaces in schools. To reduce student absenteeism and increase learning outcomes, strengthen school feeding programmes to address student malnutrition and provide accessible water, sanitation, and hygiene facilities, including menstrual hygiene management, in schools.
- Enhance efforts to retain girls and young women in education by providing gender-sensitive facilities and transportation, safe learning environments, eliminating child marriage, raising awareness of the importance of educating girls, and strengthening incentives for parents to send their daughters to school. The policies currently being drafted allowing pregnant adolescents and young women to return to school should be approved without delays.
- Improve the Education Sector Management and Information System. Refine the data systems by enhancing the regularity of updates and human resources capacity to monitor educational progress. To achieve this, professional data experts can be invited to line ministries' planning and monitoring departments to oversee data management and enhance staff skills in data collection and analysis. It is important to address data gaps in measuring the implementation and progress of SDG 4.4 (skills for employment), SDG 4.7 (sustainable development education), and SDG 4.c (qualified teachers). Improving data disaggregation by disability status should also be prioritized. Timely and high-quality data are essential for informed policymaking.

8. AN INCLUSIVE AND RESILIENT ECONOMY



In 2002, students wrote their aspirations for their country 20 years later as follows:

"...create job opportunities for young people, construct new schools for students so that we can focus on our studies, because we will build the future of this country" (Jose M Marcal, male, 17 years old, Dili).

"Timor-Leste should have modern factories and technology. We will have tall buildings in Dili City and many hotels. All the population will enjoy tall buildings, new houses, cars, motorbikes, tractors, containers and lastly helicopters will take us to Liquica and Atauro" (Ivo Jesuino G. Araujo, male, 18 years old, Dili).

Figure 50 presents progress towards SDGs 8 to 15, all of which contribute to an inclusive and resilient economy. Below, we breakdown progress by each relevant SDG and its indicators.

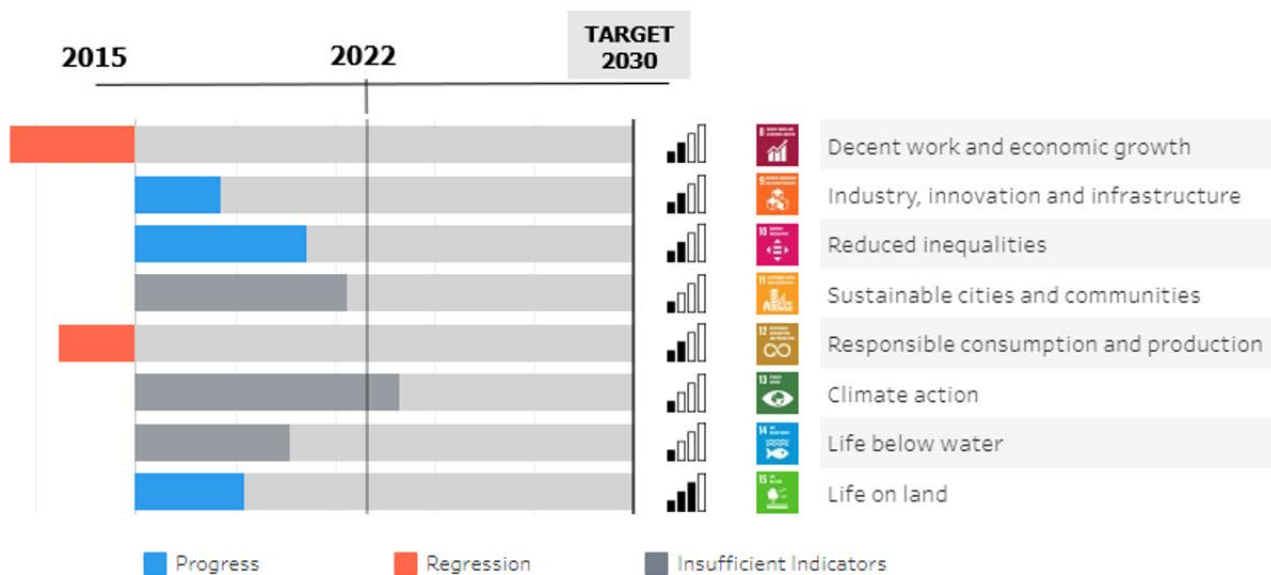


Figure 50: SDG progress assessment snapshot – SDGs 8-15

Source: (ESCAP, 2023b).

8.1. SDG 8, 9, and 10 progress assessment

Recognized as one of the four key strategies for accelerating the SDGs in VNR-1, economic diversification in Timor-Leste has encountered a standstill, necessitating further advancements in SDG 8. The nation's economy has yet to recover to its pre-pandemic state, and its capacity to generate remains limited. The agriculture sector, which is the largest employer in the country, suffered major setbacks due to the COVID-19 pandemic and natural disasters. Additionally, as the VNR national multi-stakeholder consultation results highlight, limited connectivity and underdeveloped digital services hinder overall progress.

SDG 8: Decent work and economic growth aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The goal comprises 12 targets, each with specific indicators to measure progress. In Timor-Leste, progress is currently on track for two targets and there is a need to accelerate efforts across three targets. However, the country is showing a reversal in trends for four targets (Figure 51).

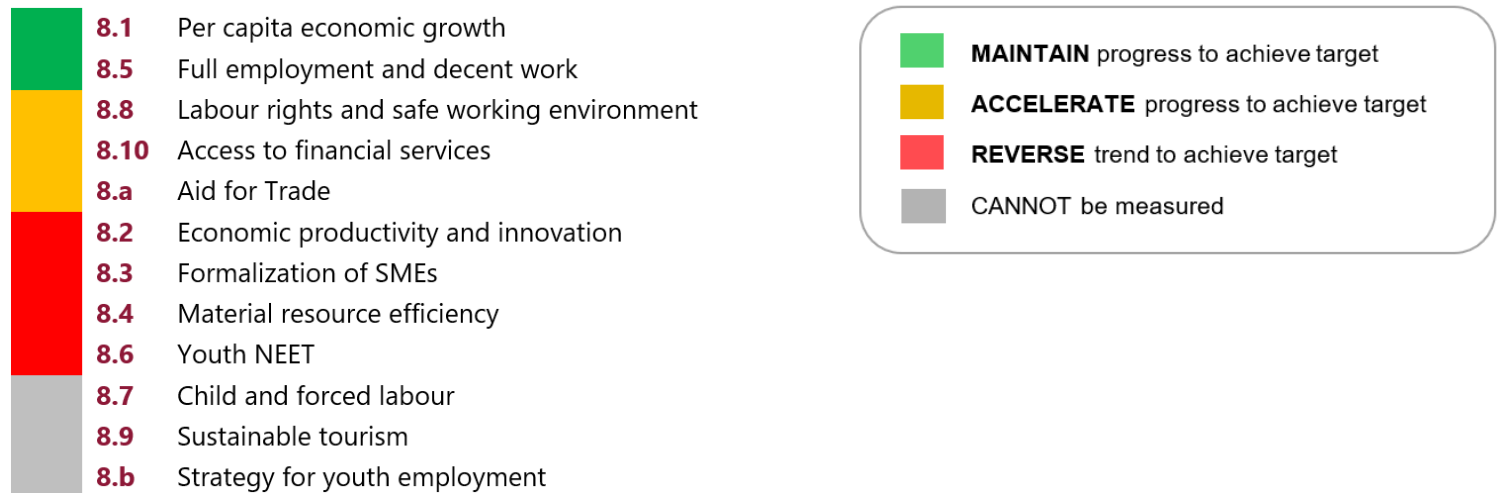
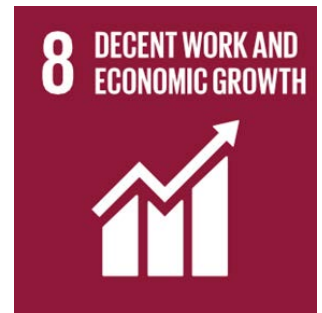


Figure 51: SDG 8: Decent work and economic growth, SDG progress assessment at target level
Source: (ESCAP, 2023b).

The following two targets are on track to be achieved:

- Timor-Leste is on track to achieve **Target 8.1**, which aims to promote sustainable economic growth by targeting at least 7% GDP growth per annum in the least developed countries. This target is measured through the real GDP per capita growth rate, and Timor-Leste is expected to meet it by 2030. In 2020, the GDP per capita growth rate in the country was reported to be 9.1%, according to the ADB Key Indicators database. The growth rate was highest in 2019 at 17.2% (Asian Development Bank, 2023). Data for 2021 and 2022 were not available. Timor-Leste's GDP growth is heavily tied to the global volatility of oil and gas prices, introducing certain risks to the country's economic expansion. While there have been years of substantial growth, it doesn't necessarily guarantee that the pattern will persist in the future.
- **Target 8.5** aims to achieve full and productive employment, decent work for all, and equal pay for work of equal value. The target is measured by unemployment rate. The total unemployment rate was 2.3% in 2021 which is a significant improvement since 2013 (4.05%). The rate was higher for youth aged 15-24 years old at 5.4%, significantly higher for women aged 15-24 years old at 8.3%, and even higher for people with disabilities at 10.3%.

Several targets in Timor-Leste still require acceleration:

- **Target 8.8** aims to protect labour rights and promote safe working environments for all workers, including those in precarious employment and migrant workers, is measured by an index score that ranges from 0 (better) to 10 (worse) compliance with labour rights. Unfortunately, the score has remained fixed at 0.34 between 2015 and 2020, indicating no improvement in this area.

- **Target 8.10** seeks to ensure universal access to banking, insurance, and financial services, but Timor-Leste falls short of the goal, with only 13.45 automated teller machines and 5.64 commercial bank branches per 100,000 adults in 2020, an increase from 6.63 and 4.97, respectively, in 2015. This number is still far below the target of 200 per 100,000 adults.
- **Target 8.a**, Timor-Leste's official flows disbursements (aid for trade) have been declining, falling short of the target of US\$ 148.2 million set using the regional benchmark. In 2020, the amount was only US\$ 60.9 million.

The following targets have shown a reverse trend in achieving their objectives by 2030:

- **Target 8.2** aims to achieve higher levels of economic productivity through diversification, technological upgrading, and innovation in high-value added and labour-intensive sectors. The target is measured by real GDP per employed person growth rate (the output per worker growth rate, 2010 USD). The regional benchmark for this target is a 5.25% growth rate. However, in Timor-Leste, the growth rate was 15.3% in 2019, followed by a sharp decline of -9.9% in 2020, and a small recovery of -0.3% in 2021. The COVID-19 pandemic, political uncertainty of 2019-2020, and a natural disaster in 2021 had significant effects on Timor-Leste's fragile economy that is largely reliant on the public sector (World Bank, 2022).
- **Target 8.3** focuses on promoting policies that support job creation and growing enterprises. The proportion of informal employment in non-agricultural employment is used to measure progress. The 2021 Labour Force Survey indicated that 70.5% of total employment was informal, a reverse trend from the 55.1% proportion recorded in 2013.
- **Target 8.4** aims to enhance resource efficiency in consumption and production, measured by domestic material consumption of fossil fuels, biomass, and metal ores. However, the available data only goes up to 2019 and lags behind target values. The first series, measured in kilograms per 1 US\$ (2010) GDP, demonstrates a consistent rise in domestic material consumption intensity from 2015 (2.059) to 2019 (2.864). The target value for this indicator is 0.86, indicating the desired reduction of domestic material consumption intensity over time. The second series, measured in tons per capita, also shows a gradual increase from 2015 (2.745) to 2019 (4.201).
- **Target 8.6** aims to reduce the proportion of youth aged 15-24 who are not in employment, education, or training (NEET). Unfortunately, Timor-Leste has one of the highest NEET rates in the Asia-Pacific region, with a total rate of 30.5% in 2021, an increase from 21.0% in 2016. The NEET rate for male and female youth did not show significant differences, with 31.3% of female youth and 29.8% of male youth being NEET.

The following targets did not have sufficient data to assess progress:

- **Target 8.7** lacks sufficient data to measure progress accurately. As of 2016, only 7.2% of children aged 5-17 were engaged in economic activity, higher than the regional average of 4.8% in Asia-Pacific as of 2020. However, there is a need for more recent and comprehensive information (UNICEF, 2016).
- **Target 8.9** aims to promote sustainable tourism that creates jobs, preserves local culture, and supports local products. Timor-Leste adopted the National Tourism Policy 2017-2030, but lacks an index to measure sustainable tourism criteria. The tourism and catering MSMEs have been severely affected by border closures, lockdown measures, and tourist declines. Border closures and suspended air travel greatly impacted Timor-Leste's tourism, leaving limited domestic tourism as the sole survival source. In 2019, the sector's value reached US\$ 24 million, but in 2020, this reduced by 80%. This decline highlights the immense challenges faced by Timor-Leste's tourism industry, which needs urgent recovery and support measures (The Prime Minister's Office, 2021).

- **Target 8.b:** Despite no official reporting on this indicator, available evidence suggests the country is fulfilling this target. Although there is no dedicated youth employment strategy, the issues of youth employment are reflected in the National Employment Strategy 2017-2030.

SDG 9: Industry, innovation and infrastructure aims to build resilient infrastructure, promote inclusive and sustainable industrialization and to foster innovation. The goal comprises 8 targets, each with specific indicators to measure progress. In Timor-Leste, there is a need to accelerate three targets. However, the country is showing a reversal in trends for one of the targets (Figure 52).

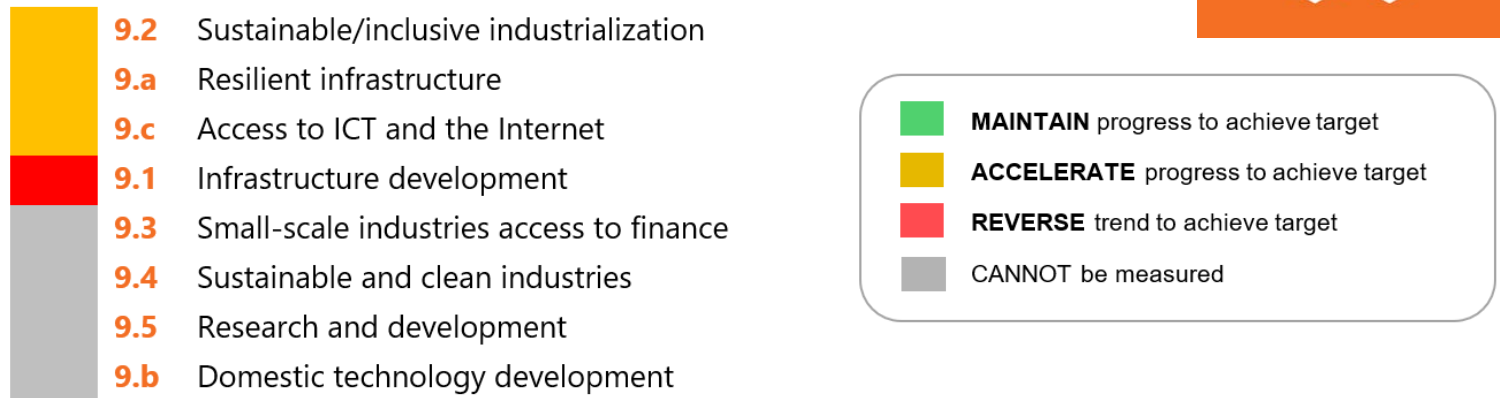


Figure 52: SDG 9: Industry, innovation and infrastructure, SDG progress assessment at target level

Source: (ESCAP, 2023b).

- **Target 9.2** - Manufacturing value added (as % of GDP and US\$ per capita): This indicator measures the contribution of the manufacturing sector to GDP and its value in US\$ per capita. The manufacturing sector's share of GDP rose from 0.92% in 2010 to 1.47% in 2021, while the manufacturing value added per capita increased from US\$ 10.85 in 2010 to US\$ 23.5 in 2021. This growth suggests progress in Timor-Leste's manufacturing sector; however, the progress is slow and far from achieving the target value by 2030.
- **Target 9.a** - Official international support to infrastructure. This indicator measures the total official disbursements from all donors in support of infrastructure development in million US\$. The data shows fluctuation in international support for infrastructure projects in Timor-Leste, with a peak of US\$ 80.03 million in 2019 and according to the latest available data for 2021 indicates a decline in support to US\$ 53.24 million. Due to the pandemic and the shifting donors' policy in international support have impacted this drop.
- **Target 9.c** - 96.5% of the population are covered by at least 3G network, only 45% are covered by 4G network (ESCAP, 2023b). In total, 51.0% are internet users accessing mainly via mobile networks and the number of broadband users is significantly lower, at 0.01% of the population (Digital 2022: Timor-Leste, 2022).

One target has shown a reversing trend:

- **Target 9.1** - Passenger and freight volumes (Container port traffic, maritime transport): This indicator measures container port traffic in million TEU (Twenty-Foot Equivalent Units). From 2010 to 2020, Timor-Leste experienced growth in container port traffic, increasing from 4.3 thousand TEU in 2010 to 16.8 thousand TEU in 2020. This growth indicates an improvement in the country's maritime transport infrastructure and capacity.

SDG 10: Reduce inequalities aims to reduce inequality within and among countries. The goal comprises 10 targets, each with specific indicators to measure progress. In Timor-Leste, progress is currently on track for one target, but there is a need to accelerate efforts across two other targets. The country is showing a reversal in trends for one target (Figure 53).

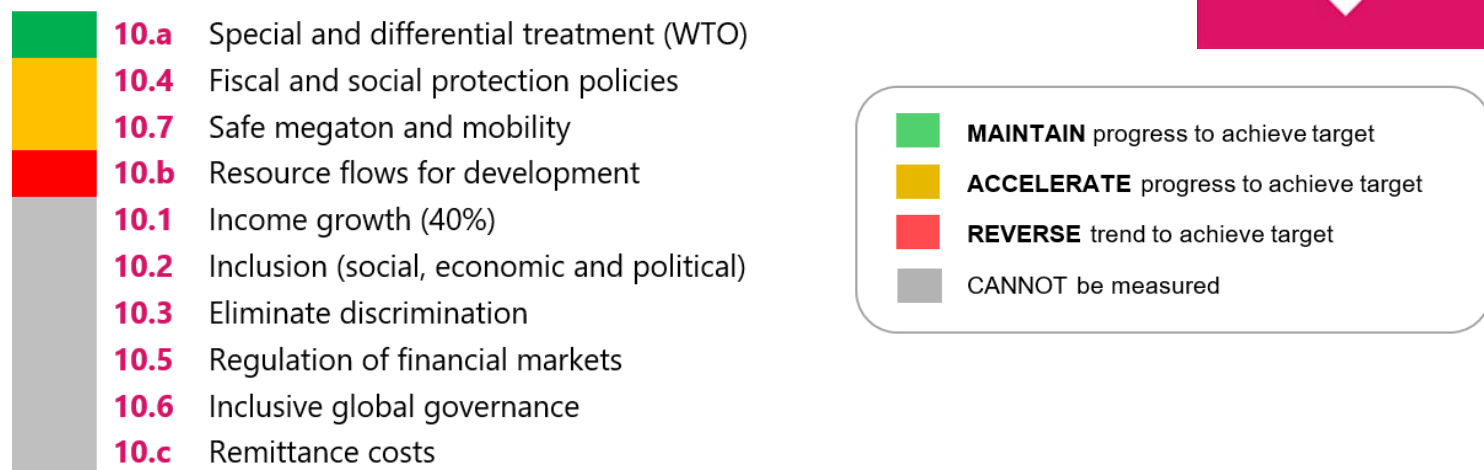


Figure 53: SDG 10: Reduce inequalities, SDG progress assessment at target level

Source: (ESCAP, 2023b).

- **Target 10.4:** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality. This target is measured through the labour income share as a percentage of GDP. From 2010 to 2019, the labour share of GDP in Timor-Leste has remained relatively stable, hovering around 41%, with a peak of 42.1% in 2017. However, in 2019, it dropped to 40.1%, suggesting that the share of income generated by labour has decreased slightly compared to capital income.
- **Target 10.7** on responsible migration and mobility of people is measured by the number of refugees originating from Timor-Leste per 100,000 population. The numbers fluctuated from 2010 to 2021, with a peak of 1.588 in 2015. In 2021, the value was 0.81852, indicating a decrease in the number of refugees relative to the population.
- **Target 10.a** aims to implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with WTO agreements. This target is measured by the percentage of tariff lines applied to imports with zero-tariff for all products. Timor-Leste showed progress in this aspect, increasing from 57.03 in 2015 to 71.42 in 2019. However, the percentage dropped to 55.30 in 2020, suggesting a potential increase in import tariffs.
- **Target 10.b:** Total resource flows for development: This indicator measures total assistance for development in million US\$, including ODA, other official flows and private types. From 2015 to 2020, the assistance fluctuated, with a US\$ 207 million in 2016. The value was US\$ 273 million in the latest available data in 2020, indicating an increase in development.

The VNR-2 finds that SDGs 1, 2, 3, 4, 5, 8, 9 and 10 have strong synergies (Figure 54).



Figure 54: Synergies of SDG 8 with other SDGs, including SDGs 9 and 10

Note: SDG 8 ties to all SDGs, but for report relevance and based on consultations, interviews, and case studies, only certain SDGs are featured. One-way arrows suggest stronger influence on the SDG; two-way arrows denote mutual influence. Source: Adapted by the author

The SDP envisions that by 2030, Timor-Leste will have a modern, diversified economy, with high-quality infrastructure such as roads, power plants, ports, and telecommunications. The nation will transition from subsistence agriculture to a more commercially oriented, smallholder agricultural system. Timor-Leste aims to achieve self-sufficiency in food production while supplying a variety of agricultural products to global markets, including grains, livestock, fruits and vegetables, and other cash crops. The country also intends to capitalize on its forestry and fisheries resources. Under the umbrella of the Economic Development Area, rural development, agriculture, tourism, and private sector investment are prioritized as key goals. In rural regions of Timor-Leste, the private sector will serve as a driving force behind income and employment growth, propelling the nation towards a more prosperous future (Government of Timor-Leste, 2011).

8.2 Progress and challenges



Helder Lopes holds the position of Economic and Financial Adviser to the President of Timor-Leste. He previously served as Vice Minister of Finance and Chief Economist at the Ministry of Finance of Timor-Leste and has provided numerous advisory services to United Nations ESCAP, and the Asian Development Bank. This has equipped him with comprehensive insights into Timor-Leste's economic and financial landscape.

“Timor-Leste has achieved commendable progress in state-building and strengthening its democratic institutions. However, progress in economic and social development is not happening at the same pace. Economic diversification should not just be an aspiration and instead, should be implemented through tangible sector policies. Private sector development at all levels- micro, small, medium and large - is the foundation for economic diversification.”

What comes to your mind when reading these postcards written by students 20 years ago?

Helder Lopes: *I believe that Timor-Leste has achieved certain aspirations, such as strengthening democracy, promoting freedom, and fostering social cohesion. Examining various indicators related to democracy, the country ranks among the top performers in the region. However, the anticipated pace and extent of economic and social development for the youth have not been fully realized. This implies that significant efforts are required in the next seven years as we work towards the 2030 vision set forth in the SDP: "By 2030, Timor-Leste will join the ranks of upper middle-income countries, eliminate extreme poverty, and establish a sustainable, diversified non-oil economy."*

How successful has Timor-Leste been in ensuring that there are secure and decent jobs and economic opportunities for all and for different socioeconomic groups?

To address this question, we must examine the data on job and livelihood access, considering which groups have opportunities and which do not. It is important

to assess the security, decency, and resilience of these employment and livelihood sources. Also, we need to consider the broader context of the past four years. Timor-Leste experienced a significant decline in economic growth in 2020, with a GDP contraction of -8.6% (World Bank, 2022). This decline was very severe, setting the economy back to 2013 levels. The reasons for the economic contraction include the extended duodecimal regime, political uncertainty, and the COVID-19 pandemic restrictions.

Timor-Leste still faces significant challenges in promoting inclusive economic growth and decent jobs, particularly among women, youth, people in rural areas and people with disabilities. The 2021 Labour Force Survey showed that the overall labour-force participation rate is very low at 30.5%. This means that out of the total population of working age, only 30.5% are either employed or actively seeking employment (Table 4). The SDG indicators 8.5.1 on full and productive employment, decent work for all, and equal pay shows a reverse trend, unemployment rates especially

high for people with disabilities; and 8.6.1. on youth NEET has also substantially regressed meaning there are more youth who are not in employment, education and training.

There is still a significant disparity between men and women. Only 24.2% of women are participating in the labour force, while 36.9% of men are, which is a 12.7 percentage point difference! It's clear that way fewer women are working compared to men, and it shows that women still face more challenges when it comes to finding jobs and participating in the labour market. There is a huge untapped potential in the economy if women were participating in the workforce at the same rate as men – we could be seeing more growth and development. Even when women are working, they're less likely to have wage jobs than men (31.5% versus 59%). Women are more likely to be self-employed or helping with family businesses (67.3% versus 39%).

Wage jobs usually come with more security and better conditions, but those self-employed and family roles are considered vulnerable employment. So, it's clear that women are facing some serious obstacles when it comes to finding decent work. Even if women have wage jobs, the gender pay gap is large. Overall, women earn 6.3% less on average than men among salaried employees and 34.2% less among the self-employed, with the largest disparities observed in craft trades, management, technical professions, and among business owners.

In Timor-Leste, the youth population constitutes a significant portion of the total population. In other words, we have a youth bulge which presents both challenges and opportunities. According to the 2022 Census data, young people aged 15-34 comprise nearly 37% of the population, youth aged 15-24 comprise

around 22% (Government of Timor-Leste, 2022a).

The VNR-1 and many other reports in the past have warned the policymakers on taking advantage of this youth bulge by creating full employment in productive sectors which in turn will increase economic productivity. If the youth bulge is steered carefully and engaged in productivity, this will create a demographic dividend. Unfortunately, so far, we have not been able to create a demographic dividend.

Today 30.6% of our youth are not in employment, education or training. This is an increase from 2016, when the rate was 21.0%. The high NEET rate underscores the urgency of addressing this issue, as many young people are currently disconnected from the educational system and the labour market. This disconnect not only hampers individual prospects but also limits the country's overall potential for economic growth and social development (Table 4).

Table 4: Selected indicators on labour and employment, Labour Force Survey 2021
Source: (SEFOPE, General Directorate of Statistics and ILO, 2022)

Key indicators	Male	Female	Total
Labour-force participation, %	36.9	24.2	30.5
SDG 8.5.2 Unemployment rate, %	4.6	5.9	5.1
SDG 8.5.2 Unemployment rate by disability status, %	27.8	3.1	19.6
SDG 8.6.1 Youth not in education, employment, or training (NEET) aged 15-24 years old, %	31.3	29.8	30.5
SDG 8.3.1 Proportion of informal employment in total employment (%)	75.3	80.4	77.3
Employment by economic activity			
General public administration activities, %	12.8	6.6	10.3
Agriculture, forestry, and fisheries, as a proportion of total employment %	24.2	31.0	26.9
Industry employment as a proportion of total employment, %	16.5	8.7	13.5
Services employment as a proportion of total employment, %	59.0	59.3	59.1
Manufacturing employment as a proportion of total employment (%)	5.3	8.4	6.5
Average monthly wage (USD)	252	236	248

What are the reasons for this overall low labour-force participation, gender disparity and high rates of youth not in employment, education, and training?

There are many reasons. According to the Labour Force Survey results, the predominant reasons for working-age people, meaning those aged above 15 years old, being outside the labour force were personal and family-related reasons (61.8% overall, 66.0% for women versus 56.7% for men) followed by retirement and other economic reasons (22.6%). These are factors mentioned at the individual and household levels. However, there are more factors related to the economic structure of Timor-Leste. These include the high share of informal employment, public sector driven growth, the reliance on oil economy, lack of diversification and the insufficient investment in priority sectors (VNR Consultations 9).

First, the prevalence of informal employment (whether in the formal or informal sector). Informal employment is the one which features 'lack job security, benefits, and access to social protection'. According to the Labour Force Survey 2021 estimates, 38.6% of the people are employed in the informal sector, 43.2% in the formal sector while 18.2% are employed in households. The informal sector is made up of small businesses and activities that are not regulated or protected by the government. This means that workers in this sector often lack job security, benefits, and

access to social protection. Because the informal sector is so prevalent in Timor-Leste, many people, especially women and young people, end up working in vulnerable and low-quality jobs. Since there's a lack of formal job opportunities, people might choose to stay out of the workforce altogether or engage in subsistence farming or other informal activities instead. At the same time, unpaid domestic and care work are often undervalued. It should be valued as a part of women's contribution to the economy.

Second, a considerably higher proportion of working-age women are involved in subsistence production than men in both urban and rural areas. In urban areas, 62.4% of women in contrast to 24.9% of men rely on subsistence production as their primary work. In contrast, rural areas have a higher percentage of people engaged in subsistence production, with 70.7% of women and 51.7% of men. As the findings from the VNR-2 consultations with women's groups reveal, this high proportion of women engaged in subsistence production can be attributed to limited access to formal employment opportunities for women and to some extent traditional gender roles. Consequently, women are more likely to hold vulnerable positions, such as self-employment or contributing family worker roles, which can perpetuate poverty and hinder their economic empowerment. These statistics suggest we need targeted policies and programmes to promote gender

equality in the labour market in our country.

The high youth NEET rate in Timor-Leste is similarly tied to the informal employment. It is interesting to note that during the VNR-2 target group consultation, youth participants identified limited access to capital, insufficient human resources (education and skills), and underdeveloped infrastructure as primary barriers. Young people often struggle to secure formal employment due to scarce job openings, inadequate skills and qualifications, which can push them towards informal work or leave them unemployed. This situation can foster feelings of hopelessness and detachment from the labour market, potentially resulting in long-term adverse effects on their future prospects and well-being.

Thirdly, although the SDP highlights sectors such as agriculture, tourism, private sector investment, and quality education as crucial for job creation, the investments and strategies used in these strategic sectors have been insufficient. The 2020 midterm evaluation of the SDP found that the Economic Development Sector received significantly less funds between 2018-2021 and has not been the policy priority (Figure 55) (Government of Timor-Leste, 2021b).

Timor-Leste's economy is predominantly driven by the public sector and oil industry, with the private sector contributing less than 25% to the GDP.

VNR CONSULTATIONS 9. BARRIERS HINDERING ECONOMIC PARTICIPATION BY TARGET GROUPS AND LOCAL COMMUNITIES

The VNR-2 consultations with various target groups highlighted the following challenges that hinder economic participation.

Youth groups:

- Limited access to capital
- Human resources issues
- Natural resource limitations
- Inadequate infrastructure

Women's groups:

- Heavy focus on applications in Dili
- Weak control systems
- Insufficient research on the benefits of the Rotative Fund
- The severe impacts of COVID-19 and flooding on women
- Inadequate infrastructure and market access
- Market domination by foreign imports
- Insufficient budget allocations for economic development
- Difficulties accessing credit
- The strong patriarchal system and gender inequality

LGBTIQ communities:

- Lack of youth participation in the agriculture sector
- Low demand for local products
- Poor rural infrastructure, especially roads
- The need to diversify products in the private sector to create jobs
- Persistent patriarchal culture
- Lack of attention and improvement in the tourism sector

The community in Oecusse:

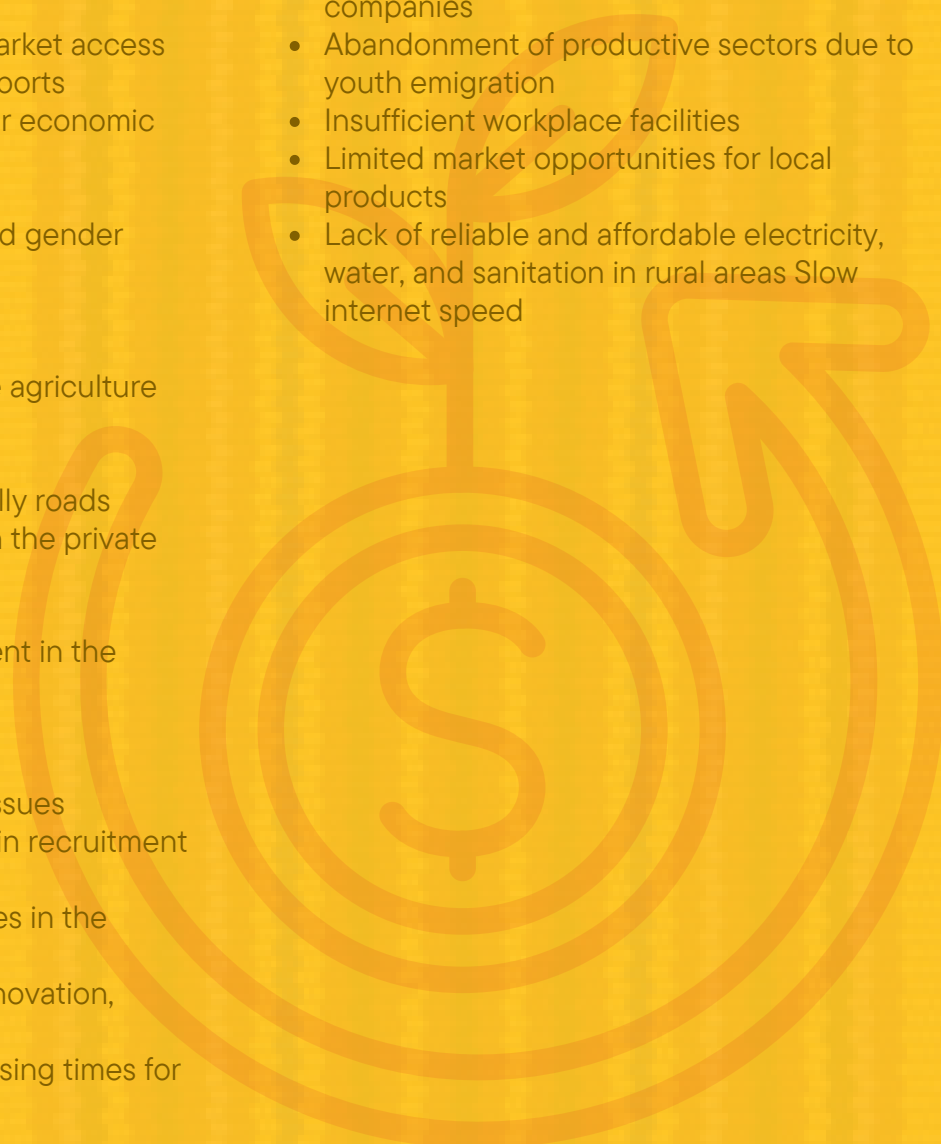
- Bureaucracy and transparency issues obtaining shipping licences and in recruitment processes
- Domination of Chinese companies in the tenderization system
- Lack of entrepreneurship and innovation, limiting job creation for families
- Lack of facilities and long processing times for permits in the tourism sector

The community in Liquica:

- Natural disasters that destroy homes, infrastructure, and local community products
- Challenges in the agricultural sector such as poor irrigation, climate change, and inadequate agricultural mapping
- Lack of competition in the business sector
- Insufficient attention to the tourism and fisheries sectors

The community in Baucau:

- Credit programme criteria does not align with community capacities and knowledge
- Absence of private investment employing young people
- Lack of socialization and support for companies
- Abandonment of productive sectors due to youth emigration
- Insufficient workplace facilities
- Limited market opportunities for local products
- Lack of reliable and affordable electricity, water, and sanitation in rural areas
- Slow internet speed



The current economic model is unsustainable, as the government relies heavily on the Petroleum Fund for revenue. The political deadlock that began in 2017 and persisted through 2019 resulted in budget contractions that significantly impacted the economy. Considering the size, structure, and nature of Timor-Leste's economy, it is vital for the government to promote the development of micro, small, and medium enterprises (MSMEs).

What are the primary factors driving rural-urban migration and emigration trends in Timor-Leste, and how is the government addressing these issues?

Timor-Leste like many other developing countries, experienced increased rural-to-urban migration, particularly into the capital city of Dili. Many people have left rural areas and moved to urban areas, looking for better chances in employment, education, for family reasons and for security and safety reasons as well as health care, social services, connectivity, and infrastructure.

This has led to higher concentration in the capital city and a significant decline in labour force in rural areas, causing less interest in rural development. Even though finding a job or going to school can be tough in the city, people would rather take their chances there than stay in rural areas. According to the 2018 study by UNFPA and NGO Belun, more than half (56%) of young people who migrated in the past year

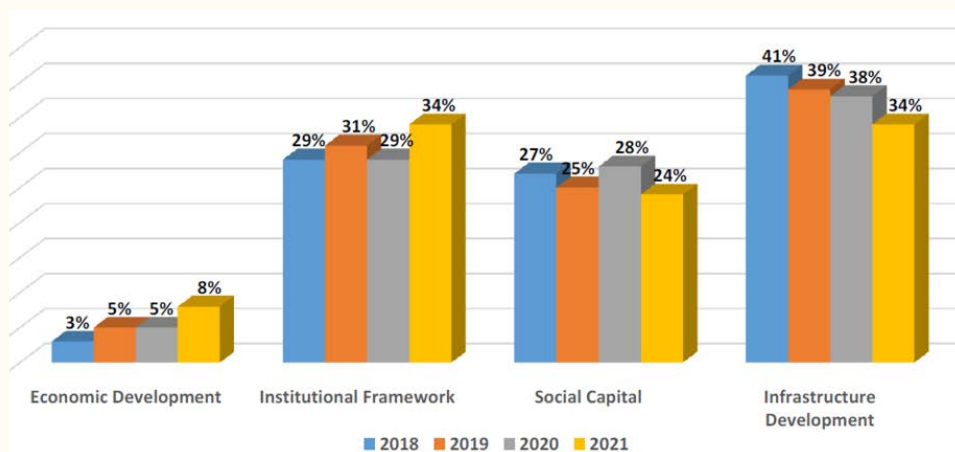


Figure 55: Distribution of the 2018-2021 budget by SDP sectors
Source: (Government of Timor-Leste, 2021b, p. 36)

did so for education, while 19% followed family members to Dili, with women more likely to migrate for this reason. Besides rural-urban migration, there is a noticeable emigration trend among young individuals, particularly those aged 15-45. An in-depth assessment conducted by the IOM and GoTL revealed that around 40,000 to 50,000 Timorese nationals were residing abroad as of 2020, mainly in Australia, Indonesia, and the UK. Approximately 55% of these emigrants are male. Most Timorese migrants are young working-age adults, with a higher likelihood of migration among men, both within the country and internationally.

Women frequently remain in their hometowns to fulfill caregiving responsibilities for children, the elderly, and individuals with disabilities.

Migration is predominantly motivated by employment, with family and friends, education, safety, and security being additional factors (IOM, 2021).

To address limited job opportunities domestically, the GoTL has facilitated the creation of employment opportunities in other countries through seasonal migrant worker programs in South Korea and Australia. The Australian Seasonal Work Programme has offered seasonal jobs in horticulture and hospitality, primarily for low-skilled workers. In South Korea, Timorese migrant workers have found employment in the fisheries and manufacturing sectors. However, upon returning home, job prospects can be challenging due to the limited development of industries such as fishing and manufacturing in Timor-Leste.

Between 2019 and May 2023, 6,149 individuals enrolled in the programme. Horticulture offered the majority of seasonal jobs, with 5,641 positions. There was a notable gender disparity, with 4,064 males and 1,577 females employed. In contrast, the hospitality sector had a more balanced gender distribution, with 54 males and 46 females employed. The meatfields sector accounted for 406 jobs (SEFOPE, 2023).

The good news is that the money sent home by people living abroad through remittances is really helping the country's economy (Good Practice 16). Remittances already serve as the country's second-largest source of foreign revenue, but the diaspora can also boost other sources of revenue, such as tourism, trade, and investment. The National Employment Strategy (2017-2030) clearly stated that engaging Timorese diaspora can facilitate skills and knowledge transfers on the areas of agriculture, fisheries, tourism, trade, and investment that are essential for Timor-Leste's development. But to make sure migration helps Timor-Leste grow in a sustainable way, it's important to also address the reasons why people left in the first place. This way, those living abroad will be more likely to invest back into the country and help it develop.

How about the situation of people with disabilities? Has it improved since the VNR-1 report highlighted the stark inequality for the people with disabilities?

The Labour Force Survey 2021 found that around 20,300 people over the age of five had some form of disability, making up 1.6% of the total population. When looking at unemployment rates based on disability status, it's clear that people with disabilities face higher unemployment rates than those without disabilities. For people with disabilities, the unemployment rate is 19.6% overall. When broken down by gender, the rate is much higher

for men with disabilities at 27.8%, while women with disabilities have an unemployment rate of 3.1%. On the other hand, people without disabilities have lower unemployment rates. The total unemployment rate for those without disabilities is 5.1%. When considering gender, men without disabilities have an unemployment rate of 4.5%, and women without disabilities face a slightly higher rate at 6.0% (Good Practice 17).

What has COVID-19's impact been on the employment and economic productivity in Timor-Leste? Can you summarize what has been done to reduce negative impacts?

Certainly, despite relatively shorter lockdown durations in Timor-Leste, the impacts of COVID-19 on employment, livelihoods, and domestic work were significant. This was compounded by a contraction in state budget spending, which left many public sector-dependent companies inactive. The MSMEs survey during COVID-19 revealed that the various movement restrictions severely affected MSMEs, resulting in disrupted supply chains, decreased demand, and reduced income. Many MSMEs also had a pessimistic outlook on their future sustainability (Box 15).

Surprisingly, almost half of the MSMEs were unaware of the GoTL's support measures aimed at assisting their recovery, particularly for informal businesses and those outside the capital city. Consequently,

they couldn't utilize these recovery measures. The survey also indicated that medium-sized businesses fared better than micro and small businesses (UNDP Timor-Leste and GDS, 2021). As discussed earlier, most of the labour force is in vulnerable employment and subsistence work. If other shocks hit the country, the vulnerable and small-scale businesses will be the hardest hit.

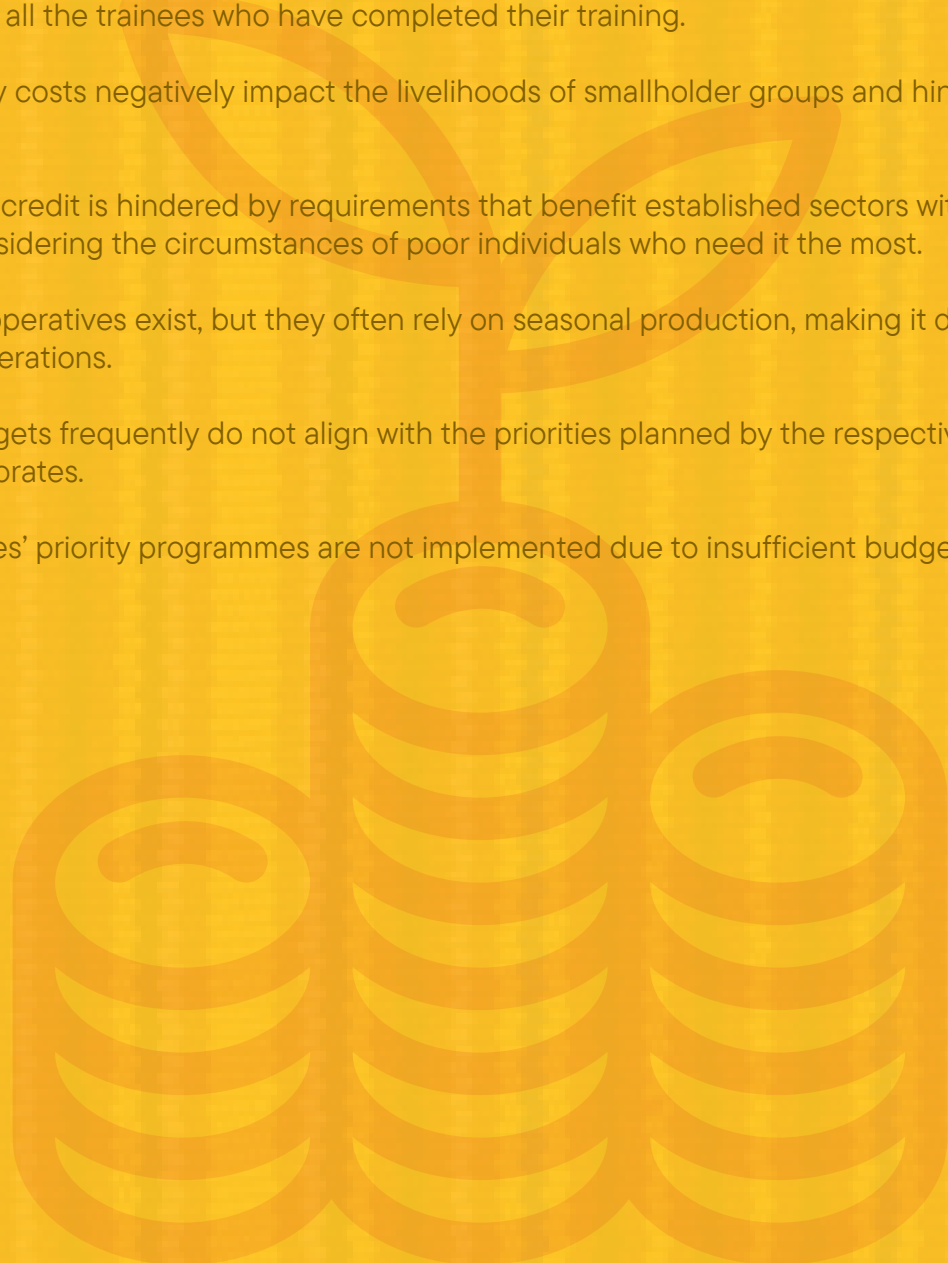
In response to the crisis, the GoTL introduced the Economic Recovery Plan. These were timely and appropriate interventions given the circumstances. However, for a sustainable recovery from the pandemic, natural disasters, and budget impasse, I believe the focus should shift towards economic diversification and the creation of decent jobs. This presents a significant challenge for the upcoming government.

VNR Consultations 10 presents national stakeholders' views on job creation and private sector development.

VNR CONSULTATIONS 10. NATIONAL STAKEHOLDERS' VIEWS ON JOB CREATION AND PRIVATE SECTOR DEVELOPMENT

During the national consultation, stakeholders from the Government, Chamber of Commerce, and civil society identified several challenges that hinder job creation and livelihood development in Timor-Leste:

- Climate change, including long-term El Niño and La Niña events, poses a significant threat to economic activities.
- The unresolved Land Law and lingering land disputes discourage potential investors from committing to investments.
- The private sector's limited capacity to invest in industrial areas has led to a shortage of employment opportunities.
- Despite some private sector investment in certain industries, there are not enough positions available to accommodate all the trainees who have completed their training.
- High electricity costs negatively impact the livelihoods of smallholder groups and hinder the growth of their activities.
- Access to soft credit is hindered by requirements that benefit established sectors with existing capital, instead of considering the circumstances of poor individuals who need it the most.
- Numerous cooperatives exist, but they often rely on seasonal production, making it difficult to maintain year-round operations.
- Allocated budgets frequently do not align with the priorities planned by the respective planning entities' directorates.
- Training centres' priority programmes are not implemented due to insufficient budget allocations.



GOOD PRACTICE 16. LEVERAGING REMITTANCES AS AN INNOVATIVE FINANCIAL DIVERSIFICATION TOOL

International remittances from the Timorese diaspora are the second-largest source of foreign revenue for Timor-Leste, primarily benefiting micro-level development by contributing to household incomes, education, small businesses, investments, access to health and social services, and general living standards. Between 2013 and 2019, Timorese received over US\$ 100 million annually in remittances, which accounted for 4.8% of the country's 2020 GDP (Figure 56). The United Kingdom, Australia, and South Korea are the top sources of remittances, sent through major outlets like Western Union and Banco Nacional Ultramarino (BNU). A joint IOM-GoTL diaspora study found that 72% of remittances were sent to support families' basic needs and care for vulnerable relatives.

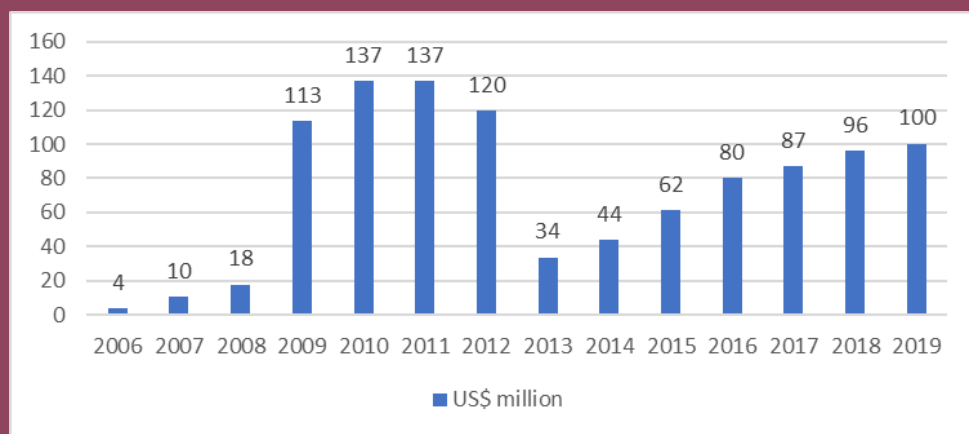



Figure 56: Annual Inward Remittance Flow (2006–2019)

Source: KNOMAD Remittances Data 2020 cited in (IOM, 2021)

Recognizing the diaspora's significant contribution to Timor-Leste's development, the GoTL created the first-ever Timor-Leste National Diaspora Engagement Policy and Action Plan 2023-2027 (2022). With support from the IOM, a Remittance Mobilization Strategy was developed to leverage remittances as a tool for financial diversification in an oil-dependent economy. These policies exemplify good practice as they address multiple SDGs simultaneously. The government actively engages with diaspora groups abroad. A dedicated Secretariat was established for Engagement of the Timorese Community Abroad, focusing on remittances and fostering economic and trade relationships between home and host countries.

To overcome the forthcoming fiscal challenges, the GoTL is embracing innovative tools for economic diversification. The Office of the Prime Minister led a Development Finance Assessment, leading to the creation of the INFF and Financial Diversification in Timor-Leste project implemented by the IOM and the Minister of Finance in June 2022. Implementing such a novel concept requires political commitment. The successful implementation of the Policy and Strategy necessitates high-level political commitment from the incoming government. Continuous support from development partners is crucial for sustainability and maximizing tangible outcomes. The governance structure of the policy should facilitate collaborative investment opportunities between the government and international cooperation partners.



GOOD PRACTICE 17. NATIONAL ACTION PLAN FOR DISABILITY: ADVANCING EMPLOYMENT AND ECONOMIC OPPORTUNITIES FOR PEOPLE WITH DISABILITIES

The GoTL showcased its commitment to improving the economic and employment prospects for people with disabilities through extensive stakeholder consultations. The consultations identified multiple obstacles to economic participation such as limited access to credit, inadequate infrastructure, and a lack of employment information. Despite these challenges, several grassroots initiatives were highlighted that are making a significant impact in supporting self-employment and small businesses, although they face limitations in funding and reach.

In response to these issues, the Government, through the MSSI, undertook a comprehensive participatory process to establish the Disability National Action Plan 2021-2030. This plan sheds light on the lack of data and awareness surrounding employment for people with disabilities and identifies necessary improvements such as accessible workplaces, inclusion in vocational training programmes, and a more supportive environment for self-employment.

Timor-Leste ratified the United Nations Convention on the Rights of Persons with Disabilities in 2022. This move, influenced by Universal Periodic Review recommendations, sets a clear framework for protecting the rights and promoting the economic inclusion of disabled individuals. Moving forward, an "independent monitoring mechanism" is needed to oversee the implementation of the Convention and the Disability National Action Plan. The proposal to establish a National Disability Council represents a significant stride towards this objective (ADTL et. al, 2021).

BOX 15. COVID-19 MITIGATION AND RECOVERY MEASURES, IMPACT ON THE ECONOMY, EMPLOYMENT AND MSMES

In August 2020, the GoTL approved a package of four short-term Emergency Response Measures under the first phase of their economic recovery plan, set to last until the end of 2020. The second phase of the Economic Recovery Plan has a “recovery with transformation” approach and aims to expand productive sectors - agriculture, tourism, and manufacturing. In 2021, the General State Budget allocated funds to address the severe impacts of Cyclone Seroja and the global pandemic crisis. In 2022, the GoTL implemented additional Economic Recovery measures to curb the rising food and commodity prices. Duration of the Economic Recovery Plan was between April 2020 – December 2022. The pandemic resulted in job losses affecting both men and women aged 15 years and above (Figure 57). In total, 11.0% of jobs were lost, equivalent to 303.4 thousand people. Men were more affected, with 6.5% (or 252.3 thousand) losing their jobs, compared to 4.5% (or 51.0 thousand) of women.

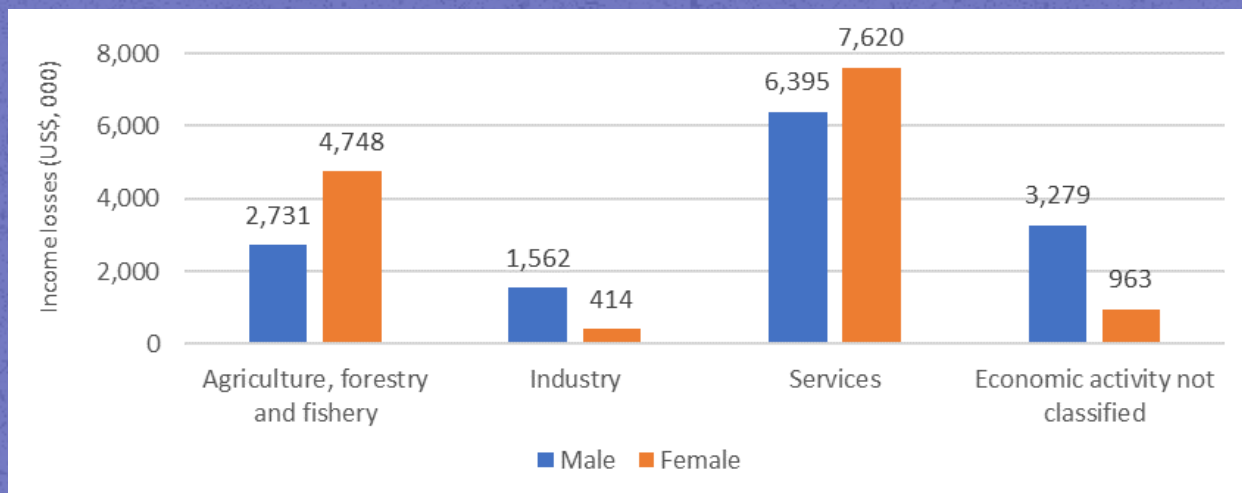


Figure 57: Income losses due to COVID-19 pandemic, by main industry and sex (US\$), 2021

Source: (SEFOPE, General Directorate of Statistics and ILO, 2022)

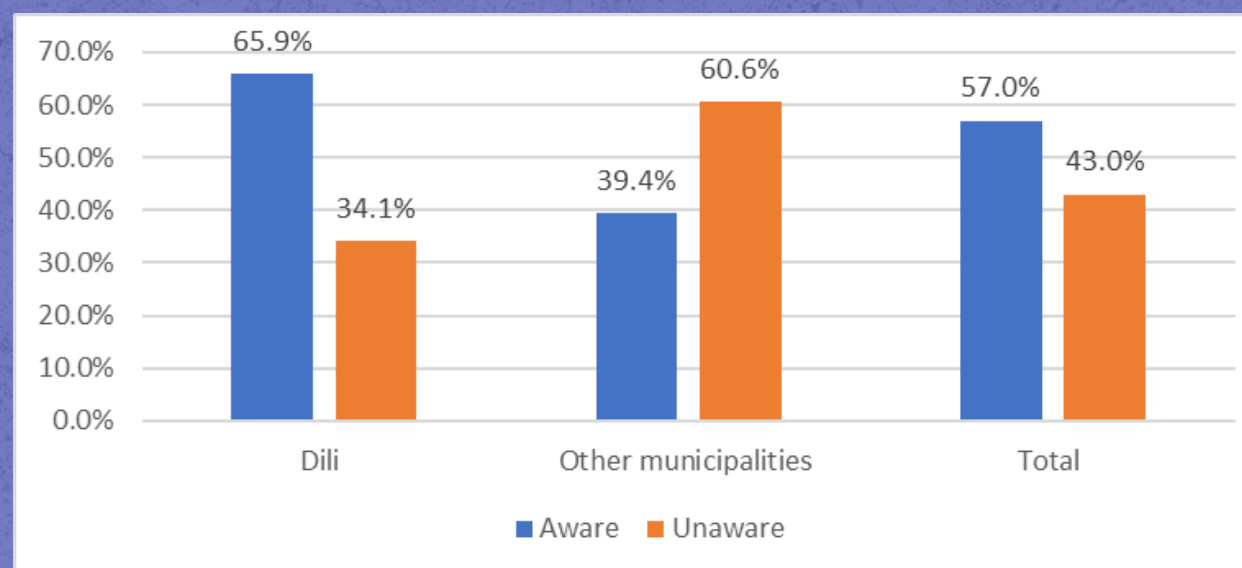


Figure 58: Proportion of MSMEs aware about the Economic Recovery Measures, 2021

Source: (UNDP Timor-Leste and GDS, 2021)

According to the SEIA-2 report, around 22% of households interviewed reported an increase in the time spent on care and domestic work. Women in age groups 25-64 were the persons who were most affected by an increase in time spent on care and domestic work.

Out of the 11,368 registered micro, small and medium enterprises (MSMEs), 8,308 (73%) are in the Dili municipality, an area where just 25% of Timor-Leste's population resides. This underscores the concentration of business activity in Dili. The State of Emergency invoked due to COVID-19 imposed longer restriction periods and business closures in Dili, which in turn, significantly impacted MSMEs.

Reasons for income loss among MSMEs were low demand from customers (57.1%), fear of catching COVID-19 (39.7%), increase in cost of supplies (28.4%) and mandatory temporary closures of businesses (24.7%). More than half (57.0%) of the MSMEs reported they were aware of the GoTL Economic Recovery Measures aimed at MSMEs (Figure 58). However, the awareness was significantly lower among informal businesses and businesses located outside of Dili municipality.



8.3 Notable policies and programmes

We discussed quite a bit about the setbacks the last four years. How about progress and achievements? What have been the notable changes in policies and programmes?

I facilitated the VNR-2 national consultation with multi-stakeholders on the economic diversification where participants from Trade Invest, Ministry of Public Works, MAF, Institute of Petroleum, TIC Timor, Chamber of Commerce, and others. All sectors expressed their optimism that the country will be going forward. They also presented challenges in order to be competitive, even after joining ASEAN, we need make significant improvements.

One progress agreed by all participants was that Timor-Leste has improved legal and policy environment to promote inclusive economic growth. The country has the National Youth Employment Policy, the National Action Plan on Women, Peace and Security and the Maubisse Declaration, has ratified the International Convention on Rights of Persons with Disabilities, and National Migration Policy to protect migrants' rights and promote their social and economic integration. Small-scale community livelihood groups and cooperatives have been active and supplying products to local markets.

Government employment promotion schemes are in operation such as the Employment Fund implementing a job guarantee scheme, cash for work schemes (R4D, Ministry of Public Works), programmes to improve youth employment and entrepreneurship skills (YEES, MTCL) (Good Practice 18).

There are ongoing government-led initiatives implemented in partnership with development partners. To name few, the Workforce Development Programme funded by DFAT has been crucial, and the YEES project led by MTCL also shows the potential of young Timorese in becoming successful entrepreneurs.

Stakeholders also mentioned having already entered Phase 2 of the SDP, the Economic Recovery Plan is more focused on transforming the economic structure and develop productive sectors. Based on the Economic Recovery Plan, it is anticipated that more funding would be directed to economic development, and particularly to subsectors of agriculture, tourism, and manufacturing. Infrastructure, critical for economic diversification has been expanding. These include providing people with road access, water and sanitation, access to electricity and telecommunication. The Institute of Equipment Management mentioned during the national consultation that at the aftermath of the Flooding, community support in remote areas in rehabilitating roads was significant.

A new Tibar Bay Port was built and launched operation in 2023. The Tibar Bay Port as the maritime freight trade and commerce will facilitate the connectivity between Timor-Leste and the global and regional markets, will support the GoTL's efforts to boost export and attract foreign investors to invest and start businesses. As I was closely observing Timor-Leste's economy, I can share that the country went through economic downturns in 2017 and 2018. To help navigate through this, the Central Bank of Timor-Leste initiated the Credit Guarantee System for SMEs in 2019, a move that has recently been fortified in May 2023 when the Council of Ministers approved the next phase of the credit guarantee system. What this programme does is that it shares credit risk with commercial banks with the intent to foster entrepreneurship and create jobs. This is achieved by facilitating the growth and formalization of SMEs, enabling access to credit in priority sectors, and broadening the reach of banking and financial services. From the consultations we've had with local communities, particularly in rural areas and among women, this programme has positively impacted the expansion of financial access for small businesses.

During the consultations, sector-specific achievements were emphasized in tourism, manufacturing, and agriculture. Timor-Leste became a signatory to the Pacific Sustainable

GOOD PRACTICE 18. BOOSTING YOUTH EMPLOYMENT: A SUSTAINABLE PATHWAY TO SKILLS DEVELOPMENT AND ENTREPRENEURSHIP

The collaboration between the MEYS and UNDP is an example of a sustainable development initiative to support youth employment. The initiative began with the 'Supporting Employment and Entrepreneurship for Women and Youth (SEEWAY) Project' in 2021, in response to the impact of the COVID-19 pandemic on women and youth-led MSMEs. Under the SEEWAY project, 125 university graduates gained internship opportunities in public and private sector institutions, with 80 subsequently securing full-time jobs. Over 250 young people also received business training, with 185 qualifying for grants to start their own businesses. This initiative also pioneered a low-interest loan guarantee scheme, which has since been made into law.

Building on this success, the 'Youth Employment and Entrepreneurship Skills (YEES) Project' was launched in 2022, with significant funding from the Korea International Cooperation Agency (KOICA) and co-funding from the GoTL. The GoTL, through the Office of Prime Minister, committed to sustain and scale up the soft loan component by investing US\$ 50 million of collateral funds in the National Commercial Bank of Timor-Leste, adding to the initial US\$ 1.4 million invested by UNDP and MTCI.

Spotlight on the YEES project

- Key focus: skills-building, career development support, establishing an online job portal
- Leadership: Ministry of Tourism, Commerce, and Industry; co-implemented by SEFOPE, government training institutions such as INDIMO, IADE and SERVE
- Collaborators:
 - Governmental departments and institutions, which target the aspects of youth employment and entrepreneurship under their purview
 - Secretary of State for Youth and Sports' Youth Centers provide capacity building, information on employment and entrepreneurship.
- Approach: Multi-stakeholder collaboration
- Target constituents: Timorese migrant workers, returnee migrants, rural youth from Baucau, Ermera and Liquica.
- Next steps:
 - Develop a tailored approach to reach additional marginalized groups in rural areas
 - Build grassroots connections with youth and disability groups
- Programme goals: reach more than 35,000 Timorese people (24,000 direct youth beneficiaries and 11,000 indirect beneficiaries) by December 2027
- SDGs addressed: Quality Education (SDG 4), Decent Work and Economic Growth (SDG 8), and Reduced Inequalities (SDG 10).





The project is currently active in four municipalities (Dili, Baucau, Ermera, and Liquica), but has the potential for expansion. The GoTL can scale up the project, extending its scope and maintaining relationships with international training institutions in countries such as Korea and Australia, thereby broadening the project's reach for seasonal workers. The project can also expand activities. For example, the project is developing partnerships with local bakeries, the Ministry of Education, and the Ministry of Agriculture, with plans to provide nutritious bread for students in Dili and Baucau starting next year.

Crucially, the evolution from the SEEWAY project to the YEES project highlighted the importance of enhancing the capabilities of not just beneficiaries, but also project partners, particularly government entities. This valuable lesson has informed the structure of the YEES project, which now includes capacity-building activities such as Training of Trainers. This aims to cultivate skilled trainers within government institutions who can effectively conduct training for project beneficiaries, thereby ensuring sustainability and broader project impacts.

Tourism Statement of Commitment and developed an Integrated Strategic Plan for tourism. Progresses mentioned by the participants in the manufacturing sector include supporting local entrepreneurs, implementing production quality certification, and streamlining legislation and bureaucracy. In the agriculture sector, stakeholders highlighted successes such as the construction of irrigation systems, livestock industry development, deforestation mitigation through tree plantation, policy support, and assistance to fishermen (VNR Consultations 11). Youth were supported in economic recovery through international study opportunities, and domestic production interventions were implemented to reduce imports. Additionally, the export of seaweed through livelihood groups, such as the Cottonii group in Atauro, has expanded, and the potential for agricultural growth was identified. The National Institute for Fisheries Aquaculture was established, improving research and development for fisheries and aquaculture. Rice production more than doubled, livestock numbers increased by 20%, and revenue generated from ocean fishing and fish exports rose between 2017 and 2021.

VNR-1 in 2019 focused on sustainability as an important area of focus. In your opinion, what does it mean in the context of Timor-Leste today?

Timor-Leste as of today is a lower middle-income country. The last four years have shown the fragility of our economic development to external and internal shocks. When the political and budget impasse were presented in 2019 and 2020, this has filtered into other sectors such as construction and infrastructure. The GoTL emphasizes the importance of a sustainable, inclusive, and resilient economy. These interrelated principles are crucial for small island developing states; however, they also involve significant trade-offs. Timor-Leste remains heavily reliant on its oil and gas reserves, which account for over 90% of the country's revenue. However, these resources are finite and are expected to be depleted within the next decade. The green and blue economy offer an alternative, diversified revenue stream that can help mitigate the country's dependency on oil.

What areas do you believe should be prioritized moving forward?

Unfortunately, today, goals related to inclusive and resilient economy remain aspirations for us. Timor-Leste needs to turn its economic goals into tangible

actions. Recognizing that Timor-Leste is still recovering, it is essential to shift from a subsidy-based economy to a resilient and sustainable one. Focus should be placed on long-term economic development objectives rather than short-term gains that might lead to long-term drawbacks. For this, there needs to be a political will to enforce sound and prudent fiscal policies. In this sense fiscal consolidation and structural reforms to secure fiscal sustainability should be implemented in the coming years. Increasing revenue from domestic tax beyond the Petroleum Fund, and government expenditure rationalization are needed in future budgets to underpin fiscal consolidation. Government spending should prioritize investment projects to enhance the productive capacity of the economy and programmes to protect the poor.

These investments should be aimed to restructure the agriculture, tourism, and renewable energy, while also commercializing and industrializing them. It should concentrate on cultivating the blue economy through the expansion of fisheries and the green economy by adopting environmentally friendly practices.

The La'o Hamutuk, independent think tank based in Dili wrote: "Diversification is not an option; it is the only way forward" (Scheiner, 2021). The stakeholders during the consultations were also in agreement with this viewpoint.

VNR CONSULTATIONS 11.

PROGRESS AND ACHIEVEMENTS IN EMPLOYMENT AND LIVELIHOODS

The results from the VNR-2 consultations on various groups' perception of achievements in employment highlight the efforts and initiatives put in place to empower different societal groups, enhance their economic capabilities, and combat discrimination.

Youth groups:

- Youth employment promotion through collaboration between government, local, and international partners
- Private sector employment opportunities for youth

Organizations for women's rights and gender equality:

- International recognition of products (e.g., tais products via UNESCO) and promotion of local products on the international market.
- Increased involvement in economic, social, and political decision-making processes
- Greater financial inclusion and opportunities for entrepreneurship due to increased access to credit and funds

Organizations for people with disabilities:

- People with hearing disabilities recruited to work in Australia and Korea

LGBTIQ communities:

- Reduced discrimination
- More accessible job and educational opportunities compared to 2019

The community in Oecusse:

- Subsidies, scholarships, housing programmes
- Overall economic prosperity in Timor-Leste
- Infrastructure improvements (roads, electricity, airport, port)

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- Subsidies, scholarships, housing programmes
- Overall economic prosperity in Timor-Leste
- Infrastructure improvements (roads, electricity, airport, port)

The community in Liquica:

- Businesses boosting the household economy
- Capacity-building
- Trader presence
- Low-interest credits
- Local business transforming seawater to clean water

The community in Baucau:

- Diverse business activities by the self-employed (e.g., horticulture, furniture industry, bakery, agriculture)
- Support mechanisms for business (e.g., employment training, low-interest credit, competitions for innovative business plans).



The focus here is not to exploiting the sea but sustainable use it.

Blue economy, defined as sustainable use of ocean resources for economic growth, improved livelihoods, and job creation, is emerging as a promising sector for Timor-Leste. The blue economy in Timor-Leste is primarily centred around fisheries, aquaculture, tourism, and shipping. Fisheries and aquaculture provide food security and support the livelihoods of a significant proportion of the population. The tourism sector, which is largely driven by marine and coastal attractions, has grown rapidly in recent years, contributing to employment and foreign exchange earnings. Timor-Leste's pristine beaches, rich marine biodiversity, and unique cultural heritage make it an ideal destination for ecotourism. By promoting sustainable tourism practices, the country can attract more visitors, generate employment, and preserve its natural and cultural assets. Sustainable fisheries and aquaculture can also help to address food security concerns, create jobs, and reduce pressure on wild fish stocks. The development of aquaculture, such as seaweed and fish farming, can provide additional income opportunities for coastal communities while also contributing to the conservation of marine ecosystems.

Through structural reforms, creating an economy that is connected to markets, resilient and innovative, generates jobs

and revenue in the productive sectors in green and blue economy, and reinvigorate agriculture. There is significant potential for Timor-Leste to develop a green economy. The country's rich biodiversity and natural resources provide a strong foundation for sustainable agriculture, renewable energy, and ecotourism initiatives. In agriculture, there is potential for expansion of organic farming and agroforestry practices, which can improve food security, enhance climate resilience, and provide additional income opportunities for rural communities. Supporting small-scale farmers through access to resources, training, and markets can help drive this transition.

In the renewable energy sector, Timor-Leste has abundant solar, hydro, and wind resources that can be harnessed to provide clean, affordable, and reliable energy. Expanding investments in renewable energy projects, particularly in rural areas, can improve access to electricity and create new job opportunities. This would also reduce the country's dependence on fossil fuels, which currently account for most of its energy consumption. In these sectors, the private sector should be the primary driver of growth, while the government's role is to facilitate and establish an attractive environment for both international and local investors. Timor-Leste should be positioned as a desirable investment hub for foreign and domestic investors alike.

At present, MSMEs are the backbone of the economy, providing jobs for the population. To support this, it is essential to provide training, create markets, and facilitate access to credit for these enterprises. We need to support self-employers to access to credit, access to market and train them – increase financial literacy as well as specific technical skills. Simultaneously, larger investments should be directed towards industries focused on export-oriented products, targeting markets in countries such as Australia, China, and Indonesia. This approach will help diversify the economy and pave the way for sustainable development. Public-private partnerships should be encouraged to share risks and draw private sector investments. Investment in private equity and backing sectors like agriculture through carefully evaluated investments can stimulate private sector involvement.

What are the other new and emerging challenges?

We are becoming increasingly aware of climate change, as Timor-Leste is small island developing state. Timor-Leste is in a region prone to natural disasters, and unfortunately, these events have had a devastating impact on the country and its people. The floods and landslides that occurred in April 2021, for example, caused significant damage to homes, infrastructure, and agriculture. Many people were displaced, and some lost their lives.

It should be noted the National Adaptation Plan (2020-2030) was approved in 2021 in Timor-Leste to respond to these challenges.

The technology dynamic where the economy is relying more and more on technology is another challenge as it will increase digital divide between Timor-Leste and other countries. We are still far behind and cannot catch up if we continue with the current speed of digitalization. Timor-Leste must prepare for this emerging challenge. The economy is not resilient enough to external and internal shocks. We still rely on government expenditure.

Although the concept of demographic dividend is not new, we still need to prioritize it. Our economy is unable to generate sufficient employment opportunities for the youth, necessitating a focus on promoting and attracting private investment. While this may take time, investing in infrastructure can create job opportunities for the youth. Additionally, supporting self-employment, particularly for micro, small, and medium-sized enterprises (MSMEs), is crucial. They need assistance in accessing credit, markets, and receiving training in financial literacy and specific technical skills.

We should continue to promote overseas employment schemes to facilitate job opportunities and remittance inflow. However, it is important to assess these schemes carefully to avoid any negative impact such as brain drain. The objective should be to enable individuals to gain employment, acquire skills, and return to contribute to the economy. Implementing a job guarantee scheme through the Employment Fund can also be beneficial.

8.4. Priorities and recommendations

Drawing from stakeholder consultations, desk reviews, an SDG Progress Assessment, and expert interviews, the VNR-2 team has identified several priorities. There is greater alignment among stakeholders that the priorities for recovery should be shaped by a people-centred socioeconomic strategy, aimed at fostering full and productive employment and ensuring decent work conditions for all.

- Focus on developing the non-oil economy through investments in productive sectors including agriculture, fisheries, and tourism as they have the greatest potential for driving structural economic transformation and generating large-scale employment. For translating the prioritization into action, development and implementation of an investment promotion strategy targeted at stimulating private investment is needed. This strategy can be coordinated by TradeInvest Timor-Leste (the Investment and Export Promotion Agency of Timor-Leste). The Investment Promotion in Productive Sectors Strategy can tackle different aspects of the business environment, investment, and export promotion in key sectors. TradeInvest already facilitates investments in productive sectors however more work is needed to develop comprehensive plans that integrate between the productive sectors, mainstreams job creation and decent work.
- In line with the Timor-Leste's Nationally Determined Contribution (2022-2030), promote a low-carbon development strategy. Timor-Leste should introduce an integrated approach that enhances the environment and natural capital, focusing on carbon sequestration potential, holistic landscape management, and resilience. This will support the diversification of the non-oil economy, leveraging opportunities in carbon markets, nature-based solutions, green tourism, and sustainable agriculture practices.
 - To enable income generation and incentivize climate activities, a policy framework should be established to facilitate local community participation in international carbon trading platforms. Additionally, promoting sustainable and climate-smart agriculture, agroforestry, composting, and land rehabilitation will enhance agricultural productivity, livelihoods, and food security.
 - To mitigate forest degradation and deforestation, sustainable forest management should be improved through initiatives such as natural regeneration, awareness-raising, customary practices, and the expansion of conservation laws. Access to climate financing and technical assistance is crucial for implementing these commitments.
- Accelerate structural reforms that aim at building a connected, resilient, and innovative economy by focusing on rural development.
 - The Ministry of Justice should expedite the implementation of the land legislation and develop support regulations and processes to effectively address land disputes and prevent future conflicts. It is crucial that this legislation minimizes the exclusion of women, youth, and other vulnerable groups, ensuring equitable ownership of land as a means for economic empowerment. The land tenure legislation should also consider improving the enabling environment for nature-based solutions.
 - Reducing electricity costs and providing access to reliable and renewable electricity in rural areas is needed. A strategic investment in urban-rural road networks to improve connectivity and economic opportunities.
 - Improving basic infrastructure in key value chains including cold chains to bridge the gap between urban and rural communities.
 - Implementation of the Strategic Plan for National Digital and ICT Development 2032 – specific focus on Goal 11 (enhance national broadband networks and improving the quality and cost of internet connectivity); and Goal 16 (Developing a strategy for the attraction of investment in digital technologies, ICT and Telecommunications).

- Address the jobs-skills mismatch in key sectors – agriculture, tourism, blue economy and entrepreneurship. The country needs experts in various fields, including marine science, fisheries management, aquaculture, tourism, and maritime transport, to drive sustainable growth in the sector. These could be addressed through a formulation of a targeted National Youth Employment Strategy.
 - Access to quality education and vocational training in the productive sectors as stipulated in respective sectoral development policies (e.g. Timor-Leste National Tourism Policy 2017-2030, The Strategic Plan of Fisheries and Aquaculture 2012-2030) should be facilitated domestically and for internationally by improving the vocational education and training and using the existing Human Capital Development Fund.
 - Develop a skilled migration programme to encourage the return of the Timorese diaspora, either temporarily or permanently. This could take the form of an exchange or skill transfer project. SEPFOPE and MNEC should lead collaborative initiatives to recruit skilled emigrants for short- or long-term exchange projects, with the objective of transferring valuable skills to local workers in Timor-Leste; this should be done in coordination with other stakeholders to identify the most needed sectors and skills, thereby enabling targeted skill transfer and contributing to the development of key sectors.
- Support entrepreneurship and small business development to harness the demographic dividend and empower the youth population.
 - Financial support measures such as low-interest loans for citizens and reviewing credit laws to facilitate group access to credit. This will stimulate economic activity, reduce unemployment rates, and promote economic growth.
 - Empowerment of local communities by fostering community engagement, promoting local initiatives, and providing resources and support for community-led projects. This can include initiatives for economic development, sustainable practices, and social cohesion.
 - Provide capacity building and self-employment training programmes specifically tailored to equip youth with the skills necessary for job creation and entrepreneurship. This can be achieved through the establishment of training centres focused on the industry sector. Additionally, create activities for young people that foster creativity, innovation, and leadership development to unlock their potential. Initiatives such as YESS, Workforce Development Programme, Seasonal Work Programme should be scaled up. Again, the formulation of a targeted National Youth Employment Strategy would support implementation of these initiatives through strategic planning, development of roadmaps and comprehensive M&E.
- Develop programmes aimed at reducing women’s unemployment and promoting their access to employment in the formal sector and social security coverage. This includes a focus on women with disabilities, to ensure that they have access to social protection, including maternity protection.
- Revitalizing the agriculture sector is crucial to fostering sustainable growth. Allocate a larger percentage of the state budget for agriculture to accurately reflect the economic diversification priorities and provide necessary resources for sector development. Construct irrigation systems and invest in agricultural infrastructure to improve production capacity and yield.
 - Strive for greater self-sufficiency in food production by cultivating a variety of agricultural products for domestic consumption and global markets, including staples, livestock, fruits and vegetables, and cash crops. Support local food products through training and marketing support, establish a market network for local goods, enhance fishing techniques knowledge, and provide necessary equipment to agricultural groups.
 - Introduce production cycle management practices, establish quality certification for products, standardize production processes, and closely monitor food security groups to ensure consistent quality and safety.

-
- Enhance opportunities for people with disabilities. It is noteworthy, however, that disability organizations and disabled people's organizations have incorporated economic empowerment and subsistence activities into their core programmes. The GoTL, on its part, has yet to establish commercial incentives that would encourage employers to hire individuals with disabilities. Integrate the concept of job coaching into SEFOPE on-the-job training programmes. This will not only improve employment prospects for people with disabilities but also promote an inclusive and diverse workforce.
 - Continue investments in climate resilient infrastructure is key to building resilience to natural disasters and further integrate the National Adaptation Plan into budgetary planning. There should be greater investment in disaster risk reduction measures, including the rehabilitation of damaged infrastructure, and implementation of measures to protect areas at high risk of disasters.
 - Enhance data collection on consumption and production within the agricultural sector to gain a better understanding of its needs and effectively plan interventions. Data and statistics pertaining to employment of people with disabilities in both the private and public sectors remain limited and needs to be improved. The 2020 Population and Housing Census has used the Washington Group of questions, however the quality and administering of the questions should be enhanced.

PART III. INSTITUTIONS AND IMPLEMENTATION

9. INSTITUTIONS THAT DELIVER FOR THE PEOPLE

The role of effective institutions and partnerships is crucial for accelerating the implementation of the SDGs. These institutions have a significant impact on policymaking, resource allocation, capacity building, research, advocacy, and overall development. The VNR-2 report emphasizes the importance of institutions that cater to the needs and expectations of the people they serve, ranging from public services like healthcare and education to regulatory oversight, protections, and social services. By ensuring the functionality and responsiveness of these institutions, we can create an enabling environment to achieve the SDGs and enhance the well-being of communities.

Collectively, the four young people in 2002 expressed a desire for a peaceful, united, corruption-free, and democratic Timor-Leste, emphasizing the need for responsible leadership and unity among the populace:

- Latonia M.L Araujo hoped that by 2020, Timor-Leste will have achieved greater freedom and democracy, and she urged the country's leaders to act selflessly and work for the benefit of the people. She expressed that love, peace, and collaboration will help build a better nation.
- Bemvinda Da Costa envisioned a Timor-Leste without corruption, hoping that its eradication will lead to improvement in the country by 2020.
- Ivo Jesuino G. Araujo emphasized the importance of mutual understanding to prevent violence, including domestic violence.
- Jose M, Marcal pleaded for unity among the country's leaders, calling for an end to internal conflict as seen in the past. He also emphasized the need of eradicating corruption and domestic violence.

Under Part 5 of the SDP on Institutional Framework: Public sector management and good governance sub-goal stipulates: 'By 2030, the public sector in Timor-Leste will be central to building trust in government, which is a prerequisite of nation building'.

9.1. SDG 16 progress assessment

Under Part 5 of the SDP on Institutional Framework: Public sector management and good governance sub-goal stipulates: 'By 2030, the public sector in Timor-Leste will be central to building trust in government, which is a prerequisite of nation building'.

SDG 16 aims to promote just, peaceful, and inclusive societies that are free from fear and violence. SDG 16 was the overarching theme for VNR-1 and the key achievements and challenges related to the goal were extensively reported. Figure 59 shows SDG 16 and 17 overall progress, while Figure 60 shows SDG 16 progress at the target level.

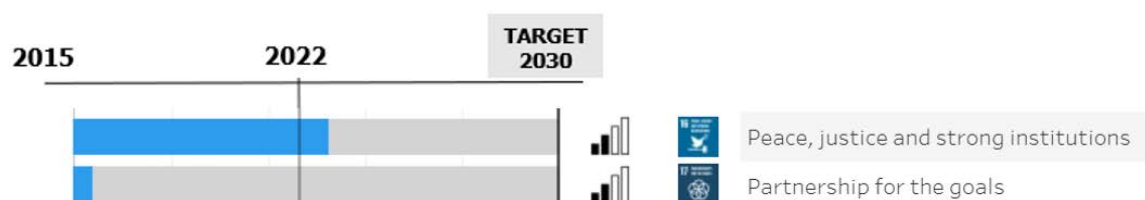


Figure 59: SDG 16 and SDG 17 progress assessment snapshot

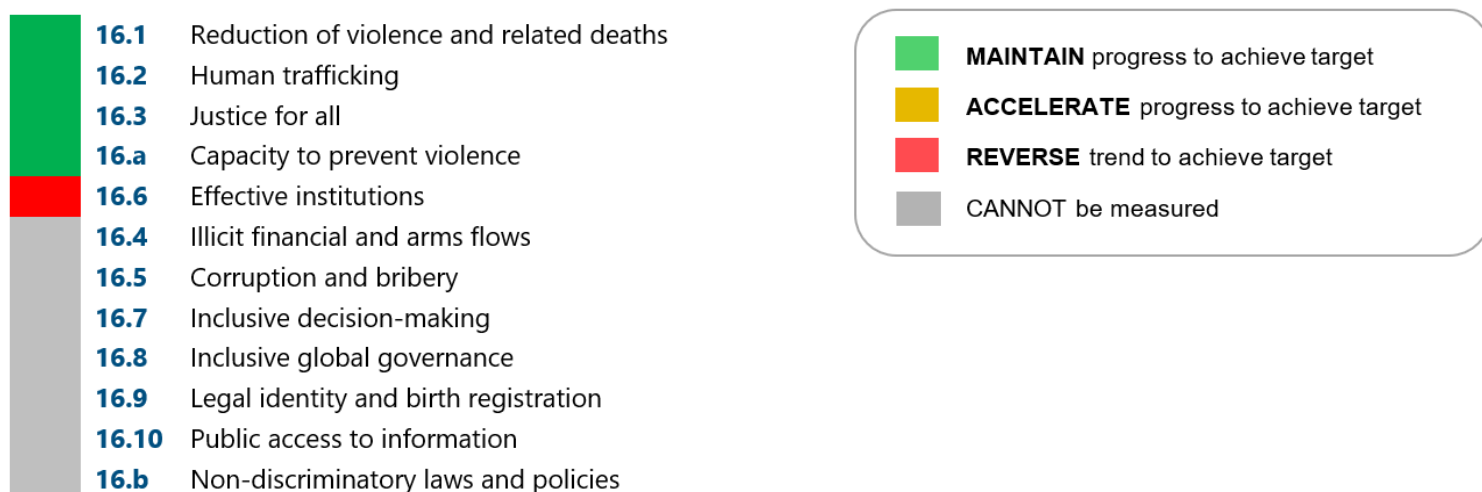


Figure 60: SDG 16: Peace, Justice, and Strong Institutions, progress at the target level
Source: (ESCAP, 2023b).

The following five targets are on track to be achieved by 2030 if progress is maintained.

- **Target 16.1** aims to significantly reduce all forms of violence and related death rates everywhere. The number of intentional homicides per 100,000 population decreased from 4 in 2015 to 5.1 in 2016. Data for subsequent years is missing. The target value is set at 29.4.
- **Target 16.2** aims to end abuse, exploitation, trafficking, and all forms of violence against children. The number of detected victims of human trafficking varied, with 20 victims in 2015 and 2 in 2017. No data is available for the remaining years. The target value is 0.
- **Target 16.3** aims to promote the rule of law and equal access to justice. The percentage of unsentenced detainees in the prison population fluctuated from 76.1% in 2015 to 23.82% in 2016 and 23.2% in 2017. No data is available for subsequent years. The target value is set at 0.
- **Target 16.7** aims to ensure responsive, inclusive, participatory and representative decision-making at all levels. It is measured by the ratio of female members of parliaments to the female national population. The indicator has shown an increasing trend, reaching 0.8048 in 2022. The target value set is 1.0.
- **Target 16.a** aims to strengthen national institutions to prevent violence and combat terrorism and crime. National Human Rights Institutions in compliance with the Paris Principles consistently receive a rating of "Yes" (1), indicating compliance.

One target is showing a regression and needs to be reversed:

- **Target 16.6** focuses on effective institutions, measured by government expenditures as a percentage of the original approved budget. The indicator shows fluctuations, with spending exceeding the budget in 2016 and under-spending in subsequent years, particularly in 2022 when expenditures dropped to 54.48%. The target value is 100.

For the remaining targets, there is a lack of data to assess progress.

- **Target 16.9** Percentage of Children Whose Birth is Registered: The percentage of children under the age of five whose birth is registered with a civil authority was reported as 60.4%. The target value set by ESCAP is 100.

This chapter explores the 'enabling environment for SDGs implementation'. The underlying principle is that effective service delivery and entrepreneurial diversification can be achieved through comprehensive government reforms, policy coherence, digitization, and the creation of appropriate financial structures.

To delve deeper into these topics, the VNR-2 team conducted interviews with three experts. The Minister of Finance of Timor-Leste on development financing, the Commission of Civil Services on institutional and civil service reforms. The team also consulted with a representative from a Civil Society Organization to gain insights into ongoing reforms. This chapter presents the findings from these expert interviews, national and local consultations, and desk review.

9.2. Progress and challenges: Inclusive and effective institutions

Good governance presents a set of underlying challenges that impact the implementation of the SDGs and SDP. These challenges encompass the need for enhanced coordination in policy planning and implementation, bolstering institutional capacities, and fostering evidence-based decision-making. These issues pertain not only to financing and budgeting but also to the functioning of the civil service. To delve deeper into these matters, the VNR-2 team conducted an interview with Maria Oliveira, shedding light on the ongoing public administrative reforms, particularly in the areas of human resource management and development.



Maria Oliveira currently serves as the Executive Secretary (General Director) for the Civil Service Commission. She has an extensive career in civil service. Previously, she served as the Chief of the Department of Planning, Administration, Logistics, and Finance of the Civil Service Commission and the Chief of Cabinet (National Director) of Support to the Executive Secretary of the Civil Service Commission Secretariat.

“The most significant gap in policy and programme implementation relates to the digital literacy of most civil servants. Changing the organizational culture poses another challenge, as implementing new tools and strategies requires more time initially, though they bring long-term benefits.”

How do you interpret these postcards written by the youth of Timor-Leste in 2002?

Maria Oliveira: The postcards prompt me to evaluate the performance, responsiveness, and accountability of our institutions. They urge a critical look at our institutional structure, celebrate our achievements, and pinpoint areas needing improvement. The goal is to ensure our institutions optimally serve our people's needs. A recurring theme in the postcards is the challenge posed by corruption. In this regard, the GoTL has instituted several anti-corruption measures, including setting up the Committee Against Corruption, the Scientific Police for Criminal Investigation, the Ombudsman for Human Rights and Justice (PDHJ), the Audit Court, and the Civil Service

Commission. These bodies, though, still lack the experience and skills to probe major corruption cases and tend to concentrate on minor, politically safe issues.

There are frequent public grievances about corruption in the recruitment process of the civil service, submitted to the Civil Service Commission. To reduce the risks of corruption, the Commission has prioritized the implementation of e-recruitment and merit-based selection methods since its second mandate. These practices not only ensure transparency but also extend to career progression through the use of e-recruitment tests.

VNR CONSULTATIONS 12. CONCERNS ABOUT DECENTRALIZATION PROGRESS

The VNR-2 team held extensive consultations on the challenges, progress, and priorities of respective SDGs in Timor-Leste. Several challenges expressed by various groups.



In Liquica, there are issues related to the legal framework and municipal instruments. While laws exist, there are issues with implementation, indicating a potential disconnect between policy creation at the central level and its execution at the municipal level. The belief that central governments are not serious about delegating competencies as per the law further amplifies this concern. Regarding municipal planning, while investment plans are in place, they are impeded by insufficient funding, potentially limiting the implementation of strategic initiatives. Procurement challenges are rooted in the misalignment between municipal procurement rules and actual practice, with the national level managing budget plans below \$500,000 contrary to stipulations. Furthermore, the budget allocation does not seem to align with the municipal priority plan, hinting at a top-down approach in budget allocation rather than a participatory budgeting process.

In Baucau, the challenges are primarily infrastructural and related to fiscal decentralization. Poor internet speed and inconsistent electricity supply potentially hinder the provision of basic services and impede technological advancement and economic development. The funds being centralized in the central government point to issues of fiscal decentralization and local autonomy. The lack of standardized municipal urban roads might indicate issues with infrastructure development and maintenance.

The multi-stakeholder national consultation on decentralization brought up several issues spanning political instability, policy implementation, human resources, monitoring, evaluation, and planning at both the national and municipal levels:

- Political instability across various government institutions is a major impediment to effective service delivery. This instability, manifested through changing governance methods, has the potential to disrupt continuity in public services, hampering their efficiency and effectiveness.
- A lack of human resources, with some personnel not assigned to suitable areas of work, and facilities being inadequate. The consultation suggested the need for a more strategic approach to human resource management, focusing on aligning individuals' skills with appropriate roles and ensuring adequate resource provision for efficient operation.
- The multi-stakeholders raised concerns about the quality of monitoring and evaluation at the national level.
- Ambiguity regarding the decentralization of certain services such as those related to agriculture was highlighted. The question of whether these services should be managed at the municipal or national level implies the need for greater clarity in decentralization policies.
- Finally, the challenges in the formulation and approval of the Municipality Plan were mentioned. The intent to involve various directors and department heads in the planning process is a positive step towards participatory planning, although the plan does not pass through the National Parliament.

The VNR-2 consultations indicated that the capacities of local governments and their human resources are inadequate. There is a call for decentralization. How can the Timor-Leste government address this in the next 4-5 years?

Currently, municipalities can implement services including hiring for schools and local health roles, agriculture extension works and public infrastructure works (up to \$500,000 annually) and local programmes such as the Merenda Escolar. As the VNR consultations on decentralization progress and challenges indicate, delegation of functions, insufficient funding, procurement, and lack of human resources remain key challenges (VNR Consultations 12).

There is a need to delegate more functions to municipalities for effective public service delivery. This necessitates facilitating civil servants' transfers to municipalities. The government should create the conditions that allow civil servants to be stationed in municipalities and administrative posts. With appropriate incentives, Dili-based civil servants may opt to return to their hometowns. The Government should develop a comprehensive plan with defined strategies, targets, and timelines to implement decentralization effectively. Regular progress assessments will be crucial in identifying areas requiring adjustments to achieve the desired outcomes.

The VNR consultations also recommended having skilled human resources in vital sectors like education and health. Can you elaborate?

As a member of the Civil Service Commission, I can confirm our focus on improving human resources. In the past 4-5 years, the Civil Service Commission has helped public administration organizations in devising their staffing profiles to ascertain personnel needs and develop recruitment and training strategies. There is proposed legislation to improve staff recruitment and mandate a clear definition of staffing needs, which is pending government approval.

In terms of human resources, it is crucial to increase civil servant mobility from the national to the municipal level. As municipal structures gain more competence in delivering public services, priority should be given to stationing civil servants in these municipalities.

However, in addition to the existing gender gap in the civil service, this might pose difficulties for female employees to move unless a comprehensive support for relocation for jobs is provided for the whole family.

As of May 2023, there were 36,198 employees, showcasing a notable gender disparity (Figure 61). In the permanent employees category, 18,435 are male and 9,268 are female, highlighting a male-dominated representation. Similarly, among non-permanent employees, there are 4,908 males compared to 3,587 females. Only 2.4% of the total public servants fall within the 18-30 age range.

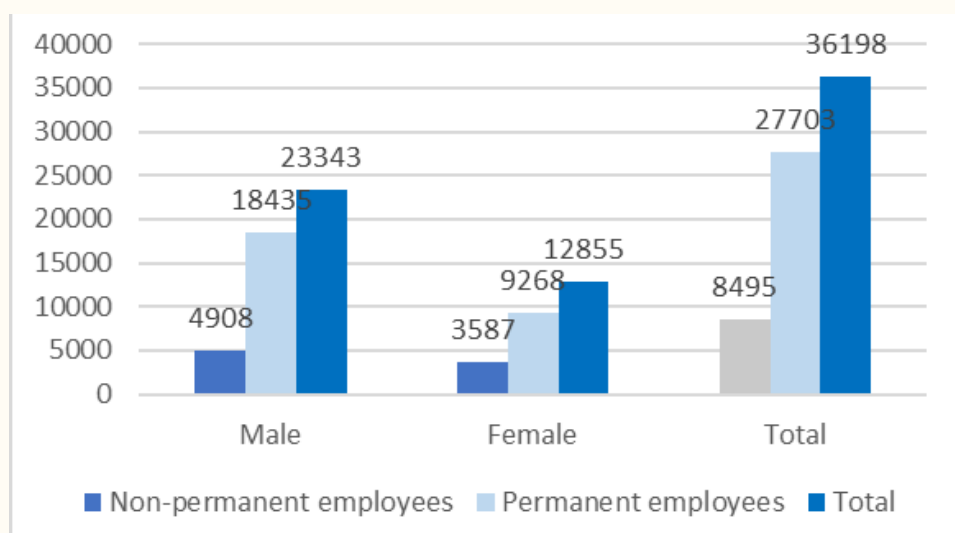


Figure 61: Number of public servants (permanent and non-permanent), 2023
Source: Data obtained from the Civil Service Commission, as of 13 May 2023

We can see that gender gap in civil service is quite large. Could you provide an update on the representation of women in decision-making and leadership positions in Timor-Leste?

Following the 2018 national election, we have seen positive developments in terms of female representation in decision-making positions. Currently, 40% of parliamentarians are women. Furthermore, women make up 33% of members in local Suco (village) councils, indicating progress in their participation at the grassroots level. However, it is important to note that when it comes to the representation of women in leadership positions, there are still large gaps. Out of 442 Suco Chiefs, only 21 are women. Also, from the 13 Presidents of Municipalities, only one President is female (Box 16).

One significant highlight worth mentioning is the commitment made by the Technical Secretariat for Electoral Administration (STAE) to ensure greater female representation in the electoral process. The Technical Secretariat for Electoral Administration has pledged to have 50% of polling station staff composed of women, which is a commendable step toward increasing female trust and confidence in the electoral process. By having more women involved in the administration of polling stations, it enhances inclusivity and helps promote gender equity in the democratic processes of the country. The development of a Gender Baseline Study in conjunction with recent CEDAW

recommendations yields to a legislative roadmap for National Parliament to establish clear guidelines for a legislative strategy to strengthen women's rights.

Gender-responsive budgeting in Timor-Leste includes specific gender requirements in Budget Circulars, budget preparation, budget review processes, budget monitoring, and budget reporting. The government has conducted an analysis of expenditures versus resources allocated for gender equality. The Gender-responsive Working Group made nine submissions on the state budget to the National Parliament (World Bank, 2020).

Can you elaborate on the challenges encountered in the planning and execution of national programmes in Timor-Leste?

There is a notable discrepancy between the planning and execution of national programmes. Plans are often ambitious and broad in scope but executed in limited areas. Our plans need to align more realistically with our execution capacity. In my opinion, the most significant gap in policy and programme implementation relates to the digital literacy of most civil servants. A wider understanding of current ICT tools would be essential in executing numerous public service-related activities. There is a disconnect between the macro stages of implementation and control, such as linking global objectives, goal definition, and operational

activities, which often suffer from poor communication and documentation. Changing the organizational culture poses another challenge, as implementing new tools and strategies requires more time initially, though they bring long-term benefits.

The VNR-2 consultations show that ensuring access for all vulnerable citizens and addressing systemic shortcomings in various areas such as youth empowerment, women's rights, disability inclusion, and LGBTIQ equality is crucial. The group consultations also highlight the need for systemic changes in societal attitudes and legal frameworks to accommodate the diverse needs of marginalized communities and promote inclusivity.

Ultimately, I would like to add that an effective implementation of the national policies and public services require a robust M&E framework and tools to assess the implementation of each action plans. A robust monitoring will not only help ensure the implementation is strong and efficient but will also allow rapid adjustment and regular improvements. This is one area we can significantly improve in ensuring institutions in Timor-Leste deliver for the people.

VNR Consultations 13 presents key setbacks facing effective institutions.

BOX 16. GENDER EQUALITY IN POLICYMAKING: THE CASE OF GUILHERMINA SALDANHA, THE FIRST FEMALE PRESIDENT OF A MUNICIPALITY IN TIMOR-LESTE



Guilhermina Saldanha, the first and only female President of a Municipality in the country, is an inspiring case study of breaking gender barriers and assuming a leadership role. She started her political career through community development initiatives and active involvement in grassroots organizations. Advocating for women's empowerment, social justice, and local governance, she dedicated herself to improving the lives of marginalized communities, ultimately choosing to pursue a career in politics.

She highlighted: “In my family, we have equal opportunities and respect for each member. As the eldest daughter, I continue the tradition of respecting the hierarchy, just like my mother, and we all value the importance of family dynamics and mutual respect. This gave me an opportunity to be confident”.

Her political career has not been without challenges. She explains how she became the first female President of a Municipality: “In 2020, I applied for the position of President of the Authority of Dili Municipality. The competition was intense, with numerous political candidates competing for the role, including two women. Despite facing challenges and protests which claimed that the position should be held by a man, I persevered. It took approximately five months for me to be inaugurated”. She confronted cultural and societal barriers that challenge women's leadership abilities, acknowledging the difficulty for women to compete with men and access opportunities in today's society. Gender bias and societal expectations can create obstacles for women in politics, impeding their career progress.

As the President of a Municipality, Guilhermina Saldanha made significant contributions to her community. She prioritized infrastructure development, improved access to education and healthcare, and initiated programs to alleviate poverty and create economic opportunities for marginalized communities. Saldanha actively engaged with citizens, CSOs, and local stakeholders to ensure community participation in decision-making.

Saldanha implemented legal and policy frameworks like CEDAW and NAP 1325 to promote women's participation and equal leadership opportunities. The Timorese Electoral Law upheld a quota system for parliamentary elections, resulting in women accounting for 40% of the parliament by 2022, surpassing regional and global averages. However, representation of women at the local level remains insufficient, with only 4.6% of Suco Councils Chiefs being women.

In the 2022 Presidential Elections, Timorese women exhibited active political involvement, with higher participation rates than men. Despite this, the representation of women in senior executive positions remains alarmingly low. In October 2021, the SEII and CSOs introduced the Strategy Framework for Strengthening Women's Leadership and Participation in Elections.

VNR CONSULTATIONS 13.

KEY SETBACKS FACING EFFECTIVE INSTITUTIONS

The VNR-2 team held extensive consultations on the challenges, progress, and priorities of respective SDGs in Timor-Leste. Several challenges were expressed by various groups.



Youth groups:

- Lack of policy assessment and capacity-building for civil service staff
- Lack of sustained youth empowerment policies
- A need for programmes that equip youth with skills to compete and contribute on global platforms

Women's groups:

- Reluctance of political parties to entrust women with leadership positions
- Deep-seated cultural and structural barriers resulting from the patriarchal system
- Lack of plan for implementation of budgets allocated for gender equality
- Socialization/training activities have only incidental capacity-building and limited focus on Dili

LGBTIQ communities:

- The absence of laws protecting the LGBTIQ community
- Widespread misunderstanding about sexual orientation
- Continued discrimination
- Limited confidence in the justice system
- Necessary information and resources are not available in rural areas

Organizations for people with disabilities:

- Absence of sign language translators in judicial proceedings
- Lack of understanding by National Police on how to assist victims with disabilities
- Judges have insufficient knowledge in handling cases involving people with disabilities, particularly sexual abuse cases against women with disabilities
- Lack of service documents for people with disabilities at the municipal level
- Ineffective case service system

9.3 Progress and challenges: Financing the SDGs



Rui Augusto Gomes has been the Minister of Finance for the eighth Constitutional Government since November 2020. He has served as an economic adviser to President General Taur Matan Ruak, Chief of Staff, and the Minister of Planning and Finance from 2017–2018. His career also includes 11 years at UNDP heading the Pro-Poor Policy Unit and acting as an Assistant Country Director and three years as Economic Specialist at the Asia-Pacific Resource Centre in Bangkok. He is a seasoned economic researcher and policymaker specializing in poverty, human capital, structural change and fiscal policy in Timor-Leste.

“We need to show that Timor-Leste is a reliable partner and ensuring that investing in the country and its people produce results and contribute to global stability, reduction in global inequality, and the common socioeconomic progress of the world. Lessons learned from the key policy and programme reforms is that before making systems more complex, we should optimize and improve what is already in place.”

Several previous chapters in this report with sector-specific focuses underscored the necessity of increasing investment, enhancing the efficiency of public expenditure, and funding high-impact interventions. Now, we'd like to delve more deeply into the financial aspect of SDGs in the coming years. Could you please provide some insight into the current state of SDG financing in Timor-Leste?

Rui Augusto Gomes: *The Public Expenditure Review conducted in 2021 pointed that if Timor-Leste's public expenditure continues to grow at the current pace of 28% per year, the Petroleum Fund could be depleted by the end of the decade. Therefore, in addition to improve fiscal sustainability and the quality of public spending, the GoTL needs to be innovative and use various strategies can be employed to expand the fiscal capacity for the SDGs. These include aligning public spending with new priorities, implementing tax reforms to support sectors crucial to the economy and public policy, and introducing initiatives that encourage a shift from informal to formal economic structures. Furthermore, ODA in the form of both grants and concessional loans, among other approaches can be sought.*

First, I would like to discuss about improving domestic resource mobilization. It would depend on how domestic resource mobilization is defined. The reality is that Timor-Leste funds its expenditure mainly with domestic resources, since the ODA and the external loans' disbursements that we plan to get in 2024 is less than 10% of the total State Budget. It is true that most of the State Budget is financed through the Petroleum Fund, circa 60% for 2024 estimates. Thus, the main challenge is to extend the life of the Fund and diversify the sources of domestic revenue. This includes the creation of new taxes, in particular over activities that produce negative social impacts like environmental pollution and degradation, consumption of goods associated with health problems, but also of new tax instruments that allow to identify and reach wealthy citizens with higher capacity to pay more taxes, who currently are out of our radar. However, although the creation of new taxes and/or the increase of tax rates to those who can contribute more is part of the strategy for domestic revenue mobilization, strengthening the sustainability of Timor-Leste public finances must first and foremost rely on the expansion

of the tax base by bringing more citizens into the formal economy, creating decent, well-paid, productive jobs, supporting the development of national industries MSMEs, and investing in the economic sector where we have comparative advantage like the blue economy, agro-industry or ecotourism.

Second, in terms of ODA, it is declining and a similar trend affecting all developing countries. Particularly following the COVID-19 pandemic, donor countries have changed their priorities and the size of their ODA budget to support their internal needs and to increase the capacity of assistance in case of future health crisis. Moreover, we have seen a decrease in ODA financing worldwide and, in the case of Timor-Leste, as it develops and grows, development partner push for other alternative sources of financing, like concessional loans and grants from multilaterals. But also, it is my belief that this is the result of the efforts we have made to strengthen our public financial management systems, our own financing capacity, and the channelling of our partners' support through the State Budget – direct budget support. Every year in June or July there is a Development Partners Conference to discuss what has been done, what should be prioritized, and other high-level issues regarding the implementation of the SDGs.

What can be done to increase the ODA in the coming years?

Timor-Leste needs to take advantage of its geo-strategic position in the region, by maintaining its strategic partnerships with its traditional partners (e.g., European Union, Australia, USA, Korea, Japan) and, at the same time, seeking to build new relationships with emerging global players including China and ASEAN to assist the country where the former donors were not able to assist. Also, Timor-Leste needs to strengthen its financial system to channel more resources through the State Budget and its own national systems, advocating for more country programmable aid in international institutions and discussion forum, showing that Timor-Leste is a reliable partner, and ensuring that investing in the country and its people produce results and contribute to global stability, reduction in global inequality, and the common socioeconomic progress.

How about the current implementation of the INFF? What is working well and what is not so far?

The INFF process is useful as it supports identifying innovative financing possibilities. In Timor-Leste, the INFF was launched recently, and the state of implementation is rather low, leaving apart the initiatives contained in it that were already being implemented by the GoTL. Apart from the inherent difficulties to further mobilize domestic revenue for a small

island development state and a least developed country like Timor-Leste, some of the INFF's recommendations are beyond the capacity of the Government to implement, including the establishment of blue carbon markets. Other areas like the introduction or increase of health taxes have already been applied. National Remittance Mobilization Strategy has also been approved. The INFF is a solid product, but it lacks a road map or clear implementation plan to materialize it into sequenced and costed effective policy actions. Therefore, further work is needed to draw a more specific road map.

One of the main obstacles in effective service delivery, particularly for initiatives like the School Feeding Programme was the recurring issues of budget approval, disbursement, and procurement delays. What factors have been contributing to these delays?

As the only Government procurement body, the National Procurement Commission, which is an autonomous public entity under the tutelage of the Ministry of Finance, has completed 349 procurement processes in the last five years (2018–2023). The number of procurement processes is significantly higher compared to the period under previous governments, even with very limited human resources with procurement qualifications. However, most of the delays in the procurement process can be explained by the absence of proper procurement plan at the line ministries.

As a result of poor planning, the National Procurement Commission receives most of the procurement requests by the line ministries (i.e., the project owners) in the third and fourth quarters of the year. Normally, a procurement process takes four to six months to complete depending on the complexity of the project, as well as the response provided by the project owner to technical questions raised during the bidding process. If a project is worth US\$ 5 million and above, the Audit Court has to approve, and this will add to further delays. As with the quality issue of the projects, the responsibility falls upon the project owner and or the National Development Agency. The latter verifies the price/cost of the bidding documents. This contributes to more delays in the process. The National Procurement Commission ensures that all the procurement processes follow the best international quality standards. Furthermore, delays in the procurement process can be attributed to bureaucratic and administrative approval processes based on Decree Law 10/2005. This decree law was then simplified in the Decree Law 22/2022. However, the procurement period is still lengthy due to the constraints referred to above. The National Procurement Commission have suggested minor revisions to the Decree Law 22/2022 in order to expedite the whole process.

There are also several reasons for lower rates of budget execution. The tendency to increase the State Budget without being accompanied by

adequate implementation capacity might end up in a downward trend in budget execution. The general pattern that we see in other countries shows that larger budgets generally end up in lower execution rates. Other factors include especially in the past three years, is the impact of the COVID-19 pandemic on public works and infrastructure development – which traditionally absorbs an important share of Timor-Leste's budget. The impossibility to approve the budget following the normal cycle in some years, thus forcing the State to function with the duodecimal regime, and the proliferation of public entities included in the budget, some of which especially Public Agencies and Institutes having ad hoc mission result in lower capacity to deliver than the line ministries and secretaries of state.

Could you explain the progress of the various public financial management reforms the GoTL has been undertaking? And what are the emerging lessons?

The Ministry of Finance has been working on the Public Finance Management Reform, which is a key priority of the Program of the eighth Constitutional Government. There is limited use of evidence in the preparation and allocation of budgets, which contributes to allocative inefficiencies in spending. Therefore, to address this issue, we have introduced five different markers in our public financial management system (gender, children, climate, nutrition and value

chain). I would say that the stage of development of the tagging system is middle-low. With the introduction of the markers, we can already produce some analysis about how public resources are planned to be used in order to address the need of some of the most vulnerable sections of the population and critical global issues.

Nevertheless, the system still needs to be developed to allow for more detailed analysis and be more comprehensive. The gender marker, for example, although it covers the full budget perimeter, is not applied at the activity rather at the subprogram level. The other markers, despite being applied at the activity level, they cover only a limited part of the budget perimeter. To enhance data quality, it is recommended to follow tagging guidelines and invest in accurately tagging all budget lines. Additionally, using evidence-based analysis would further improve the generated data. Currently, the markers are integrated into the Dalan ba Futuru system but not in the Financial Management System, making it challenging to track budget reallocations using the markers. This lack of integration necessitates extensive manual work to analyze actual expenditure. The key lesson learned is the importance of optimizing and improving existing systems before introducing new markers or complexities, as implementation gaps tend to accumulate over time.

There are several discussions about the need to have fiscal sustainability and a gradual exit from Petroleum Fund excess withdrawals. Given this strategy, what are the synergies or trade-offs between increasing the social sectors financing and ensuring fiscal consolidation?

While there's potential for the Petroleum Fund to expand and prolong the timeline for government expenditure through additional revenue from new oil or gas fields, we're currently facing limitations in terms of broader financing options. Yet, I don't see a trade-off between investing in social sectors and ensuring fiscal consolidation. Prioritizing social sectors such as health, education, and social protection is crucial in building a productive labour force that can contribute to the country's socioeconomic development. The impact isn't only through the production of goods and services in the private market, but it's also felt in the generation of income for families, profit-making that aids the growth of MSMEs, and the contribution of taxes and social contributions. By remaining healthy, citizens reduce the strain on the public health care system, and as law-abiding individuals, they avoid participating in criminal activities or conflicts, which incurs both direct and indirect public expenses.

As I mentioned, increasing financing for social sectors can be effectively executed by expanding Timor-Leste's tax base bringing more citizens into the formal economy; creating

decent, well-paid, productive jobs; supporting the development of national industries and MSMEs; and investing in the economic sectors where Timor-Leste has comparative advantage like the blue economy, the agro-industry or the ecotourism for which quality education and health are essential.

How is the decentralization reform, which aims to enhance municipal autonomy in service delivery and finance management, progressing? What are the next steps?

This is a rather complicated issue. People in various locations have diverse preferences for public goods and services. This choice often reflects their preference for either a more private-market-oriented production or a more robust public sector, affecting local tax levels and public expenditure. In Timor-Leste, we grapple with challenges on two fronts. Firstly, we need to ensure that subnational human resources can effectively manage and provide services typically associated with decentralization, such as education and health. For instance, it's a challenge to find skilled professionals to run a public hospital in Lautém or a prestigious national university.

Moreover, we must consider how to compensate professionals like doctors, teachers, or firefighters working in remote areas where facilities are often inferior to those in Dili. Secondly, on the financing front, we need to establish a fair system where citizens requesting more public services contribute more through taxes or fees. If goods and services are decentralized, they should not be primarily funded by the central state budget. The core challenge is that Timor-Leste isn't yet ready to delegate tax management and collection to municipalities, let alone creating taxes, determining tax rates, or borrowing. This presents risks that we currently don't have mitigation measures for. Building trust will take time, but piloting some minor taxes, like a circulation tax in a few municipalities, could give us an idea of how far Timor-Leste can go on with it.

In this case, how should we move forward to ensure public services are closer to citizens in a decentralized manner? We should ask this question first. Do the Timorese citizens really have different preferences for the provision of public goods and services to the extent that justify on efficiency grounds the decentralization of the administration?

As an independent policy analyst, [Guteriano Neves](#) warned while Timor-Leste's oil wealth funds development, it doesn't solve all the country's complex challenges. Instead, it raises issues like overspending, rapid expenditure pressure, institutional erosion, policy misdirection, resource misallocation, and political deadlock, which collectively hinder economic diversification and long-term development (Neves, 2022).

In the end, we are a small country and maybe more homogeneous than we think. Research about citizen's preferences should come first to assess how much and what needs to be decentralized. In any case, if some services need to be, the allocation of the human resources needed to produce public goods and services in the quality and amount required by municipalities should come first. Financial arrangements of what part is centrally funded and what from local administrations own budgets can come later. However, to make the former possible there are a lot of things that must precede it: training enough professionals, probably reforming the civil service so that they are directly hired by local governments, offer them attractive working conditions but also improving public infrastructure and standards of living out of Dili so that living in other municipalities is attractive for doctors, teachers, nurses, etc.

You were instrumental in adopting the Economic Recovery Plan in August 2020 as a response to the COVID-19 pandemic. Now looking back, how would you describe the successes and lessons from the Economic Recovery Plan?

We all know that the COVID-19 pandemic has exposed serious vulnerabilities across many countries, and Timor-Leste is not an exception. The arrival of COVID-19 to our land was neither contemplated by the SDP nor by the Programme of the eighth Constitutional

Government. This is the reason for the approval of the Economic Recovery Plan. The fact that the State Budget was passed by the Parliament in the first quarter of 2021 and promulgated by the President marked the end of the political impasse and we had expected an economic growth of 4%. As such, the 2021 budget was based on programmes—a transition from the item-based budget, that has been in place since the Restoration of Independence, and it is guided by the Economic Recovery Plan. To finance the Economic Recovery Plan meant it was necessary to reallocate some of the General State to reinforce the COVID-19 Fund and the contingency reserve also implied that some programme activities were postponed till the following year.

The Economic Recovery Plan encompassed four short-term measures to protect employment and secure income for struggling families and companies until December 2020. Alongside these, we implemented 71 structural measures designed to recover and transform the economy in the medium and long term. As a result, combined with other emerging measures to combat, manage, and mitigate the effects of the COVID-19 pandemic, the Economic Recovery Plan has played a significant role in helping citizens to overcome the health, economic, and social crises. Indeed, these measures actively mitigated the negative economic and social impacts by promoting the sustainable increase of local and national

production, especially in putting domestic food supply on the country's governance agenda. These measures also helped to preserve jobs by supporting companies most affected by the crisis, providing humanitarian assistance to thousands of families which significantly reduced the risk of hunger, malnutrition, and extreme poverty.

What are the priorities for ensuring Timor-Leste achieves key SDGs by 2030? Which government reforms are needed first, which policies should be adopted/revised and who should do it?

We need to invest more and more in human capital and in sectors that generate higher economic growth rates, while at the same time trying to promote environmental sustainability through investing in blue economy, ecotourism, and agro-industries. Future governments need to keep working on establishing conditions for a peaceful and inclusive society, in particular bridging the rural/urban divide. Timor-Leste also needs to strengthen its public sector to overcome corruption, good management has to become the tone in public institutions, and good governance and the rule of law needs to be the guiding principle in the country. I think we are making progress to improve our data collection and analytical systems to be able to measure and track the achievements done regarding the Agenda 2030, but also to identify what is missing or need to be reinforced.

Operationalizing this would require getting all citizens on board for the national cause, that is, the delivery of the Agenda 2030 is possible with the cooperation from all segments of society. The allocation of budgetary resources in 2024 should be the beginning of the process of achieving most of the SDGs. In the meantime, we should reinforce our M&E capacities in particular regarding the planning, programming, budgeting system and better aligning its M&E function with the tracking of the SDGs, so that we will be able to make better budget allocations to those SDGs whose results are not being achieved.

The integration of Timor-Leste into ASEAN membership can also serve as a platform to advocate for new partnerships and financing for the SDGs, as well as development in general, including the transfer of know-how and learning from other countries that share similar characteristics how they have performed with regard to delivering on the SDGs. Finally, we need to work better with the development partners, and in particular with the United Nations agencies, to avoid duplications – which unfortunately still happen a lot to promote more joint programming and country programmable aid, and ensure that development partners focus

on the areas in which they specialize and have a comparative advantage.

The Prime Minister's Office should continue to lead the reform agenda needed to deliver the SDGs in time, having the Ministry of Finance as the main partner for M&E and financing aspects. Currently, planning functions are split across several government entities which results in duplication and lack of coordination. This structure should be streamlined and rethought thoroughly.

9.4. Priorities and recommendations

Based on stakeholder consultations, desk reviews, an SDG Progress Assessment, and expert interviews, a set of priorities has been identified in the areas of enhancing public financial management, streamlining the decentralization process, and promoting institutional inclusiveness. Each of these areas significantly influences the implementation of SDGs in the country, leading to a greater number of priorities.

Public public financial management reforms:

- Similar to the VNR-1 recommendation, the VNR-2 also prioritizes improving fiscal management and the quality of government spending as a key concern. Given previous chapters in VNR-2 have prioritized increasing funding and investment in key sectors (i.e. food and nutrition security, social protection, health, education, reducing gender-based violence, water and sanitation, promoting private sector and jobs), rebalancing government spending and reallocating resources on these sectors should be the main exercise for the incoming Government. Implement measures to control rising rigid expenditures, especially legally binding ones. Look for opportunities to consolidate spending on goods and services and implement procurement reforms to enhance competitiveness and transparency.

Policy coherence and integration:

- Timor-Leste can establish an SDG Commission, headed by the Prime Minister, to ensure political leadership and cross-sectoral collaboration for SDG implementation. In addition to the roles and responsibilities described in Chapter 3.3 of this report, the SDG Commission should assess and address institutional fragmentation's impact on decision-making by implementing measures to mitigate it.
- The SDG Commission should have the authority and mandate to address policy divergences and conflicts of interest, acting as a mediator and finding common ground among different stakeholders. By resolving tensions and aligning policies towards the achievement of the SDGs, the Commission would promote policy coherence.
- It should engage stakeholders, including civil society and the private sector, to identify common challenges and promote ownership of the SDG agenda. By fulfilling these roles, the SDG Commission would promote vertical integration across different levels of government and horizontal integration across policy communities and government entities.

Institutional and human resources capacities:

- Support the National Institute of Public Administration (INAP), a key government institution under the Ministry of State Administration responsible for human resources training in the civil service. There should be coordinated support in strengthening the INAP's modules, training deliveries and results including topics such as monitoring and evaluation, planning, introducing and using ICT, involving citizens for accountability and decision-making and financial management. INAP can be the coordinating body involving specialized agencies such as the INETL (for data systems), TIC-Timor (for ICT), ANAPMA (planning and M&E).
- Support institutions at the national and local levels in adopting ICT solutions to increase efficiency, improve coordination, reduce time spent in accessing government services, and build infrastructure for national data systems.
- Improve the production and use of administrative data, ensuring timely, relevant, and high-quality data availability. Encourage Parliament to perform monitoring and community engagement, and ministries to conduct comprehensive evaluations of their annual plans.
- Facilitate the transfer of existing technologies from ASEAN countries to enhance local capabilities.
- Prioritize investment in technology infrastructure for digitalization and develop a skilled digital workforce to foster a conducive environment for technology adoption and innovation.

Decentralization:

- The Government must update a comprehensive plan with clear strategies, targets, and timelines for implementing decentralization. This plan should focus on financial, human resources and capacity building strategies especially in local service delivery and programme implementation. This plan must be based on a renewed consensus among the central government and municipal authorities regarding the control and management of financial resources. Prior to consultations and reaching consensus, conduct a baseline survey and a feasibility assessment on the decentralization capacities at local levels.
- Once consensus reached, establish interministerial agreements to accelerate the decentralization process, with the goal of creating one stop service centres at the municipal level. Continue building on the Decentralization initiatives by the Ministry of State Administration and the National Parliament which already conducted feasibility studies in establishing One Stop Shops in Timor-Leste; and digital capacity and needs assessments.
- Update the municipal development plans in line with the SDGs/SDP by focusing on relevant goals, in the form of localized SDGs. These plans should be accompanied by cost analysis and target and results indicators. The Medium-Term Plan and the ongoing public financial management reforms should align with the updated Decentralization Plan. This exercise can start with three to four pilot municipalities based on the ongoing Decentralization initiatives by the Ministry of State Administration and the National Parliament.
- To enhance resource allocation and improve service delivery at the village and municipal levels, it is recommended to endorse the Municipal Level Public Financial Management Law. This can be done through a phased approach, starting with pilot municipalities and gradually expanding to others based on their readiness and capacity. The implementation of the law should be accompanied by the establishment of robust M&E systems, as well as improved data collection mechanisms at the sub-national level. Furthermore, involving youth groups, civil society organizations, and local communities in the evaluation processes will ensure inclusivity and transparency in decision-making.

Inclusive institutions:

- Emphasize gender equality and youth representation in decision-making. The Law on Local Power and Administrative Decentralization (2021) and the Municipal Electoral Law (2021) could take inspiration from the Electoral Law for Parliamentary Elections, incorporating a quota system to mandate a minimum number of positions for women. Recognizing the capacity gaps at municipal and village levels, the GoTL and CSO networks like Rede Feto could initiate training and educational programmes.
- Carefully review existing laws and policies to ensure they inherently provide equal protection to all citizens, including the LGBTIQ community. It is essential to ensure these mechanisms are implemented effectively and are accessible to everyone, regardless of their sexual orientation or gender identity. Gradually introduce legislation that emphasizes equality, protection and non-discrimination in various aspects of public life including employment, education, and healthcare.
- To enhance inclusivity for people with disabilities, enforce mandatory accessibility standards in all public buildings and spaces. Develop specialized training for judicial, law enforcement, and municipal service personnel to better understand disability issues. Sign language interpreters should be a standard provision in judicial proceedings. Service documents should be accessible in suitable formats at the municipal level for people with disabilities. Finally, an efficient case service system must be established to promptly address complaints and grievances from people with disabilities, fostering a more inclusive institutional culture.

10. LEVERAGING PARTNERSHIPS FOR THE SDGS

10.1. SDG 17 progress assessment

SDG 17 aims to strengthen the means of implementation and revitalize the global partnership for sustainable development. There are 19 Targets and 25 Indicators for SDG 17. Of those, Timor-Leste is on track to achieve two targets, needs to accelerate the progress of six targets and showing reverse trends in three targets. In total, five targets could not be assessed due to lack of sufficient data points (Figure 62).

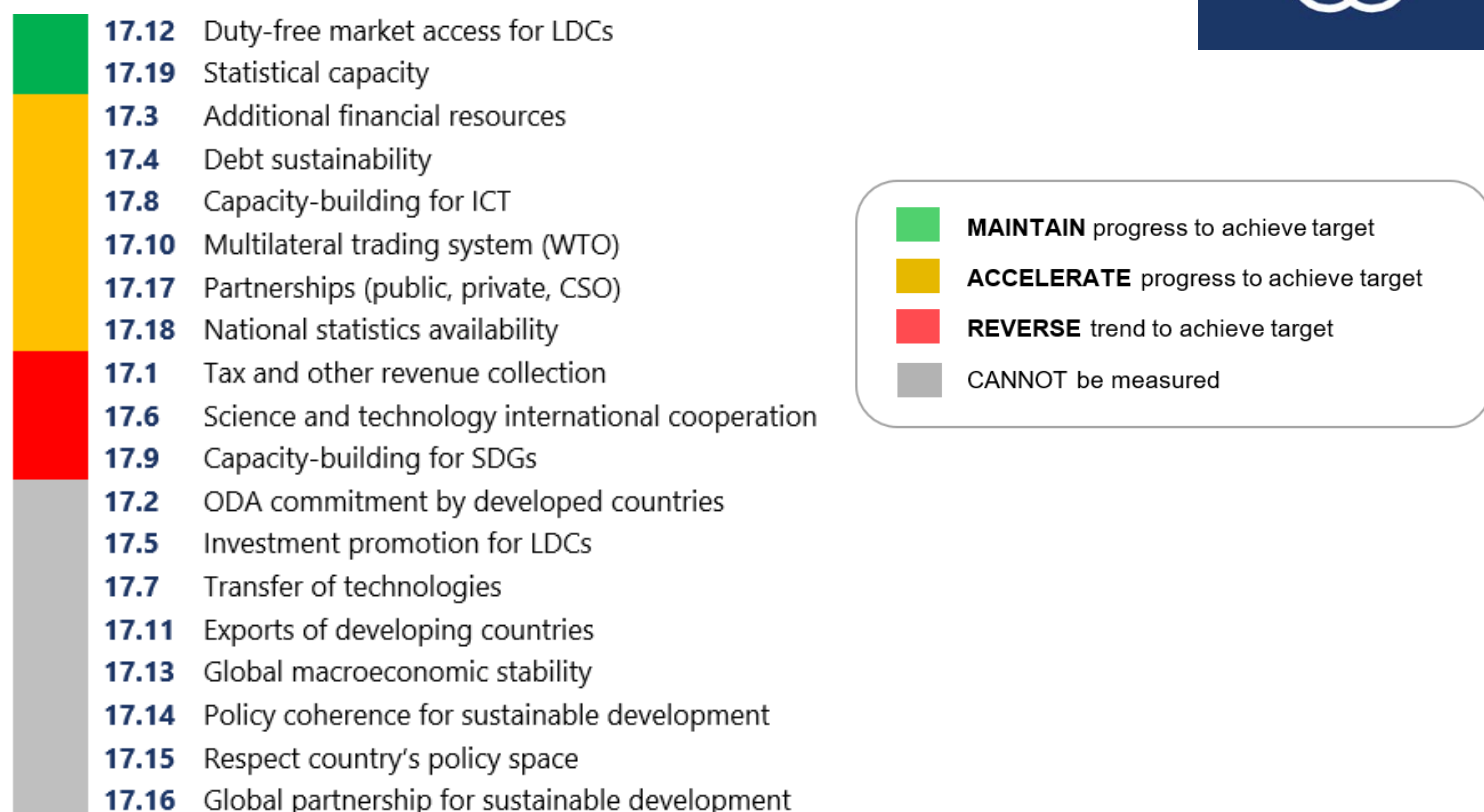


Figure 62: SDG 17: Partnership for the Goals, SDG progress assessment at target level

Note: Targets 17.13, 17.15, 17.16 are reported at international levels and therefore not included in the country-level SDG Progress Assessment.

Source: (ESCAP, 2023b)

The two targets that are on track to be achieved by 2030 if progress is maintained are:

- **Target 17.12** aims to realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with WTO decisions, and, in accordance with bilateral, regional and international trade agreements to which they are party. The target is measures by two series expressed as percentages:
 - The average tariffs applied by developed countries to their most-favoured nations. The data shows a slight decrease from 0.046% in 2015 to 0.042% in 2016. There was no data is available for the subsequent years, making it challenging to identify a clear trend. The target value for this series is 0.
 - Preferential rate, average tariff applied by developed countries, all products: This series reflects a small upward trend: from 0.00133% in 2015 to 0.00131% in 2016, then 0.00175% in 2019, and finally 0.00213% in 2020. The target value for this series is 0.

- **Target 17.19** aims to build on existing initiatives to develop measurements of progress on sustainable development that complement GDP, and support statistical capacity-building in developing countries. As reported in global SDG database, in 2015, US\$ 0.597 million were allocated to strengthen statistical capacities in Timor-Leste. This increased significantly to 1.113 million US dollars in 2016, indicating a substantial boost in funding. In 2020, there was a significant decline to US\$ 0.45 million due to the disruptions caused by COVID-19. Although no data is recorded in the global database, as the Population and Housing Census preparations started in 2021 and conducted in 2022, both the national and international funding for statistical capacities increased during these years as reported in Chapter 3.2 of this report.

Progress for the following six targets need to be accelerated:

- **Target 17.3** aims to mobilize additional financial resources for developing countries from multiple sources. The target is measured through two indicators. Indicator 17.3.1 on FDI, ODA, South-South Cooperation as share of domestic budget shows in 2015, FDI inflows accounted for 1.39% of GDP. The share of FDI inflows decreased significantly in 2016 to 0.22% of GDP, suggesting a substantial decline in foreign investment relative to the domestic budget and bounced back to 2.53% of GDP in 2019 showing progress. Indicator 17.3.2 - personal remittances received as a percentage of GDP shows in 2015, personal remittances received accounted for 3.86% of GDP. The percentage increased to 4.90% of GDP in 2019 and 8.17% in 2020 suggesting a substantial surge in personal remittances relative to the size of the economy.
- **Target 17.4** is about assisting developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, relief and restructuring. According to the indicator debt service as a percentage of exports of goods, services, and primary income, reveals an increase in debt service. In 2015, debt service accounted for 0.02% of exports, indicating a relatively low burden on the country's economic resources. However, there was a significant jump in 2019, with debt service rising to 0.55% of exports. There was a further increase to 1.08% of exports in 2020. The target value set for 2030 is 0.8%, indicating the desired level of debt service as a proportion of exports.
- **Target 17.8** aims to fully operationalize the technology bank and science, technology and innovation capacity-building mechanisms for least developed countries. The target is measured by the proportion of internet users in the population. In 2015, 23% of the population had access to the internet. By 2020, the percentage of internet users rose to 29%, reflecting further progress in expanding internet access. However, there is still significant progress needed to reach the target of full internet coverage by 2030.
- **Target 17.10** Promote a universal, rules-based, open, non-discriminatory, and equitable multilateral trading system under the WTO. The target is measured by the "worldwide weighted tariff-average" consisting of two specific series as a percentage. Both the 'most-favoured nation, worldwide weighted tariff-average, all products' rate and the 'preferential rate, weighted mean, all products' rate have consistently been 2.5% for the years 2015, 2016, and 2019. The target value for 2030 is 0%.
- **Target 17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships. The target is measured by an indicator measuring million US dollars committed to public-private and civil society partnerships for infrastructure. In 2015, there was no reported commitment in million US dollars for public-private partnerships. However, in 2018, a commitment of US\$ 490 million was made, indicating a significant investment in this area. The target value set for 2030 is US\$ 980 million.

- **Target 17.18**, By 2020, enhance capacity-building support to developing countries, including for LDCs and small island developing States, to increase the availability of high-quality, timely and reliable disaggregated data. The target is measured by 'National statistical legislation exists and complies with the Fundamental Principles of official Statistics'. As reported in Chapter 3.2, although there is a Law on Statistics in Timor-Leste ratified in 2003, it needs to be updated to align with the Fundamental Principles of Official Statistics.

The following three targets have shown a reverse trend in achieving their objectives by 2030:

- **Target 17.1** aims to strengthen domestic resource mobilization to improve domestic capacity for tax and other revenue collection. Indicator 17.1.1 which measures Government revenue by source consists of two series both of which are measured as a percentage of GDP.
 - Government revenue (budgetary central government): As a proportion of GDP, this revenue decreased sharply from 302.07% in 2010 to 101.50% in 2015, and further to 57.18% in 2016. It then rose to 91.58% in 2019. There is no data recorded in global databases after 2020.
 - Tax revenue has experienced a significant decrease from 110.18% of GDP in 2010 to 36.07% in 2015, and 14.99% in 2016. However, unlike the first series, the tax revenue saw a relatively small increase to 22.86% in 2019. Data for the following years are not available (Asian Development Bank, 2023). As per the IMF 2022 report, Timor-Leste's domestic revenues, when evaluated against its non-oil GDP, are comparatively low in relation to other nations. The average hovers around 11% for the period 2015–2022. The country's tax revenues have similarly been modest, maintaining a steady average of approximately 8% since 2011 (IMF, 2022).
 - Indicator 17.1.2, measures the domestic budget funded by domestic taxes as a percentage of the total domestic budget. From 2010 to 2022, the proportion of Timor-Leste's domestic budget funded by domestic taxes has seen significant fluctuations. In 2015, the country's budget that was financed through domestic taxes was 38.61%, and the percentage declined to 13.67% in 2016. In 2019, the percentage increased to 32.73%. While this marks some recovery from the low point in 2016. The target value for the indicator is 48.0%.
- **Target 17.6** focuses on enhancing North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms. The target is measured by fixed internet broadband subscriptions by speed per 100 population. In 2015, the indicator stood at 0.085 while in 2019, it declined to 0.046. The target value for 2030 which is set based on regional benchmark is at 32.
- **Target 17.9** aims to enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through North-South, South-South and triangular cooperation. The indicator 17.9.1 measures financial and technical assistance through gross disbursement of ODA for technical cooperation. In 2015, the gross disbursement of ODA for technical cooperation totalled US\$ 48.42 million. It dropped to US\$ 43.71 million in 2018 and US\$ 38.48 million in 2020. The target value set for 2030 is US\$ 96.84 million showing the need for continued efforts to mobilize adequate resources.

The SDP underscores the significance of fostering partnerships with the private sector, civil society, and international organizations across all pivotal sectors - encompassing agriculture, tourism, infrastructure, education, and ICT. This comprehensive Plan envisions Timor-Leste's inclusion in globally relevant institutions and organizations that are suited to cater to the needs of its people. The Plan positions Timor-Leste as an integral ASEAN member, leveraging its recognized proficiency in economic development, governance of small nations, aid efficacy, and delivery. It strives to make Timor-Leste a model of good governance and successful management in the ASEAN community.

10.2. Progress and challenges

This chapter focuses on international partnerships and private sector engagement, as discussed in the interview with Licínio Branco. Additionally, insights from the interview with Marta da Silva shed light on the potential for civil society engagement in the SDGs implementation. This analysis aims to provide a holistic understanding of Timor-Leste's collaborative efforts in pursuing its development objectives.



Licínio Miranda Branco has been the Director General for Multilateral and Regional Affairs at the Ministry of Foreign Affairs and Cooperation for the eighth Constitutional Government since April 2022. He has extensive experience in diplomacy and human rights and has served as First Secretary to Timor-Leste Permanent Mission to the United Nations in New York and Embassy in Washington, D.C. and Counsellor to the Embassy of Timor-Leste in Singapore.

“Timor-Leste's partnerships align financing with policy priorities, securing memberships in ASEAN, WTO, and continuing its development partnership with the European Union. These milestones enhance economic competitiveness and market access. The National Diaspora Engagement Policy harnesses the diaspora's knowledge and investments. Joining ASEAN and WTO ensures market access and fosters economic integration.”

What are the key changes that happened in the SDGs partnerships since the first VNR was presented?

First of all, we witnessed a time of global pandemic, economic downturn and an intensified climate and human induced disasters. Such a “perfect storm” required the government to strengthen existing partnership and seek for new alliances to be able to navigate these challenging years. Specifically, the COVID-19 pandemic has underscored the crucial role of international partnerships in managing global health crises, particularly in resource-limited settings. The COVAX initiative for example helped ensuring equitable access to COVID-19 vaccines in Timor-Leste. This initiative, along with numerous regional and bilateral partnerships, have allowed the sharing of resources, knowledge, and commitment to effectively mitigate the pandemic's impact. Their transformational influence has been particularly significant in our country, providing critical access to tools necessary to combat COVID-19 and highlighting the power of global

cooperation in responding to health crises.

In the context of these international crisis, international solidarity, including technical assistance, South-South and triangular cooperation, and various types of financial engagements, resulted to be more critical than ever. For Timor-Leste, this solidarity can help improve capacity to develop and manage employment programmes and sustainable social protection systems. While we have observed the ODA for financing development declining since the last VNR, we are hopeful this trend can be inverted. The Government of Timor-Leste and the g7+ were among the strongest advocates for goal 16 of the SDGs. In this regard, the GoTL approved the Foreign Aid Policy which identifies Priority Areas for External Assistance (Table 5) to advocate for the increased use of country systems in ODA while adhering to the New Deal Principles for Fragile States.

Table 5: Priority areas for external assistance, foreign aid policy of Timor-Leste
 Source: Foreign Aid Policy, (Government of Timor-Leste)

Priority Areas for External Assistance	
1. Education	7. Infrastructure for growth, connectivity, and accessibility
2. Health	8. Water and Sanitation
3. Tackling Malnutrition	9. Regional Integration
4. Youth and Gender	10. Private Sector Development
5. Agriculture and Rural Development	11. Public Sector Management
6. Tourism	

Which partnerships have been successful and which ones are still under development?

The alignment of financing and partnerships with policy priorities, is a key enabler for the implementation of the SDG and is something that could be achieved through the engagement from public development banks and international financial institutions can significantly bolster this process and the United Nations-led Joint SDG Fund that aimed to increase investments in sustainable development.

At the time when the intervention was proposed to the Fund, Timor-Leste did not have a holistic, national, integrated financing framework to ensure sustainable investments in the SDGs. This Joint SDG Fund commissioned this Joint Programme to assist the GoTL develop and establish an INFF for sustainable development.

Despite the host of challenges posed by the COVID-19 pandemic during its implementation, the Joint Programme has successfully produced a government-owned

SDG Financing Strategy that elaborates strategies to finance other national development priorities like – blue economy diversification; disaster risk management; sustainable forest management; education and skills development; water, sanitation & hygiene; food security; and social protection.

Timor-Leste made advancements towards strengthening its trade relations and securing membership in global and regional bodies. Specifically, Timor-Leste is indeed working towards becoming a member of ASEAN, WTO, and also securing the European Union-Economic Partnership Agreement. These memberships can significantly enhance Timor-Leste's economic competitiveness and facilitate international trade transactions. Additionally, they will help secure growing market access for Timorese goods and services.

A significant partnership achievement is that Timor-Leste developed and approved a National Diaspora Engagement Policy. This is a powerful resource for knowledge transfer, investment, and helps ambassadors promote the

country's interests and SDG partnerships abroad.

Can you tell us about Timor-Leste's negotiations for WTO and ASEAN accession and what are the implications for the implementation of the SDGs and the SDP?

As part of the WTO accession process, candidate nations need to sign bilateral agreements which include various sectors. These commitments then apply to all WTO members once the candidate's accession is final. Timor-Leste is keen on maintaining momentum in these negotiations, which it views as a strategic priority. In parallel to WTO, negotiations for ASEAN membership are ongoing. The European Union has recently signed an agreement to support Timor-Leste's in these accession negotiations.

As a small island state that relies on trade, joining the WTO and ASEAN can guarantee Timor-Leste market access and contribute to growing exports, particularly in Asia. They are also working on customs and tax reforms to better integrate economically with ASEAN member states and other regional countries.

In addition, we can partner with other developing countries - South-South cooperation - or with developed countries and developing countries through triangular cooperation. This collaboration can lead to knowledge and experience sharing, as well as sharing of best practices related to SDG implementation. Timor-Leste has partnerships with other small island developing states to collaborate on shared challenges such as climate change, sustainable tourism, and marine conservation. The SAMOA Pathway, a global commitment to support the sustainable development of small island development states, is an avenue Timor-Leste can utilize.

Bilateral relationships with countries like Australia, China, Indonesia, Japan, Korea, New Zealand, Portugal, and the USA are crucial. They have been instrumental in Timor-Leste's reconstruction phase and will continue to play a vital role in the country's state-building efforts.

What are the potentials of private sector partnership?

In recent years, Timor-Leste has been active in exploring pathways to harness the green and blue economy as a way of economic diversification. There were several partnerships that included identifying clear plans for supporting renewable energy, development of agriculture and fisheries sectors and the associated value chains and logistical development.

For example, the Tibar Bay Port financed through Timor-Leste's first public-private-partnership showed that there is a great potential in using public-private-partnerships in realizing these economic diversification potentials.

In addition, two renewable energy projects are setting the pace for sustainable development and exemplifying good practices in leveraging partnerships for the SDGs. The projects, both orchestrated by Electricity of Timor-Leste (EdTL), are transforming the energy landscape of the country through the development of solar and wind energy. The Solar Power Development project led by EdTL is a large-scale solar power project, which is projected to produce between 72 and 85 MW of power, coupled with a 42 MWh battery. This ambitious initiative, occupying a 300+ Ha site in Manatuto, is expected to cover approximately a third of the nation's total electricity use. The partnership is between the Asian Development Bank (ADB) to provide transaction advisory support. A comprehensive Solar PV feasibility study concluded in 2022 established the potential installation capacity and affirmed the viability of the project. With the Council of Ministers' approval, the project has entered the procurement phase, illustrating the government's commitment to green energy solutions. Another example of successful partnership is in wind and battery development project.

In collaboration with the International Finance Corporation (IFC), EdTL is making progress towards harnessing wind energy. The partnership commenced with a countrywide study conducted by the IFC, with the pre-feasibility phase now in progress to evaluate potential sites for the wind farm.

In the area of blue economy, including promoting fisheries and sustainable marine transportation have major blue economy investment opportunities in Timor-Leste. With the Timor-Leste having developed its first Blue Economy Financing Road map also lays out several ways the partnerships and financing can be leveraged - for example through blue bonds. The Road map notes that development partners can play an important role to support the Blue Financing Facility with both technical assistance and concessional financing, especially in its early days (Altangerel, Hurley, & Trivedy, 2022).

Timor-Leste's ongoing involvement in voluntary carbon markets also presents significant opportunities for partnerships in achieving the SDGs, directly contributing to SDG 13 on Climate Action and SDG 15 on Life on Land. Through carbon credit schemes, the country can generate income by sequestering carbon and reducing greenhouse gas emissions, aligning with global climate change mitigation efforts outlined in the Paris Agreement.

As such, engaging in voluntary carbon markets opens doors for partnerships with international actors involved in carbon market mechanisms. These partnerships offer valuable opportunities for knowledge sharing, technical assistance, and access to financial resources.

Overall, these partnerships in agroforestry and voluntary carbon markets present avenues for Timor-Leste to forge meaningful collaborations, leverage expertise, and access resources to drive progress

towards the SDGs, particularly in the areas of climate action and land conservation. Timor-Leste is interested in learning from other countries' experiences and implementing innovative financing mechanisms. But we are also in a position to share some of our financing experiences with other countries too, especially in the areas of public-private partnerships in green and blue economy. We must explore collaborative solutions with development partners to address this through technology

transfer, concessional finance, and other opportunities for least developed countries to close the gaps and facilitate low-carbon transition in energy infrastructure.

In this context, the United Nations Conference on Trade and Development (UNCTAD) can dedicate special attention to the least developed countries within its new Global Alliance of Special Economic Zones.



Marta da Silva is a Researcher and Coordinator at La'o Hamutuk, a position she has held since 2016. She has a background in social and political science from the National University of Timor-Leste. Marta has previously worked with BESIK and UNFPA.

“Learning from the last 20 years of development assistance, the Government and CSOs both should have the capacity to continue and take over the management of development projects. It is essential to foster government and national ownership of development initiatives rather than seeing them solely as the work of international donors.”

Can you tell us about the engagement of civil society in Timor-Leste in advancing the people-centred sustainable development in the country?

Marta da Silva: As this is quite a general question, I would like to highlight overall engagements and achievements. Overall, CSOs play a significant role in Timor-Leste's development. Timor-Leste has a strong civil society community that has evolved since gaining independence.

Especially, their role in good governance – meaning advocating for the rights and needs of all citizens, advancing citizens' political participation, raising awareness among the communities on various issues, promoting peace, demanding transparency and accountability from the national and local government authorities is crucial.

According to the Varieties of Democracy index on women's civil society participation index (from 0-1) Timor-Leste had a high score of 0.74 and ranked eighth in the region as of 2020. According to the Varieties of Democracy's index on civil society organization consultation scale which asks 'Are major CSOs routinely consulted by policymakers on policies relevant to their members?' Timor-Leste scored 1.04 (on a scale of 0-2), ranking ninth in the region in 2020 (cited in USAID, 2023).

I would like to highlight the work being done by FONGTIL (Forum of NGOs in Timor-Leste). It serves as an umbrella organization, consisting of both local, national, and international organizations. Currently, FONGTIL has 202 local and national members and 27 international members. As part of their engagement, FONGTIL is actively involved in leading the Social Audit Programme[1], which aims to enhance the quality of public services and the effectiveness of public policies by adapting them to the social, economic, political, environmental, and cultural contexts of Timor-Leste. To ensure effective coordination and technical assistance, a Directive Council for Social Audit National Network (DC-SANN) was established, composed of seven members from FONGTIL and professionals. This council supervises the implementation of social audit activities and serves as a focal point for liaising between civil society organizations, the Social Audit Unit, and relevant partners.

Under the Social Audit Programme, FONGTIL has been collaborating with the government, particularly the Office of Support to Civil Society and the Social Audit Unit under the Prime Minister, to conduct social audits in various sectors. For example, before the pandemic in 2019, ten NGOs implemented social audit programs focusing on education, agriculture, basic infrastructure, and social inclusion. The social audits collected data directly from the

community and provide recommendations for improving policies, program implementation, and future social audit activities. Also, development partners and CSOs have been using this document to develop advocacy plans and follow up on the recommendations.

We must acknowledge the significant role played by our strong Disabled People's Organisations and the disability association. These organizations have emerged as invaluable allies in our efforts to promote disability inclusion. They provide us with crucial insights and support as we work towards implementing inclusive laws, policies, programmes, and awareness initiatives that align with the United Nations Convention on the Rights of Persons with Disabilities. By collaborating with these organizations, we are able to gain a deeper understanding of disability inclusion and ensure that our national development efforts adhere to international standards.

The role of CSOs advocating for gender equality – women's rights and LGBTIQ rights and protecting the rights of children have been critical. Organizations such as Rede Feto, NGO Belun, Alfela, Alola Foundation, Fokupers, Ba Futuru, Empreza Diak, Pradet, Casa Vida are working tirelessly towards the elimination of GBV and violence against children and to support women's economic empowerment.

They work closely with the State Secretary of Equality and Inclusion and international organizations.

In disaster risk reduction, the CSOs complement the government's efforts by raising awareness, enhance preparedness and early warning, disaster response, and recovery. The 2021 Cyclone Seroja floods served as catalyst, really showing their position and capacity as crucial partners in disaster risk reduction and humanitarian response activities. In response, it is encouraging to see the Government has made commitments to mainstream CSO inclusion in disaster risk reduction and response mechanism.

How has Lao Hamutuk been involved with the Government of Timor-Leste, particularly during the COVID-19 pandemic?

Lao Hamutuk's engagement with the Government of Timor-Leste, especially during the COVID-19 State of Emergency, has been significant. We actively participated in the formulation of the Economic Recovery Plan by engaging in consultations led by MSSl and the MoF. Our focus was on identifying vulnerable households, and as a result, we advocated for revised subsidy criteria that now include households with incomes below US\$ 500. This change ensures that assistance reaches those who need it the most.

Lao Hamutuk has been actively monitoring the implementation of the State of Emergency, and we appreciate the government's

openness and transparency in this regard. We believe that the implementation of the SDGs does not directly lead to an 'opening' of civic space, but it provides valuable insights into the respect for civic freedoms. Timor-Leste has demonstrated a commitment to compliance with international civic freedom agreements, thanks to the tireless efforts of Timorese and international civil society. Additionally, we have been closely analyzing the general budget proposals and providing feedback to the government. We have raised concerns about the lack of investment in critical sectors such as education, health, and food security. It is crucial for the government to propose investments that yield tangible results and explore avenues for revenue generation. We emphasize the importance of investing in the economy and society, particularly in the younger generation.

In terms of the new Public Financial Management law, which recently came into effect, we recognize its potential to improve budgeting efficiency through strict timelines and clear cycles. However, ensuring the quality implementation of projects remains a challenge. To address this, Lao Hamutuk suggests that the National Parliament increase the budget allocation to address the capacity limitations faced by ministries. Effective implementation requires good leadership, improved management capacity, and streamlined coordination, procurement processes, and timely expenditure.

What are your views on improving the effectiveness of development projects and the participation of civil society?

To facilitate progress, it is essential for the government to advocate for increased ODA while aligning its plans based on community needs. It is crucial to address any potential overlaps between ODA projects implemented by the government and those undertaken by development partners. Moreover, once projects are completed, the government should possess the necessary capacity to sustain and manage them effectively. To achieve this, the government should actively engage with development partners who have existing programs and collaborate efficiently to allocate funds. The focus should be on fostering government ownership of development initiatives rather than solely relying on international donors. By promoting collaboration, aligning resources with community needs, and enhancing government ownership, sustainable progress can be achieved, leading to the successful realization of the SDGs and ensuring long-term benefits for the country and its people.

What areas should be prioritized to enhance civil society engagement in implementing SDGs and promote people-centred sustainable development?

Moving forward, it is crucial to focus on several key areas. First,

there is a need for more systematic and inclusive consultations involving a diverse range of actors, representing different voices and perspectives. These consultations should be regular, predictable, and support meaningful engagement.

Second, it is essential to establish SDG indicators that monitor and measure the engagement of CSOs in SDG processes at the country level. This will enhance transparency, accountability, and the active involvement of CSOs in shaping and driving sustainable development efforts.

Third, there is a need to address the capacity challenges faced by emerging NGOs. Programmes such as the 'NGO Advocacy for Good Governance' supported by USAID play a vital role in providing technical training and support to build the administrative capacity and financial sustainability of CSOs. Development partners should actively collaborate with civil society through similar initiatives to empower them to hold the government accountable and effectively engage citizens, promoting good governance and participatory democracy.

Lastly, long-term support to CSOs is crucial. Funding mechanisms should be predictable, transparent, and accessible to a diverse range of CSOs, ensuring that resources reach a broader spectrum of organizations.

10.3. Priorities and recommendations

- Identify interlinkages between ASEAN roadmap and SDGs/SDP implementation. Emphasize convergence in areas like poverty eradication, education, technology, partnerships, gender equality, and climate action. Align roadmap with ASEAN community pillars – Political-Security, Economic, Sociocultural.
 - Conduct awareness campaigns using traditional and social media to inform public and CSOs about ASEAN ascension and its implications. Provide capacity-building programs for officials, CSOs, and stakeholders to navigate ASEAN integration effectively.
- Enhance partnerships with international entities and the private sector. The Public-Private Partnerships framework should be used in vital, job-rich sectors like green and blue economies, connectivity and infrastructure. This strategy can mobilize substantial resources and expertise for ambitious projects, particularly in the green and blue economies and infrastructure development, crucial for economic growth and SDG achievement.
- Enhance the national government's capacity to maximize existing and future partnerships with development partners. This can be achieved by investing in the institutional strengthening of government entities, inter-ministerial bodies, Coordination Units, and relevant units like the Stunting Unit under the Prime Minister's Office and line ministries. These measures will enable managers to effectively engage with external organizations. Key actions should involve:
 - Develop and implement clear policies and principles guiding the formation and operation of partnerships.
 - Establish explicit rules and procedures to guide all phases of partnership engagements, from initiation to conclusion.
 - Implement a systematic approach to identifying and mapping potential partnership opportunities, ensuring alignment with national priorities and SDGs.
 - Set up comprehensive tracking, monitoring, and knowledge management systems to manage partnership relationships effectively and measure their impact.
 - Develop and implement legal agreements that are supportive of partnerships and provide a framework for their operation and management.
 - Introduce partnership-supportive human resources policies and key performance indicators to motivate and incentivize effective partnership management and performance.
- Revise the Foreign Aid Policy to align with updated Public Financial Management reforms, Medium-Term Planning, and the forthcoming updated SDP. Maintain emphasis on Sector and Budget Support mechanisms for greater government ownership and reduced daily involvement from development partners, including pooled funding arrangements or single partner support.
- Aim to increase ODA over the current 10% of the state budget. Utilize Timor-Leste's strategic position to strengthen partnerships with traditional allies and emerging global players. Advocate for greater country programmable aid to ensure better resource allocation through the State Budget, bolstering Timor-Leste's reputation as a reliable, investment-worthy partner. Prioritize government-executed projects with development partner support.
- Emphasize government-led initiatives, and do not restrict the scope of international partnerships with CSOs and NGOs. Extend support for development and technical assistance projects to national and local organizations, amplifying the overall impact of partnership endeavors.
- Promote civil society engagement in SDGs by establishing inclusive and systematic consultations, developing SDG indicators for CSO involvement, addressing capacity challenges faced by emerging NGOs, and providing long-term support through transparent funding mechanisms. If established, the responsibility to engage CSOs at all stages of the SDGs and SDP could lie with the SDG Commission.

PART IV. CONCLUSIONS AND NEXT STEPS

11. SDG ACCELERATION AND POST-VNR ACTIVITIES

11.1 Strategies for accelerating SDG implementation

The Strategic Analysis of SDGs acceleration in Timor-Leste, considering the Strength-Opportunity, Strength-Threat, Weakness-Opportunity, and Weakness-Threat perspectives, provides an insightful road map for informed policy and decision-making.

- Treat malnutrition (stunting) and food insecurity as emergencies, necessitating increased attention and investments. Address the various aspects of malnutrition, including stunting, wasting, anaemia, and food insecurity, considering it as a pressing food and nutrition emergency in the country. Align efforts to combat malnutrition with poverty reduction strategies. Explore the possibility of introducing an additional layer of social protection to provide targeted assistance to households with children suffering from severe acute malnutrition, promoting equity. Utilize existing institutional mechanisms and successful programs against stunting. Enhance agricultural productivity to bolster food security.
- Pursue the expansion of social protection programs to effectively address poverty, malnutrition, and health issues, recognizing their interconnectedness. According to the ILO, low-income countries, including Timor-Leste, require 15.9% of their GDP to provide social protection to all their populations. Currently, only 30.6% of the population in Timor-Leste is covered by at least one social protection benefit. Secure funding for programs such as the National Action Plan on People with Disabilities, Child Protection, National Action Plans for GBV, and other initiatives targeting the poor and vulnerable, aligning with the "Leave No One Behind" principles to reinforce inclusivity. Conduct external, high-quality evaluations to ensure effective investments in expanding and strengthening social protection programs for vulnerable groups.
- Amplify preschool enrolment to address foundational learning challenges. Develop and implement a national plan, expand training opportunities for preschool teachers, and increase the budget for preschool education. Address the absence of a comprehensive national plan for the preschool sector, prioritizing its development and implementation. Focus on enhancing training opportunities for preschool teachers, particularly in working effectively with children with disabilities. Allocate a higher budget for preschool education to bridge the current deficit, which is 10 times lower than the recommended 1% of GDP.
- Improve labour-force participation and formal employment. Increase education sector enhancement by prioritizing education in budget allocation (target: 15-20% of GDP). Expand digital infrastructure in schools and establish a Centre of Excellence for teacher training. Sustain ongoing programs like the Human Capital Development Fund and the Bosla Hakbiit. Intensify efforts to address geographic disparities in schools and health facilities. Initiate policy measures to integrate young people and workers in informal employment into the social protection system. Adopt the UN Secretary-General's Global Accelerator on Jobs and Social Protection for strategic direction, directing investments for a job-rich recovery using INFFs to catalyze financial resources.

- Accelerate economic diversification by directing substantial investments towards export-oriented industries, focusing on robust markets like Australia, China, and Indonesia. Leverage Timor-Leste's blue economy, including fisheries, aquaculture, tourism, and shipping, which have shown great potential. Fisheries and aquaculture contribute to food security and livelihoods, while the tourism sector benefits from marine and coastal attractions, driving employment and foreign exchange earnings. Explore opportunities for organic farming and agroforestry practices in the agricultural sector to enhance food security, climate resilience, and rural income. Facilitate private sector-led growth, with the government creating an inviting environment for international and local investors. Promote public-private partnerships to share risks and attract private sector investments.
- Invest in overcoming development hurdles and reducing underlying factors hindering public service delivery and economic diversification. Specifically enhance the civil registration system at all levels, ensuring every child is provided with a birth certificate. Advance ICT development by increasing internet speed and fostering digital literacy among the population. As the digital divide between Timor-Leste and other countries grows, the country needs to accelerate its pace of digitalization to avoid falling further behind. Expand access to financial services, including digital financial services, to broaden the population's financial inclusivity. Work on reducing energy costs, improving reliability, and transitioning towards renewable energy sources. This shift will not only be environmentally friendly but could also prove to be economically beneficial in the long run. Accelerate the modernization of land reform to align with contemporary needs and circumstances.
- Continue enhancing the policy environment to facilitate the achievement of SDGs. Sustain the leadership of the Prime Minister's Office in driving the necessary reforms for timely SDG delivery, including reducing duplication of autonomous agencies, streamlining structures, and strengthening coordination. Ensure the integration of SDGs at the subnational level, aligning them with municipal-level plans and conducting monitoring and evaluation of SDGs at the municipal level, as recommended through stakeholder consultations.
- Strengthen climate change resilience as a crucial strategy for long-term sustainability, considering the agricultural dependence of Timor-Leste and the potential risks to infrastructure. Align with the National Adaptation Plan and explore financial preparedness strategies to strengthen the government's ability to enhance financial resilience, particularly in post-disaster financing. Prioritize risk reduction efforts when rebuilding after disasters, as exemplified by the TC Seroja post-disaster recovery program.
- Enhance partnerships with international entities and the private sector in two key areas crucial for Timor-Leste. Firstly, exploit the Public-Private Partnerships (PPP) framework in job-rich sectors such as green and blue economies, connectivity, and infrastructure. This approach can mobilize substantial resources and expertise for ambitious projects, promoting economic growth and SDG achievement. Secondly, actively pursue an increase in ODA beyond the current 10% of the state budget. Leverage the country's geo-strategic position to maintain and expand partnerships with traditional allies and emerging global players. Advocate for more country programmable aid to ensure greater resource allocation through the State Budget, demonstrating Timor-Leste's reliability as an investment-worthy partner.

11.2. Post-VNR activities

Following the VNR presentation at HLPF in New York, several crucial next steps towards realizing the SDGs will be taken. Over the 3 to 6 months following the presentation, the VNR-2 report will be published and disseminated more widely and made easily accessible. Special attention will be paid to local level engagement, which includes sharing results with communities and municipal authorities, and simplifying the report into a digestible format, such as a brochure. The use of platforms like WhatsApp for dissemination will ensure that the report reaches the grass roots level.

Regional consultations will be conducted, and high-level individuals will be involved in communicating the progress of our nation's development. The aim is to ensure that the results of the VNR are accessible to various groups and to foster a sense of ownership in the nation's development journey.

Over the 6 to 12 months after the presentation, the VNR Commission will socialize the findings with the incoming government and support the development and refining of the ninth Constitutional Government programme using the VNR-2 results. The focus will be on digesting key priorities from the VNR and aligning them with immediate actions. This will be done in the form of sectoral/thematic workshops focusing on refining the priorities into specific action plans.

To ensure the sustainability of these initiatives, the government aims to incorporate the VNR's findings into the Medium-Term Plans, thereby informing government decisions on priority setting and resource allocation. As part of this plan, it's vital that SDG indicators be included in the Medium-Term Plans and annual plans and use the SDG indicators and results from the VNR to inform the development of the Medium-Term Plan M&E framework.

Partnerships will be crucial in moving forward, and key actors responsible for implementing these steps will be identified. In addition, appropriate financing mechanisms will be outlined, ensuring the sustainability of the initiatives.

Community and civil society engagement will be prioritized in planning and M&E. The Government aims to ensure that SDGs and their desired goals are understandable and accessible to all citizens through continuous training and socialization. The translations of the SDG goals and indicators into Tetum will be disseminated among civil servants, especially those engaged in planning and monitoring.

To facilitate the post-VNR activities and to implement the findings from the VNR, a SDG Commission will be established. Headed by the Prime Minister, it will lead cross-sectoral collaboration, address institutional fragmentation, and promote policy coherence. Through engagement with stakeholders, including civil society, the private sector and media, the Commission will cultivate ownership of the SDG agenda. At a technical level, it will facilitate language support and resource materials in Tetum, support the establishment and running of the central data centre for SDGs and SDP, enhance understanding of the SDGs, and promote monitoring and evaluation. These efforts will enable the SDG Commission to overcome challenges, enhance data collection, raise awareness of the SDGs, and integrate SDG indicators into annual work plans.

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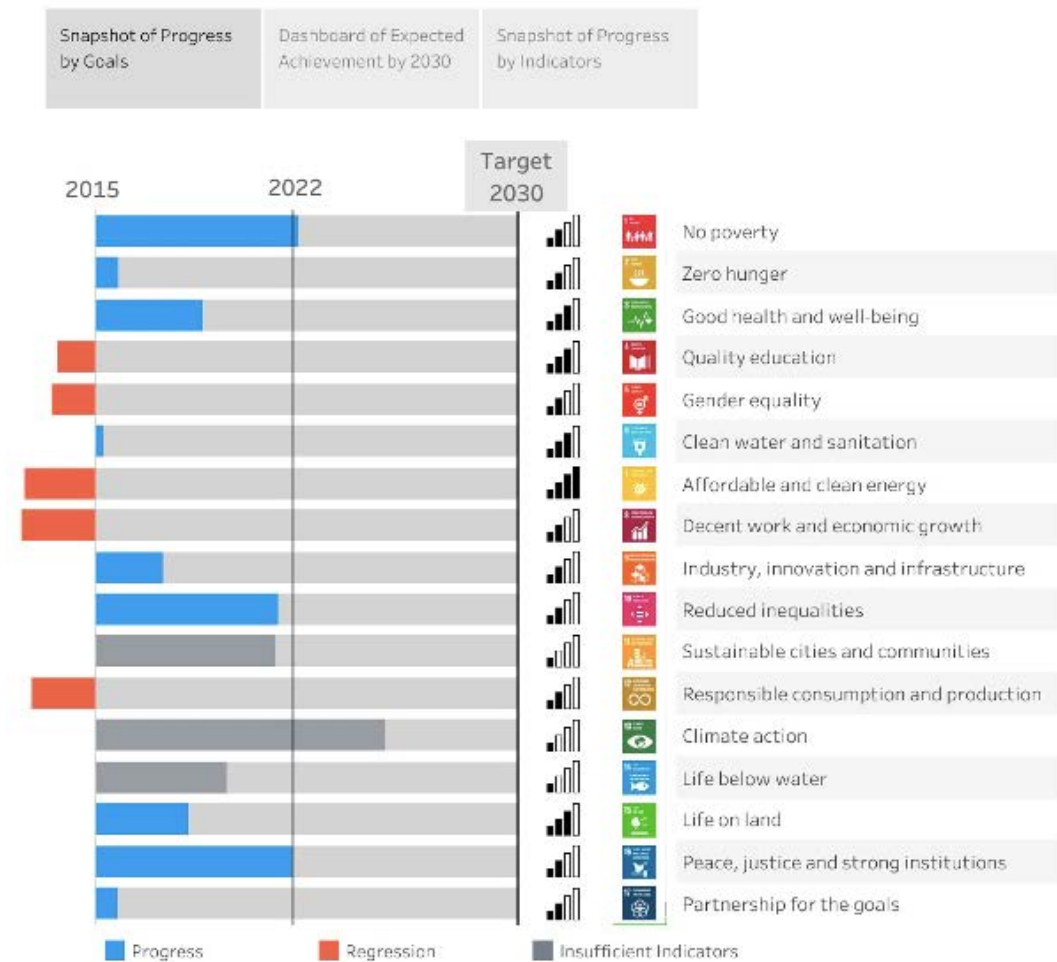
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ANNEXES

Annex 1. SDG progress assessment - all goals



Annex 2. SDG progress assessment snapshots by target



Source: (ESCAP, 2023b).

Annex 3. Statistical annex

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day	1.1.1 Proportion of population living on less than US\$1.90 a day in total employment	Total (15+ years)					10 %	UN DESA (2023) SDG Indicators Database
		20.1 %	17.6 %	14.2 %	14.3 %	14.2 %		
		Youth (15-24 years)						
		23.7 %	20.8 %	n/a	n/a	n/a		
		Total						
	1.3.1 Population covered by social assistance programmes	n/a	n/a	30.6 %	n/a	n/a	100 %	ILO (2023) ILO STAT Explorer ¹⁸
		Severe disabilities receiving disability cash benefits						
		n/a	19.3 %	21.6 %	n/a	n/a		
		Children/households receiving child/family cash benefits						
		n/a	n/a	38.2 %	n/a	n/a		
1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other	1.4.1 Proportion of population living in households with access to basic services	Above statutory pensionable age receiving a pension					100 %	UN DESA (2023) SDG Indicators Database
		n/a	100 %	100 %	n/a	n/a		
		Using basic drinking water services						
		75 %	84 %	85 %	n/a	n/a		
		(Rural 69 %; Urban 90 %)	(Rural 79 %; Urban 95 %)	(Rural 80 %; Urban 96 %)				
Using basic sanitation services								

¹⁸ Depending on data availability, data calculated by 13 ICLS was preferred over 19 ICLS.

Target	Indicator	Indicator value					Target value	Source	
		2015	2019	2020	2021	2022			
forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance		51% (Rural 43 %; Urban 71 %)	56 % (Rural 48 %; Urban 73 %)	57 % (Rural 49 %; Urban 74 %)	n/a	n/a			
By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters	1.5.1	Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population	Deaths/missing persons attributed to disasters					0	UN DESA (2023)
			6.1	n/a	n/a	n/a	n/a		
			Directly affected persons attributed to disasters						
			762.1	n/a	n/a	n/a	n/a		
1.5.2	Direct economic loss attributed to disasters in relation to global GDP (in million US dollars)	23	n/a *0.66 in 2017	n/a	n/a	n/a			
Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	1.a.1	Proportion of domestically generated resources allocated by the government directly to poverty reduction programmes (% of GNI)	1.0 %	1.4 %	2.3 %	n/a	n/a	2.1 %	UN DESA (2023)
	1.a.2	Proportion of total government spending on essential services (education, health and social protection)	8.6 %	n/a *7.9 in 2018	n/a	n/a	n/a	17.2 %	

Target		Indicator	Indicator value					Target value	Source
			2015	2019	2020	2021	2022		
2.1	By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	2.1.1 Prevalence of undernourishment (% of population)	24.5 %	25 %	26.2 %	n/a	n/a	0 %	ADB (2022) ADB Key Indicators Database
2.2	By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons	2.2.1 Prevalence of stunting among children under 5 years of age (% of children under 5)	n/a	n/a	46.7 %	n/a	n/a	31.4 %	UN DESA (2023) SDG Indicators Database
			Wasting					4.9 %	Provo A. et al. (2017) Malnutrition in Timor-Leste: A Review of the Burden, Drivers, and Potential Response; World Bank (n.d) World Bank Data; World Bank (2016) Poverty in Timor-Leste 2014
			n/a	n/a	8.3%	n/a	n/a		
		2.2.2 Prevalence of malnutrition among children under 5 years of age, by type (wasting and overweight)	Overweight					5 %	
			n/a	n/a	1.3 %	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
	2.2.3 Prevalence of anaemia in women aged 15 to 49 years, by pregnancy status (percentage)	Total (both pregnant and non-pregnant)					13.85%	UN DESA (2023)		
		27.7 %	29.9 %	n/a	n/a	n/a				
		Pregnant					17.55%			
		35.1 %	38 %	n/a	n/a	n/a				
Non-pregnant					13.55%					
2.a	Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries	2.a.1	The agriculture orientation index for government expenditures	1.1	0.6	n/a	n/a	n/a	1	UN DESA (2023) SDG Indicators Database
	2.a.2	Total official flows (official development assistance plus other official flows) to the agriculture sector (Million 2019 US dollars)	25.5	25.3	22.7	n/a	n/a	50.9		
2.c	Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility	2.c.1	Indicator of food price anomalies	-0.5	0	0.22	n/a	n/a	0	

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
3.1	By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births	3.1.1	Maternal mortality (Deaths per 100 000 live births)	160	n/a *142 in 2017	n/a	n/a	n/a	70	UN DESA (2023) SDG Indicators Database
		3.1.2	Births attended by skilled health personnel (% of live births)	63	67	n/a	48	68	80	
3.2	By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births	3.2.1	Infant and under-five mortality (Deaths per 1,000 live births)	Total (Infant)					17.2	UN DESA (2023) SDG Indicators Database
				42.8	37.7	36.5	31	n/a		
				Female (infant)					15.7	
				39	34.1	33	n/a	n/a		
				Male (infant)					18.7	
				46.4	40.9	39.8	n/a	n/a		
				Total (under-five)					25	
				50.8	44.2	n/a	39.6	n/a		
Female (under-five)										
46.5	40.1	n/a	n/a	n/a						
Male (under-five)										
54.8	48.1	n/a	n/a	n/a						
3.2.2	Neonatal mortality (Deaths per 1,000 live births)	21.9	19.9	19.4	n/a	n/a	12			
3.3	By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, waterborne diseases and other communicable diseases	3.3.1	Number of new HIV infections, by sex, age and key populations (Per 100,000 population)	Total					0	WHO & MoH (n.d.)
				9	11	10	n/a	n/a		
				Male (15-49 years)					0	
				23	25	24	n/a	24		
Female (15-49 years)					0					
11	13	12	n/a	8						

19 They are separate reports produced by year.

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
	3.3.2	Tuberculosis incidence rate (Per 100,000 population)	498	498	508	n/a	n/a	0		
	3.3.3	Malaria (deaths and incidence)	Malaria deaths excluding HIV (total, per 100,000 population)					0	MoH (2010-2022) <i>Relatório Estatística Saúde</i> ²⁰ UN DESA (2023) SDG Indicators Database	
			0	0	0	0	0			
	Malaria incidence (total, per 1,000 population at risk)					0				
	0	0	0	0	0					
3.3.5	Number of people requiring interventions against NTDs (per 1,000 population)	1170	1327	1361	n/a	n/a	0	UN DESA (2023) SDG Indicators Database		
3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing	3.4.1	Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease (Probability (%))	Total					12.4 %	UN DESA (2023) SDG Indicators Database; WHO (2018) 2018 Health SDG Profile: Timor-Leste
				18.6 %	19.9 %	n/a	n/a	n/a		
				Male						
				19.6 %	21.5 %	n/a	n/a	n/a		
				Female						
				17.6 %	18.4 %	n/a	n/a	n/a		
3.4.2	Suicide mortality (Per 100,000 population)	Total					1.7	UN DESA (2023) SDG Indicators Database		
		3.5	3.7	n/a	n/a	n/a				
		Male								
5	5.3	n/a	n/a	n/a						
3.5.2	Harmful use of alcohol, defined according to the national context as alcohol	Total					0.4			
		0.5	0.5	n/a	n/a	n/a				
		Male								

20 They are separate reports produced by year.

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
prevention and treatment and promote mental health and wellbeing	per capita consumption (aged 15 years and older) within a calendar year in litres of pure alcohol	0.8	0.8	n/a	n/a	n/a		
		Female						
3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents	3.6.1 Death due to road traffic injuries (Per 100,000 population)	0.2	0.2	n/a	n/a	n/a	4	
		Total						
		13.1	11.9	n/a	n/a	n/a		
		Male						
		18.3	16.9	n/a	n/a	n/a		
		Female						
3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes	3.7.1 Proportion of women of reproductive age (aged 15–49 years) who have their need for family planning satisfied with modern methods	n/a	n/a				100	
		*3.4 % in 2010	*45.9 % in 2016	n/a	n/a	n/a		
3.7.2 Adolescent birth (per 1,000 women)		10-14 years					0	UN DESA (2023) SDG Indicators Database; GDS et al. (2018) DHS 2016
		0.4	n/a	n/a	n/a	n/a		
		15-19 years					15.5	
		41.9	n/a	n/a	n/a	n/a		
3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	3.8.1 Coverage of essential health services	49	53	55	n/a	n/a	100	UN DESA (2023) SDG Indicators Database; WB (n.d.) World Bank Data - Timor-Leste
3.9 By 2030, substantially reduce the number of deaths and illnesses from	3.9.3	Total					0.1	
		0.4	0.4	n/a	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
hazardous chemicals and air, water and soil pollution and contamination	Mortality rate attributed to unintentional poisoning (Per 100,000 population)	Male						UN DESA (2023) SDG Indicators Database
		0.5	0.5	n/a	n/a	n/a		
		Female						
		0.3	0.3	n/a	n/a	n/a		
3.a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate	3.a.1 Age-standardized prevalence of current tobacco use among persons aged 15 years and older (% of population)	Total (15+ years)					24.7 %	GDS et al. (2018) DHS 2016; UN DESA (2023) SDG Indicators Database
		42.5 %	39.8 %	39.2 %	n/a	n/a		
		Male (15+ years)						
		72.3 %	68.4 %	67.6 %	n/a	n/a		
		Female (15+ years)						
12.7 %	11.2 %	10.8 %	n/a	n/a				
3.b Development assistance and vaccine coverage: Support the research and development of vaccines and medicines for the communicable and non-communicable diseases	3.b.1 Proportion of the target population covered by all vaccines included in their national programme	Target population with access 3 doses vaccination against diphtheria-tetanus-pertussis (DTP3)					100 %	UN DESA (2023) SDG Indicators Database
		76 %	90 %	86 %	n/a	n/a		
		Target population with access to vaccination against measles (MCV2)						
		n/a						
		*30 % in 2016	80 %	78 %	n/a	n/a		
3.b.2 Total net official development assistance to medical research and basic health sectors		Total gross disbursement (by recipient, million 2019 US dollars)					29.2	
		14.6	19.6	38.8	n/a	n/a		
		Total net disbursement (by recipient, million 2019 US dollars)						
14.6	19.6	38.8	n/a	n/a				

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
3.c Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States	3.c.1 Health worker density and distribution (Per 10,000 population)	Dentistry personnel density					0.3	
		n/a	0 (0.08)	0 (0.02)	n/a	n/a		
		Nursing and midwifery personnel density					35.6	
		14.8	17.6	17.5	n/a	n/a		
		Pharmaceutical personnel density					6.5	
0 (0.08)	2.1	2.1	n/a	n/a				
Physician density					21.3			
7	7.7	7.6	n/a	n/a				
3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks	3.d.1 International Health Regulations (IHR) capacity and health emergency preparedness (index)	n/a	37	42	60	n/a	100	

	Target	Indicator	Indicator value					Target value	Source	
			2015	2019	2020	2021	2022			
4.1	By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes	4.1.2	Completion rate by educational level	Completion rate, primary education					100 %	UN DESA (2023) SDG Indicators Database
				71.3 %	75.8 %	77 %	n/a	n/a		
				Completion rate, lower secondary education						
4.2	By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education	4.2.2	Participation rate in organized learning (one year before the official primary entry age), by sex	Completion rate, upper secondary education					100 %	
				56 %	60.7 %	61.9 %	n/a	n/a		
				Total						
4.3	By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	4.3.1	Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex	74.1 %	50.2 %	n/a	n/a	n/a	36 %	
				Male						
				70.6 %	48.7 %	n/a	n/a	n/a		
				Female						
				77.8 %	51.6 %	n/a	n/a	n/a		
				Total (15-64 years)						
n/a	n/a	n/a	24.5 %	n/a						
*25 % in 2013	*24.1 % in 2016	n/a	24.5 %	n/a						
Male (15-64 years)										
n/a	n/a	n/a	25.2 %	n/a						
*26 % in 2013	*24.9 % in 2016	n/a	25.2 %	n/a						
Female (15-64 years)										

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	4.5.1 Inequality indices for education indicators (ratio, total population)	n/a	n/a				5.6 %	UN DESA (2023) SG Indicators Database
		*24 % in 2013	*23.2 % in 2016	n/a	23.8 %	n/a		
		15-24 years (both female and male)						
		2.3 %	5.4 %	n/a	n/a	n/a		
		Completion rate, primary (adj. bottom/top wealth parity index)						
		n/a						
		*0.61 in 2016	n/a	n/a	n/a	n/a		
		Completion rate, lower secondary (adj. bottom/top wealth parity index)						
		n/a						
		*0.37 in 2016	n/a	n/a	n/a	n/a		
Completion rate, upper secondary (adj. bottom/top wealth parity index)								
n/a					1	UN DESA (2023) SG Indicators Database		
*0.23 in 2016	n/a	n/a	n/a	n/a				
Completion rate, primary (adj. gender parity index)								
n/a								
*1.1 in 2016	n/a	n/a	n/a	n/a				
Completion rate, lower secondary (adj. gender parity index)								

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
		n/a						
		*1.1 in 2016	n/a	n/a	n/a	n/a		
		Completion rate, upper secondary (adj. gender parity index)						
		n/a						
		*1.1 in 2016	n/a	n/a	n/a	n/a		
		Completion rate, primary (adj. location parity index)						
		n/a						
		*0.67 in 2016	n/a	n/a	n/a	n/a		
		Completion rate, lower secondary (adj. location parity index)						
		n/a						
		*0.63 in 2016	n/a	n/a	n/a	n/a		
		Completion rate, upper secondary (adj. location parity index)						
		n/a						
		*0.82 in 2016	n/a	n/a	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy	4.6.1 Proportion of population in a given age group achieving at least a fixed level of proficiency in functional (a) literacy and (b) numeracy skills, by sex	Gender parity index for participation rate in organized learning (Female-to-male ratio)					100 %	GDS and UNFPA (2018) Timor-Leste Population and Housing Census 2015; WB (n.d.) World Bank Data - Timor-Leste
		n/a *0.48 in 2016	n/a	n/a	n/a	n/a		
		Total (15+ years)						
		64.4 %	n/a *68 % in 2018	70 %	n/a	n/a		
		Male (15+ years)						
		68.7 %	n/a *72 % in 2018	n/a	n/a	n/a		
Female (15+ years)								
		60.2 %	n/a *64 % in 2018	n/a	n/a			
4.a Build and upgrade education facilities that are child, disability and gender-sensitive and provide safe, non-violent, inclusive and effective learning environments for all	4.a.1 Proportion of schools with access	Access to basic drinking water – primary					100 %	UN DESA (2023) SDG Indicators Database
		n/a	68.1 %	n/a	n/a	n/a		
		Access to basic drinking water – lower secondary						
		n/a	68.1 %	n/a	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries	4.b.1 Volume of official development assistance flows for scholarships (total, million 2019 US dollars)	Access to basic drinking water – upper secondary					16.3	
		55.7 %	64.5 %	n/a	n/a	n/a		
		Access to electricity – primary						
		n/a	84.2 %	n/a	n/a	n/a		
		Access to electricity – lower secondary						
		n/a	84.2 %	n/a	n/a	n/a		
		Access to electricity – upper secondary						
n/a	78.7 %	n/a	n/a	n/a				
		8.1	5.4	4.6	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation	5.2.1 Proportion of ever-partnered women and girls aged 15 years and older subjected to physical, sexual or psychological violence by a current or former intimate partner in the previous 12 months, by form of violence and by age	Total (physical, sexual, or psychological)					0 %	NSD et al. (2010) DHS 2009-2010; GDS et al. (2018) DHS 2016
		n/a	n/a					
		*33.3	*36.8	n/a	n/a	n/a		
		% in	% in					
		2010	2016					
		Physical						
		n/a	n/a					
		*30.7	*33.1	n/a	n/a	n/a		
		% in	% in					
		2010	2016					
Sexual								
n/a	n/a							
*2 %	*4.8 %	n/a	n/a	n/a				
in	in							
2010	2016							
Psychological								
n/a	n/a							
*7.7 %	*8.9 %	n/a	n/a	n/a				
in	in							
2010	2016							
5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation	5.3.1 Proportion of women aged 20–24 years who were married or in a union before age 15 and before age 18	Married or in a union before age 15					0 %	
		n/a	n/a					
		*3 %	*2.6 %	n/a	n/a	n/a		
		in	in					
2010	2016							
Married or in a union before age 18					5 %			
n/a	n/a	n/a	n/a	n/a				

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
		*18.9 % in 2010	*14.9 % in 2016					
5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	5.5.1 Proportion of seats held by women in (a) national parliaments and (b) local governments	National parliaments					50 %	UN DESA (2023) SDG Indicators Database GDS & UNFPA (2018) Timor-Leste Population and Housing Census 2015; GDS et al. (2023) Timor-Leste Labour Force Survey 2021
	5.5.2 Proportion of women in managerial positions	38.5 %	40 %	38.5 %	38.5 %	40 %		
		22.9 %	n/a	13.3 %	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all	6.1.1 Proportion of population using safely managed drinking water services	Drinking water, at least basic services					100 %	UN Water SDG 6 Data Portal (n.d.) UN Water
		75.3 %	83.4 %	85.5 %	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source	
		2015	2019	2020	2021	2022			
6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations	6.2.1 Proportion of population using (a) safely managed sanitation services and (b) a handwashing facility with soap and water	Population practising open defecation - total					0 %	UN DESA (2023) SDG Indicators Database	
		22.5 %	18.3 %	18.2 %	n/a	n/a			
		Population practising open defecation - urban							
		2.4 %	0 %	0 %	n/a	n/a			
		Population practising open defecation - rural							
		30.8 %	26.5 %	26.5 %	n/a	n/a			
		Population with basic handwashing facilities on premises - total							100 %
		28 %	28 %	28 %	n/a	n/a			
Population with basic handwashing facilities on premises - urban									
43 %	43 %	43 %	n/a	n/a					
Population with basic handwashing facilities on premises - rural									
		22 %	22 %	22 %	n/a	n/a			
6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of fresh water to address water scarcity and substantially reduce the number of people suffering from water scarcity	6.4.1 Change in water-use efficiency over time (USD/M3)	1.17	1.42	n/a	n/a	n/a	3.4	UN Water (n.d.) UN Water SDG 6 Data Portal	
	6.4.2 Level of water stress: freshwater withdrawal as a proportion of available freshwater resources	28.3 %	28.3 %	n/a	n/a	n/a	25.7 %	UN DESA (2023) SDG Indicat	

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
6.5	By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate	6.5.1	Degree of integrated water resources management implementation (%)	n/a	n/a *14 % in 2017	14%	n/a	n/a	100 %	ors Database
6.6	By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	6.6.1	Change in the extent of water-related ecosystems over time	Lakes and rivers permanent water area change					0 %	
				-6 %	-34.8 %	-42.1 %	-42%	n/a		
				Mangrove total area change						
				-4 %	n/a	n/a	n/a	n/a		
6.a	By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies	6.a.1	Amount of water- and sanitation-related official development assistance that is part of a government-coordinated spending plan (Million 2019 US dollars)	16.9	3.2	3.9	n/a	n/a	33.8	
6.b	Support and strengthen the participation of local communities in improving water and sanitation management	6.b.1	Local administrative units with established and operational policies and procedures for participation of local communities in water and sanitation management	Countries with procedures in law/policy for participation by service users/communities in planning program: rural drinking water supply (scale 0 to 10)					10	
				n/a	*10 in 2014	10	n/a	n/a		n/a
				Countries with procedures in law or policy for participation by service users/communities in planning program: water resources planning and management (scale 0 to 10)						

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
		n/a	n/a *10 in 2017	n/a	n/a	n/a		
		Countries with users/communities participating in planning programmes in rural drinking water supply (scale 0 to 3)					3	
		n/a *2 in 2014	2	n/a	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source	
		2015	2019	2020	2021	2022			
7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	7.1.1 Proportion of population with access to electricity	Total					100 %	UN DESA (2023) SDG Indicators Database	
		67.3 %	90.8 %	96.1 %	n/a	n/a			
		Urban							
	7.1.2 Population with primary reliance on clean fuels and technologies	95 %	100 %	100 %	n/a	n/a	30 %		
		Rural							
		55.7 %	86.7 %	94.4 %	n/a	n/a			
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix	7.2.1 Renewable energy share in the total final energy consumption	Total						50.8 %
			8.5 %	12.5 %	13.6 %	n/a	n/a		
			Urban						
7.3 By 2030, double the global rate of improvement in energy efficiency	7.3.1 Energy intensity measured in terms of primary energy	21 %	28.7 %	30.6 %	n/a	n/a	2.2		
		Rural							
		2.7 %	3.9 %	4.5 %	n/a	n/a			

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
	and GDP (Megajoules per unit of GDP in 2017 ppp)							
7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil fuel technology, and promote investment in energy infrastructure and clean energy technology	7.a.1 International financial flows to developing countries in support of clean energy research and development and renewable energy production, including in hybrid systems (Million 2018 US dollars)	0	n/a *1.05 in 2016	n/a	n/a	n/a	1.4	
7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States and landlocked developing countries, in accordance with their respective programmes of support	7.b.1 Investments in energy efficiency as a proportion of GDP and the amount of foreign direct investment in financial transfer for infrastructure and technology to sustainable development services (Watts per capita)	0.85	0.82	0.8	n/a	n/a	4.5	

Target	Indicator	Indicator value					Target value	Source			
		2015	2019	2020	2021	2022					
8.1	Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries	8.1.1	Annual growth rate of real GDP per capita (2015 US dollars. % <u>change</u> per capita per annum)	0.9 %	17.2 %	9.1 %	n/a	n/a	7 %	ADB (2022) ADB Key Indicators Database	
8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	8.2.1	Annual growth rate of real GDP per employed person (2010 US dollars. % <u>change</u> per annum)	0.32 %	15.31 %	-9.88 %	-0.28 %	n/a	5.25 %	UN DESA (2023) SDG Indicators Database	
8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	8.3.1	Proportion of informal employment in non-agriculture employment, by sex	Total					42 %	ILO (2023) ILO STAT Explore ²¹	
				n/a	*55.1 % in 2013	n/a	n/a	70.5 %			n/a
				Male							
				n/a	*53.1 % in 2013	n/a	n/a	69.8 %			n/a
				Female							
n/a	*59.2 % in 2013	n/a	n/a	71.8 %	n/a						

²¹ Depending on data availability, data calculated by 13 ICLS was preferred over 19 ICLS.

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead	8.4.2	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	Domestic material consumption, total (Tons per capita)					2.2	UN DESA (2023) SDG Indicators Database
				2.7	4.2	n/a	n/a	n/a		
8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	8.5.2	Unemployment rate, by sex, age and persons with disabilities	Unemployment rate (15+ years), total					2.6	ADB (2022) ADB Key Indicators Database; ILO (2023)
				n/a *4.7 % in 2016	n/a	2.9 %	n/a	n/a		
8.6	By 2020, substantially reduce the proportion of youth not in employment, education, or training	8.6.1	Proportion of youth (aged 15–24 years) not in education, employment or training	Unemployment rate (15+ years) by disability status - with disabilities (%), total					13.6 %	ILO STAT Explore ²² ; GDS et al. (2023)
				n/a *7.5 % in 2016	n/a	6.9 %	n/a	n/a		
8.6	By 2020, substantially reduce the proportion of youth not in employment, education, or training	8.6.1	Proportion of youth (aged 15–24 years) not in education, employment or training	Total					13.6 %	ILO STAT Explore ²² ; GDS et al. (2023)
				20 %	n/a	n/a	30.5 %	n/a		
				Male						
				17 %	n/a	n/a	29.8 %	n/a		
8.6	By 2020, substantially reduce the proportion of youth not in employment, education, or training	8.6.1	Proportion of youth (aged 15–24 years) not in education, employment or training	Female					13.6 %	ILO STAT Explore ²² ; GDS et al. (2023)
				24 %	n/a	n/a	31.3 %	n/a		

²² Depending on data availability, data calculated by 13 ICLS was preferred over 19 ICLS.

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
								Timor-Leste Labour Force Survey 2021; ILO (2019) Timor-Leste Labour Force Surveys 2010-2013-2016
8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	8.8.2 Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status	0.34	0.34	0.34	n/a	n/a	0	UN DESA (2023) SDG Indicators Database

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
	(score 0 (better) to 10 (worse))									
8.10	Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	8.10.1	(a) Number of commercial bank branches per 100,000 adults and (b) number of automated teller machines (ATMs) per 100,000 adults	Number of ATMs					200	UN DESA (2023) SDG Indicators Database
				6.6	8.9	13.5	n/a	n/a		
				Number of commercial bank branches					42	
5	6	5.6	n/a	n/a						
8.a	Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries	8.a.1	Aid for trade, total official flows (disbursements), by recipient (Million 2019 US dollars)	74	78	61	n/a	n/a	148	
8.b	By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization	8.b.1	Existence of a developed and operationalized national strategy for youth employment, as a distinct strategy or as part of a national employment strategy	n/a	n/a	2	2	n/a	3	-

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	9.1.2	Passenger and freight volumes, by mode of transport (Million TEU)	0.03	0.02	0.02	n/a	n/a	0.06	UN DESA (2023) SDG Indicators Database
9.2	Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	9.2.1	Manufacturing value added as a proportion of GDP and per capita	By % of GDP (2015 USD)					1.3 %	UN DESA (2023) SDG Indicators Database
				1 %	1.9 %	1.5 %	1.5 %	n/a		
		By 2015 US dollars per capita					820			
		12.9	27.6	23.9	23.5	n/a				
9.2.2	Manufacturing employment as a proportion of total employment	Employment by economic activity: manufacturing (ILO est.)					6.6 %	GDS et al. (2023)		
		3.3 %	3.2 %	n/a	n/a	n/a				
Manufacturing employment (SDG)					14.4 %	Timor-Leste Labour Force Survey 2021; UN DESA (2023) SDG				
n/a	*7.2 % in 2016	n/a	n/a	6.5 %			n/a			

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
								Indicators Database		
9.a	Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing states	9.a.1	Total official international support (official development assistance plus other official flows) to infrastructure (Million 2019 US dollars)	65.8	80	53.2	n/a	n/a	131.6	UN DESA (2023) SDG Indicators Database
9.c	Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020	9.c.1	Proportion of population covered by a mobile network, by technology	Population covered by at least a 2G mobile network					100 %	Indicators Database
				96 %	96.5 %	96.5 %	n/a	n/a		
				Population covered by at least a 3G mobile network						
				96 %	96.5 %	96.5 %	n/a	n/a		
Population covered by at least a 4G mobile network										
0 %	45 %	45 %	n/a	n/a						

□

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	10.4.1 Labour share of GDP, comprising wages and social protection transfers (% of GDP)	41.5 %	40.1 %	n/a	n/a	n/a	50.6 %	UN DESA (2023) SDG Indicators Database
10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well managed migration policies	10.7.4 Population who are refugees, by country of origin (Per 100,000 population)	1.6	1.3	0.8	0.8	n/a	0	
10.a Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements	10.a.1 Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff	57 %	71.4 %	55.3 %	n/a	n/a	66.5 %	
10.b Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes	10.b.1 Total resource flows for development, by recipient and donor countries and type of flow (e.g. ODA, foreign direct investment and other flows) (Million US dollars)	238	273	n/a	n/a	n/a	476	

Target		Indicator	Indicator value					Target value	Source
			2015	2019	2020	2021	2022		
11.1	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	11.1.1 Proportion of urban population living in slums, informal settlements or inadequate housing	n/a *42 % in 2014	n/a *33.9 % in 2014	33.9 %	n/a	n/a	18.9 %	
11.5	By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations	11.5.1 Number of deaths, missing persons and directly affected persons attributed to disasters	Deaths and missing persons attributed to disasters (per 100,000 population)					0	UN DESA (2023) SDG Indicators Database
			6.1	n/a	n/a	n/a	n/a		
			Directly affected persons attributed to disasters (per 100,000 population)						
			762.1	n/a *0 in 2017	n/a	n/a	n/a		
			Population affected by disaster (number)						
			9117	n/a *0 in 2017	n/a	n/a	n/a		
		11.5.2 Direct economic loss in relation to global GDP, damage to critical infrastructure and number of disruptions to basic services, attributed to disasters (% of GDP)	1.4 %	n/a *0 % in 2017	n/a	n/a	n/a	0	
11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	11.6.2 Annual mean levels of fine particulate matter in cities (population weighted) (Micrograms per m ³)	18.6	20.1	n/a	n/a	n/a	13.5	

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
12.2 By 2030, achieve the sustainable management and efficient use of natural resources	12.2.2 Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	Domestic material consumption, total (Tons per capita)					2.2	UN DESA (2023) SDG Indicators Database
		2.7	4.2	n/a	n/a	n/a		
		Domestic material– Biomass (Kg per 1 USD (2010) GDP)					0.7	
		1.7	1.4	n/a	n/a	n/a		
		Domestic material– Fossil fuel (Kg per 1 USD (2010) GDP)					0	
		0	0.2	n/a	n/a	n/a		
		Domestic material– Metal ores (Kg per 1 USD (2010) GDP)					0	
		0	0	n/a	n/a	n/a		
		Domestic material– Non-metallic minerals (Kg per 1 USD (2010) GDP)					0.1	
0.3	1.3	n/a	n/a	n/a				
Domestic material consumption intensity (Kg per 1 USD (2010) GDP)					0.9			
2.1	2.9	n/a	n/a	n/a				
12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	12.4.1 Number of parties to international multilateral environmental agreements on hazardous waste, and other chemicals that meet their commitments and obligations in transmitting information as required by each relevant agreement	Hazardous waste, Montreal protocol compliance					100	
		100	n/a	100	n/a	n/a		
12.a Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable	12.a.1 Amount of support to developing countries on research and development for	1	1.1	1.1	1.1	n/a	5	

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
patterns of consumption and production	sustainable consumption and production and environmentally sound technologies (Kilowatts per capita)									
12.b	Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products	12.b.1	Number of sustainable tourism strategies or policies and implemented action plans with agreed monitoring and evaluation tools	Number of tables					11	
				0	0	0	n/a	n/a		
				System of Environmental-Economic Accounting tables						
				0	0	0	n/a	n/a		
			Tourism Satellite Account tables							
			0	0	0	n/a	n/a	7		
12.c	Rationalize inefficient fossil fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities	12.c.1	Amount of fossil fuel subsidies per unit of GDP (production and consumption) and as a proportion of total national expenditure on fossil fuels (% of GDP)	2.1	4.7	2.8	n/a	n/a	0	

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
13.1 Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries	13.1.1 Number of deaths, missing persons and directly affected persons attributed to disasters	Deaths and missing persons attributed to disasters (per 100,000 population)					0	UN DESA (2023) SDG Indicators Database
		6	0	n/a	n/a	n/a		
		Directly affected persons attributed to disasters (per 100,000 population)						
		762	n/a *0 % in 2017	n/a	n/a	n/a		
		Population affected by disaster (number)						
9,117	n/a *0 % in 2017	n/a	10,325	n/a				
13.2 Integrate climate change measures into national policies, strategies, and planning	13.2.2 Greenhouse gas emissions	Greenhouse gas emissions (Kilotons of CO₂ equivalent)					7,040	
		6,800	924.6	n/a	n/a	n/a		
		Greenhouse gas (GHG) emissions from agriculture (Thousand tons of CO₂ equivalent)					886.6	
		1,014.1	5,909	n/a	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	14.1.1 Index of coastal eutrophication and floating plastic debris density	1.7 %	1.2 %	1 %	0.9 %	n/a	0 %	UN DESA (2023) SDG Indicators Database
14.5 By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information	14.5.1 Coverage of protected areas in relation to marine areas	18.7 %	19.6 %	19.6 %	19.6 %	n/a	46.7	UN DESA (2023) SDG Indicators Database

Target	Indicator	Indicator value					Target value	Source	
		2015	2019	2020	2021	2022			
15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	15.1.1	Forest area as a proportion of total land area (% of land area)	62.4 %	62 %	61.9 %	n/a	n/a	71.8 %	UN DESA (2023) SDG Indicators Database
	15.1.2	Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type	Important sites for freshwater biodiversity					43.6 %	
			0 %						
			Important sites for terrestrial biodiversity						
15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	15.2.1	Progress towards sustainable forest management	Above ground biomass in forest (Tons per hectare)					167.7	
			150						
			Forest area net change rate (%)						
			n/a						
15.4 By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development	15.4.1	Coverage by protected areas of important sites for mountain biodiversity (%)	45.4 %	50.8 %	50.8 %	50.8 %	n/a	93.3 %	
	15.4.2	Mountain Green Cover Index	99.5	n/a *99.5 in 2018	n/a	n/a	n/a	100	
15.5 Take urgent and significant action to reduce the degradation of natural	15.5.1	Red List Index	0.9	0.9	0.8	0.8	0.8	1	UN DESA (2023)

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species								SDG Indicators Database
15.6 Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed	15.6.1 Number of countries that have adopted legislative, administrative and policy frameworks to ensure fair and equitable sharing of benefits	International Treaty on Plant Genetic Resources for Food and Agriculture, contracting party (binary)					1	
		0	0	0	0	0		
		Reported through Online Reporting System on Compliance of the International Treaty on Plant Genetic Resources for Food and Agriculture (binary)					1	
		n/a *0 in 2016	0	0	0	0		
		Reported number of Standard Material Transfer Agreements transferring plant genetic resources for food and agriculture to the country (number)					38	
		8	12	12	12	12		
15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species	15.8.1 Proportion of countries adopting relevant national legislation and adequately resourcing the prevention or control of invasive alien species	Legislation, Regulation, Act related to the prevention of introduction and management of Invasive Alien Species (binary)					1	
		n/a *1 in 2016	n/a	1	n/a	n/a		
		National Biodiversity Strategy and Action Plan targets alignment to Aichi Biodiversity target set out in the Strategic Plan for Biodiversity (binary)					1	
		n/a *1 in 2016	n/a	1	n/a	n/a		
15.a Mobilize and significantly increase financial resources from all sources to conserve	15.a.1 Official development assistance and public expenditure on conservation and	11.9	18.9	1.6	n/a	n/a	23.9	

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
and sustainably use biodiversity and ecosystems	sustainable use of biodiversity and ecosystems (Million 2018 US dollars)							
15.b Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation	15.b.1 Official development assistance and public expenditure on conservation and sustainable use of biodiversity and ecosystems per Aichi Biodiversity Target (Million 2018 US dollars)	11.9	18.9	1.6	n/a	n/a		

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
16.1 Significantly reduce all forms of violence and related death rates everywhere	16.1.1 Number of victims of intentional homicide per 100,000 population, by sex and age	4	n/a *5.1 in 2016	n/a	n/a	n/a	29.4	ADB (2022) ADB Key Indicators Database; WHO (2018) 2018 Health

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
								SDG Profile: Timor-Leste		
16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children	16.2.2	Number of victims of human trafficking by sex, age and form of exploitation (Total number of people)	20	n/a *2 in 2017	n/a	n/a	n/a	0	
16.3	Promote the rule of law at the national and international levels and ensure equal access to justice for all	16.3.2	Unsentenced detainees as a proportion of overall prison population (% of prison population)	76.1 %	n/a *23.2 % in 2017	n/a	n/a	n/a	0	UN DESA (2023) SDG Indicators Database
16.5	Substantially reduce corruption and bribery in all their forms	16.5.2	Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months	44.2 %	n/a	n/a	n/a	n/a	6 %	
16.6	Develop effective, accountable, and transparent institutions at all levels	16.6.1	Primary government expenditures as a proportion of original approved	85.1 %	83.4 %	n/a	n/a	n/a	100 %	UN DESA (2023) SDG

Target	Indicator	Indicator value					Target value	Source	
		2015	2019	2020	2021	2022			
	budget, by sector (or by budget codes or similar) (%)							Indicators Database	
16.7	Ensure responsive, inclusive, participatory and representative decision-making at all levels	16.7.1	Female members of parliaments, ratio over female in national population, lower chamber						1
	Proportions of positions (by sex, age, persons with disabilities and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions		n/a	n/a	n/a	0.8	0.8		
16.9	By 2030, provide legal identity for all, including birth registration	16.9.1	n/a *60.4 % in 2016	n/a	n/a	n/a	n/a	100 %	ADB (2022) ADB Key Indicators Database
16.a	Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime	16.a.1	National Human Rights Institutions in compliance with the Paris Principles, a status (binary)					1	UN DESA (2023) SDG Indicators Database
	Existence of independent national human rights institutions in compliance with the Paris Principles		1	1	1	1	n/a		

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
Finance										
17.1	Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection	17.1.1	Government revenue by source – tax revenue (% of GDP)	36 %	22.9 %	n/a	n/a	n/a	42 %	UN DESA (2023) SDG Indicators Database
		17.1.2	Domestic budget funded by domestic taxes (%)	38.6 %	32.7 %	n/a	n/a	n/a	48 %	
17.3	Mobilize additional financial resources for developing countries from multiple sources	17.3.1	Foreign direct investment inflows (% of GDP)	1.4 %	2.5 %	n/a	n/a	n/a	2 %	
		17.3.2	Volume of remittances (in United States dollars) as a proportion of total GDP	3.9 %	4.9 %	8.2 %	n/a	n/a	5 %	
17.4	Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress	17.4.1	Debt service as a proportion of exports of goods and services (% of exports of goods, services and primary income)	0 %	0.5 %	1.1 %	n/a	n/a	0.8 %	
Technology										
17.6	Enhance North-South, South-South and triangular regional and international cooperation	17.6.1	Number of science and/or technology cooperation	0.1	0	n/a	n/a	n/a	32	UN DESA (2023) SDG

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
on and access to science, technology and innovation and enhance knowledge-sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism	agreements and programmes between countries, by type of cooperation (Per 100 population)							Indicators Database
17.8 Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology	17.8.1 Proportion of individuals using the Internet	18.6 %	28 %	34.1 %	39.5%	n/a	100 %	
17.9 Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the Sustainable Development Goals, including through North-South, South-South and triangular cooperation	17.9.1 Dollar value of financial and technical assistance (including through North-South, South-South and triangular cooperation) committed to developing countries (Million 2019 US dollars)	48.4	43.7	38.4	n/a	n/a	96.8	UN DESA (2023) SDG Indicators Database

Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
Trade										
17.10	Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO, including through the conclusion of negotiations under its Doha Development Agenda	17.10.1	Worldwide weighted tariff-average	Most-favoured nation, worldwide weighted tariff-average, all products (%)					0	
				2.5 %	2.5 %	n/a	n/a	n/a		
				Preferential rate, weighted mean, all products (%)						
				2.5 %	2.5 %	n/a	n/a	n/a	0	
17.12	Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with WTO decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access	17.12.1	Average tariffs faced by developing countries, least developed countries and small island developing States (%)	Most-favoured nation, average tariff applied by developed countries, all products					0 %	UN DESA (2023) SDG Indicators Database
				0 %	n/a *0 % in 2018	n/a	n/a	n/a		
				Preferential rate, average tariff applied by developed countries, all products						
				0 %	0 %	0 %	n/a	n/a	0 %	
Systemic issues - Policy and institutional coherence										
17.15	Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development	17.15.1	Extent of use of country-owned results frameworks and planning tools by providers of development cooperation (%)	Extent of the use of country-led result framework, by recipient of development cooperation					100 %	UN DESA (2023) SDG Indicators Database
				n/a	n/a	n/a	n/a	n/a		
				*62.6 % in 2016	*64.4 % in 2018	n/a	n/a	n/a		
				New interventions drawn from country-led result framework, by recipient of development cooperation					100 %	
				n/a	n/a	n/a	n/a	n/a		

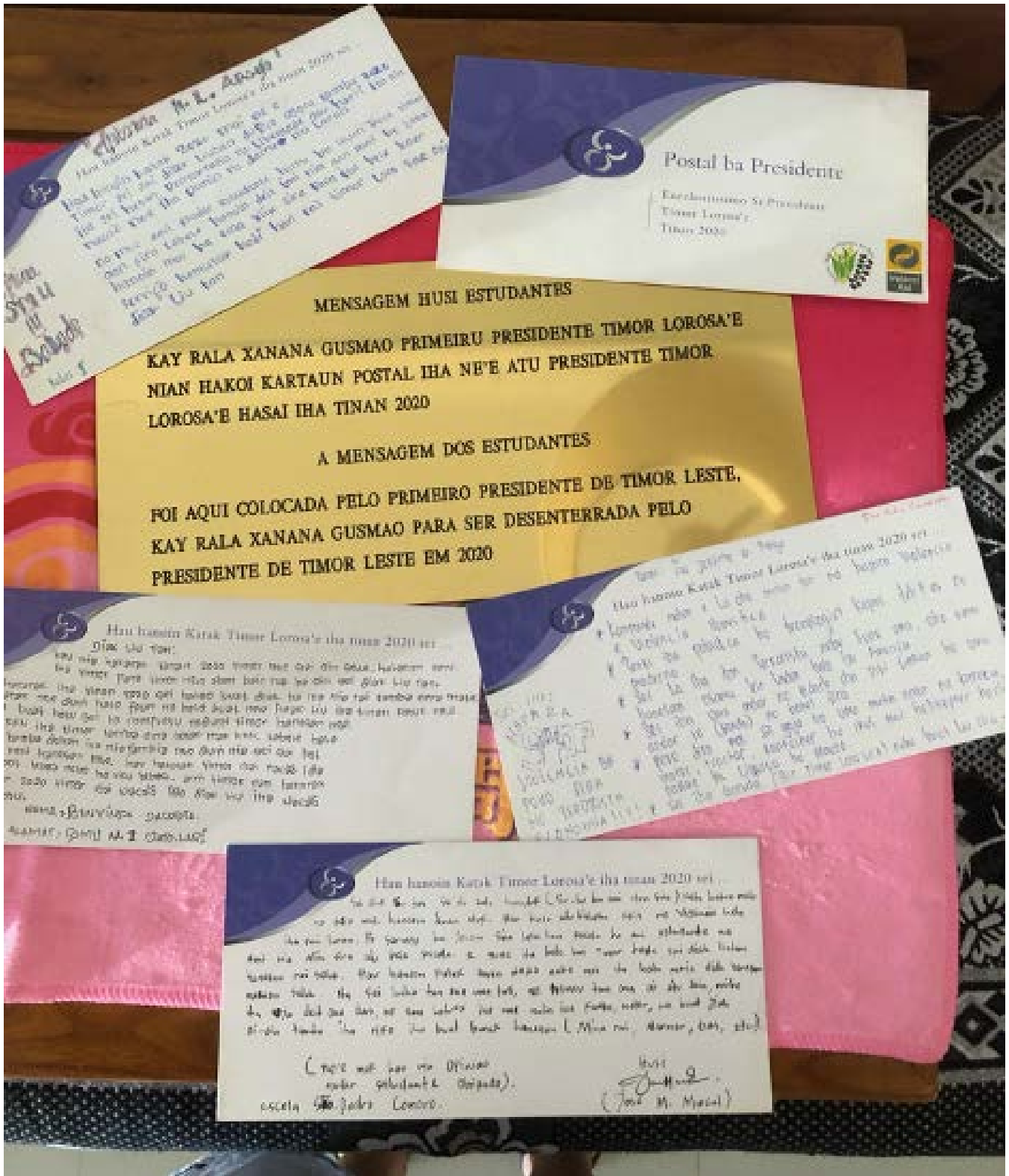
Target	Indicator	Indicator value					Target value	Source		
		2015	2019	2020	2021	2022				
		*95.7 % in 2016	*94.7 % in 2018							
		Result indicators drawn from country-led result framework, by recipient of development cooperation					100 %			
		n/a	n/a	n/a	n/a	n/a				
		*51 % in 2016	*54.2 % in 2018	n/a	n/a	n/a				
		Result indicators using government sources/monitoring systems, by recipient of development cooperation					100 %			
		n/a	n/a	n/a	n/a	n/a				
		*41.1 % in 2016	*44.4 % in 2018	n/a	n/a	n/a				
Multi-stakeholder partnerships										
17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	17.17.1	<u>Amount</u> of United States dollars committed to (a) public-private partnerships and (b) civil society partnerships	Public-private partnerships for infrastructure, commitment (Million US dollars)					980	UN DESA (2023) SDG Indicators Database
				0	0	490	n/a	n/a		
Data, monitoring and accountability										
17.18	By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to significantly increase the availability of high-quality, timely and reliable data disaggregated by income,	17.18.2	National statistical legislation exists and complies with the Fundamental Principles of official Statistics (binary)	n/a	0	0	0	n/a	1	UN DESA (2023) SDG Indicators Database

Target	Indicator	Indicator value					Target value	Source
		2015	2019	2020	2021	2022		
gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts								
17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries	17.19.1 Resources made available to strengthen statistical capacities in developing countries (million US dollars)	48.4	38.3	38.4	n/a	n/a	96.8	

*Sources used in the Statistical Annex

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Annex 4. Postcards





Hau hanoin Katak Timor Lorosa'e iha tinan 2020 sei ...

Diak Liu Tan:

hau nis hakarak tinan 2020 timor nee sai oin gaut, hataton ken. iha timor para timor nee aban bain rua ba oin sei diak Liu Tan.

hau hakarak iha tinan 2020 sei hatas buat diak ba ita nia rai tamba ema mate. nis hakarak nee duni halo foun no halo buat nee furak liu iha tinan totuk nee. tamba buat hotu sei ba kompletu ne duni timor hanesan nee.

hataton ken iha timor tamba ema botof mak ken, labele halo hanesan. tamba dehan ita nis familia nee duni nia sei sai bot. labelehan ken hanesan nee. hau hakarak timor sai nacaõ ida nebe boot lehas nebe ho neu bebas. ami timor oan hakarak iha tinan 2020 timor sai nacaõ ida diak liu iha nacaõ kat-kotu.

NAMA = BENYINDA . DACOSTA.
 ALAMAT = QMU N. 2 UATO-LARI



"Antonina M. L. Arsyo"

Hau hanoin Katak Timor Lorosa'e iha tinan 2020 sei ...

Hau hanoin katak 2020 mai ne'e. Timor sei sai diak liutan du'ue agora tamba 2020 ita sei hetan Demokrasi no Liberdade atu hari' ita nia nacaõ nee iha domin no darme' nia larari.

No mos ami studar estudante husu ba ulun boot timor oan sira labele hanoin deit imi nia oan mai be bent? hanoin mos ba ema kiik sira para ita bele kaer servico hamutuk hodi hari rai timor lora sae sai diak Liu tan

Amia
 SIMU
 III
 Bangde

Kelas: F.



Hau hanoin Katak Timor Lorosa'e iha tinan 2020 sei ...

Sai deit bu tan so de loko hanout (tir-lu ba nri ulun sira) kata hatun malu no odo malu hanan tinan uluk. Hau huse ulu khalutan kfx no Videncia hata iha rai laran. Pa sarusa ba joran sira laka tan escola ba ani gshudante no Ani via Alin sira alu beta escola. e nuna ita bale hai Timor hata sai dika litar hanan rai galuk. Hau hanoin Katak tinan 2020 neba mai ita hatu meris dida hanan nahan solu. Iti sei loko tan ana una tali, no fassuu tan ana oi alu sein, mihe ita uja deit ana bat, no ana loko ita una muba ina Fanta, motor, no buat jidu oi-dia tamba ita rifo ita buat barak hanan (Mina rai, Marmor, Gas, etc).

(ne'e nuk hau via opiniao nular gshudante obipado).
escola São Pedro Comoro.

Husi
[Signature]
(Josa M. Marçal)



Nome: Ivo jezinto G. Araujo

São Pedro Comoro

Hau hanoin Katak Timor Lorosa'e iha tinan 2020 sei ...

- * Komprande malu e la odo malu tan no hapano violencia e violencia domestica
- * Tenki ita pabrika ho tecnologia kapas febes no moderno.
- * Sei la ita tan Terrorista neba sunu uma, oho ana honesan Osama bin Laden hale ba America.
- * Sei ita uma andar no fidade ita dihi laran ho uma andar 10 (sandu) no hotel jira.
- * povo sira mos sei geja ho uma muba andar no koreta, motor, tractor, konteiner ho ikus mai helikopter hechi, pajar ba liquica ho aturo.
- * Sei ita Garuda (Air Timor Lorosa'e) neba boot lu ita mund

Sei iha:
HAPAZA
[Signature]
VIOLENCIA BA
POVO SIRA
NO TERRORISTA
ECONOMIA!!!!