

**TIMOR-LESTE**

**The Development Partners Appraisal of the  
Strategic Plan for Universal Primary Education Completion by 2015  
and a Recommendation of Endorsement of Timor-Leste for Accession to the  
Education for All (EFA) Fast Track Initiative**

**November 18, 2005**

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#### Table of Contents

1	Introduction .....	3
2	The Assessment at a Glance.....	3
2.1	Key Strengths, Concerns, and Recommendations.....	3
2.2	Nine Critical Assessment Questions.....	4
3	The Preparation of the SP-UPC .....	6
4	Technical Assessment .....	8
4.1	Summary .....	8
4.2	Strategies to improve access and equity in access.....	9
4.3	Strategies to improve quality and relevance.....	10
4.4	Strategies to improve education system and school management.....	14
4.5	Readiness of the Strategic Plan for implementation.....	14
5	Resource Requirements and Financing Gap .....	15
6	Funding Modality .....	16
7	Monitoring Process .....	16
8	Critical Knowledge and Data Gaps .....	17
9	Challenges .....	18

#### Tables

Table 1:	Catalogue of Main Documents Available for the Technical Assessment.....	19
Table 2:	Population and Education Indicators Selected from the Assessment Documents .....	20
Table 3:	Enrollment Projects and Estimated Need for New Classrooms.....	21
Table 4:	Selected Quantitative Targets in the 3 Year Action Plan .....	22
Table 5:	EFA-FTI Indicative Framework - Comparison of Timor-Leste's and International Benchmarks for Assessing Strategic Directions.....	23
Table 6:	Estimated Costs of SP-UPC and area where EFA FTI Catalytic Fund Support is requested for High Priority Activities.....	24
Table 7:	SP-UPC Costs and Financing Gap.....	26

## **1 Introduction**

1. In prioritizing the goal of universal primary education the Government has determined that a considerable portion of their education budget and a majority of the development assistance they seek for the sector must support the SP-UPC. With this in mind, and recognizing the importance of the SP-UPC, the Development Partners (DPs) have attempted throughout this assessment to identify the Plan's strengths and to indicate those areas that we consider as presenting the most significant challenges. In order to better ensure the Plan's realization, we have also recommended additional actions for the Ministry to consider.

2. We recognize that the policies necessary to support the implementation of the SP-UPC must be policies that reflect the direction of the National Education Policy Framework. We therefore consider the approval of the National Education Policy Framework by the Council of Ministers as urgent. It is a vital foundation of the SP-UPC.

## **2 The Assessment at a Glance**

### **2.1 Key Strengths, Concerns, and Recommendations**

#### Strengths:

1. The Plan plainly conveys the constraints to be overcome (inadequate physical infrastructure, poor and inadequate teaching and learning materials, ill-prepared teachers, limited management capacity, and severely limited implementation capacity<sup>1</sup>) and provides a coherent framework to address them.
2. There is an adequate balance between addressing access issues and quality of schooling concerns.
3. The SP-UPC is embedded in the Sector Investment Program<sup>2</sup>.

#### Concerns:

1. The Ministry's capacity to implement the plan – capacity building (of systems and individuals) will have to be taken very seriously over an extended period.
2. Knowledge and data gaps are substantial - there is much that we do not know about the status of education in Timor-Leste. A concerted effort will be necessary to monitor system, school, and student performance.
3. There is confusion around how the language of instruction policy will be translated into the policies and practices that influence what books and learning materials are provided to schools.
4. The SP-UPC may be under-budgeted - due to knowledge and data gaps cost estimates may be low.

#### Recommendations

1. The SP-UPC provides a reasonable (if ambitious) program of activities but does not include a detailed timetable. Such a timetable would be welcomed, particularly in respect to year one activities, as would an overall, though less detailed, Implementation Plan that could be updated annually. A reasonable request would be that these and a consolidated SP-UPC Monitoring Plan be prepared by March 2006. The latter should include performance targets.

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<sup>1</sup> These constraints apply to each sub-sector not only the primary sub-sector.

<sup>2</sup> The SIP articulates policy and investment priorities for the sector over the medium-term. It guides the Ministry of Planning and Finance in allocating resources and in identifying program and funding gaps that the Development Partners are asked to meet. The SP-UPC will be the primary education section of the 2006 SIP.

2. That priority be placed on (i) developing adequate information for a review of costs, and (ii) the preparation of a fully costed, comprehensive SP-UPC 3-Year Rolling Plan by October 2006 - in time for the Ministry's FY2007 budget submission.
3. In respect to school grants and the role that they may play in the future of school management and service standards, we suggest that the Ministry establish standards and benchmarks around eligibility, use, fund flow mechanisms, safeguards, etc. We note that there is an impressive volume of experience in the field of school grants in the region. The opportunity exists for Timor-Leste to adopt known best practice and to avoid pitfalls already experienced elsewhere.
4. In respect to teacher training, the Ministry should state how they envisage teachers can best be prepared for their profession. A review of international best practice and of options available, considering the very limited capacity of in-country institutions, would be a welcome first step.
5. The Ministry is asked to clearly articulate how the language of instruction policy is to be applied to textbook and learning materials policies and production. Because language policy is contentious, it is important that the Government is explicit in its explanation of those policies and that they provide equally explicit guidelines for their application in schools.

**Conclusion:**

The Government has made an important step forward on the path to UPE. The SP-UPC is an extremely good product, especially when considered in light of the Ministry of Education and Culture's capacity constraints. It indicates clearly that the Ministry has moved beyond considerations of emergency provision of schooling and is now ready, with its Development Partners, to tackle the complex and daunting task of improving school quality. We are particularly pleased to see that the Ministry is expecting a coordinated effort in the sub-sector and that they are committed to developing their capacity to manage and implement their education program.

**The in-country Development Partners congratulate the Government and offer their endorsement of the SP-UPC.** We are highly committed to support and to participate in the fulfillment of the Plan. Our current assessment is that there is a considerable financing gap (some US\$17.8 million over three years) and that assistance will be needed throughout the current three year planning period. However, we recommend that financial support in addition to current commitments be limited to supporting the most critical of interventions and that needs be assessed annually.

**2.2 Nine Critical Assessment Questions<sup>3</sup>**

1. *Is there evidence of a positive policy environment for productive investments in the education sector?*

Yes. Overall, the policy environment is being strengthened. Direction is provided by the National Development Plan. The National Education Policy Framework is expected to be re-reviewed by the Council of Ministers this month - approval is anticipated by year's end. Operational policies are being articulated for the Ministry's core program and responsibilities – the SP-UPC supports this process.

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<sup>3</sup> The items are drawn from the EFA FTI Secretariat's January 2005, "Guidelines for Appraisal of the Primary Education Component of an Education Sector Plan".

2. *Does Timor-Leste have a credible and sustainable Sector Plan and does that plan include a strategy for longer term and wider reforms?*

Yes. The Sector Investment Program (SIP) is a Sector Plan – it reflects Government’s program emphasis and shows where the majority of resources are to be used over the medium term. In its first iteration the SIP fell short of delivering a robust plan but lessons have been learnt and applied. The SP-UPC will form the core of the revised SIP (the 2006 SIP). The SP-UPC is credible and sustainable; we expect the same of the 2006 SIP.

3. *What are the critical knowledge gaps and how will these gaps be addressed?*

The Ministry is only just beginning to collect and analyze system data. No current system profile exists and there is no reliable assessment of performance (system-, school- or student-based). While public expenditures are relatively easy to track, private ones are not. High priorities in the 2006-08 SP-UPC are to strengthen the EMIS, establish a means of assessing performance (at all three levels), and to strengthen data-based policy and decision-making. Planned institutional development includes a substantial strengthening of the Ministry’s systems and a parallel up-grading of staff.

4. *What are the capacity constraints and the related issues on capacity development?*

Across the board capacity is low. However, the seriousness of the situation is fully understood by the Ministry and a program is being developed to address the most pressing skills shortages immediately. The extent of the low skills base is the main issue – a fully integrated capacity building effort is urgently needed. Much of the development must be on-the-job and results based. Incentives to perform are expected to be critical to success (though the SP-UPC does not address these). The challenge is to ensure that system inputs and outputs improve as capacities strengthen.

5. *Are trade-offs being made to promote expansion rather than quality improvement, and if so, how are these being managed?*

Timor-Leste’s recent history leaves the Ministry few choices – addressing access will continue to require significant resources over the medium term. However, quality improvement is clearly understood to be an absolute necessity. The SP-UPC is balanced in this respect – although there may be scope at a later date for increased investment in the quality of schooling, it would appear that planned investments are about all the system can absorb over the next three years. A trade-off has, however, been made at the sector level; against the expansion and improvement of junior and senior secondary. The 2006 SIP is expected to illustrate that, as Ministry capacity increases, a gradual ramp up of services in the secondary sub-sector will occur. At that time the DPs will assist in developing a secondary sub-sector implementation plan based on the 2006 SIP.

6. *Does the SP-UPC adequately address marginalized populations?*

Yes. Ministry interventions provide for (i) financial assistance to schools to support operational costs and thus lessen demand on poor families and communities; (ii) small and/or multi-grade schools for smaller remote communities; (iii) teacher incentives to attract staff to smaller schools; (iv) gender-specific sanitation facilities; and (v) a campaign to attract and retain students, especially girls.

7. *How will progress be monitored and what key indicators will track inputs, outputs, and outcomes?*

The Ministry proposed a comprehensive monitoring framework. However, it will need to be adjusted as detailed implementation plans are developed, priorities identified, and baseline data will need to be verified when EMIS data for 2004/05 becomes available. Additionally, the monthly EFA Coordination Committee and the Annual Joint Review will be a forum for monitoring progress. The main performance indicators are:

- (i) Policies and mechanisms are adopted that provide all schools with access to school grants.
- (ii) Management capacity is strengthened at the MoEC and school levels.
- (iii) Quality assessment systems are established.
- (iv) MoEC's capacity is strengthened in public expenditure management, policy making, and monitoring and evaluation.
- (v) Performance based programming is established.
- (vi) An upward trend in educational outcomes, both academic and non-academic, for students in schools. [The upward trend will be monitored by indicators, such as net enrollment rates, repetition, drop-out, and student flow, and student test performance.]

8. *What is the estimated volume of external resources required to meet UPC goals over the coming three years?*

The first three years of SP-UPC will require US\$ 66.3 million in non-salary investments. Of this GoTL will provide US\$ 23.8 million, bilaterals US\$ 4.3 million, and multilaterals US\$ 20.5 million<sup>4</sup>. A financing gap of US\$17.8 million remains. Annually the gap is: in 2006-7, US\$ 2.9 million; in 2007-8, US\$ 6.7 million; and in 2008-9, US\$ 8.2 million (see table 7). These estimates are to be adjusted as information becomes available – see recommendation 2, above.

9. *Is Timor-Leste ready to implement the SP-UPC?*

Yes. But there is a need to ensure a well coordinated effort between the Ministry and DPs in the implementation of the SP-UPC. This will require that all programs and interventions are aligned to the Plan, i.e., to the Ministry's priorities, and that a detailed SP-UPC Implementation Plan be developed within six months and reviewed annually – see recommendation 1, above.

### **3 The Preparation of the SP-UPC**

3. Country ownership and consultation: The SP-UPC is set firmly within the framework of the National Development Plan (2002)<sup>5</sup> and the Sector Investment Program. The NDP and the SIP were prepared through a broad-based, government-led consultative process<sup>6</sup>. While the NDP and SIP set out the objectives for the entire education system, the SP-UPC sets out the Government's plan for the primary sub-sector.

4. The Ministry of Education and Culture (the Ministry or MoEC) began the process of drafting the SP-UPC in May 2005, and held an EFA Planning Week the following month to engage a wide range of stakeholders<sup>7</sup> in discussions on the challenges in and priorities for the primary sub-sector. The

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<sup>4</sup> Estimates are based on committed funding for FY07-09.

<sup>5</sup> The Poverty Reduction Strategy Paper (April 2005) presents the National Development Plan 2002.

<sup>6</sup> Country-wide consultations solicited input for the NDP from 38,000 people in 980 public meetings.

<sup>7</sup> Participants included district superintendents, head teachers, representatives of the church and the Development Partners.

Development Partners participated fully in the EFA Planning Week and were frequently invited to provide both general and specific feedback on the draft SP-UPC. The Plan was finalized by MoEC only after substantial internal consultation (which was invariably led by the Minister). The endorsement by the Prime Minister of the SP-UPC provided essential political support and ensures that it will become central to the 2006 SIP.

5. Although aware of the possible value of a more widespread dissemination of the SP-UPC among stakeholders, the Ministry elected to formalize the Plan immediately, as it had, in their view, in its various forms been extensively discussed with all major stakeholders. The decision not to expose the Plan to further discussion, particularly at the non-national level, is understandable as the Government were keen to process the plan for inclusion in the FY 07 planning process.

6. Preparing for longer-term system reform: The SP-UPC contains activities that, if completed successfully, will allow the Government to establish a strong foundation for ongoing reform. The Plan will be part of the 2006 SIP and, as such, will be part of a larger reform process. However, we note that if the initial stages of the SP-UPC are not successfully implemented, the Ministry will have difficulty raising the funds for further reforms of the magnitude of those defined in the SP-UPC.

7. Assessing alternate cost scenarios: At this point there is inadequate data to develop various cost scenarios. Once data is available and more experience is gained in program execution, it will be necessary for the Ministry to develop cost scenarios based on trend data and program options. Until that time, a year from now, the DPs are comfortable moving forward against the cost estimates supplied by the Ministry and with the Ministry's agreement that program costs will be tracked and data systems substantially improved over the first year of the UPC program. The DPs recommend that priority be placed on developing adequate information for a review of costs before a fully costed SP-UPC 3-Year Rolling Plan is produced in October 2006 for the Ministry's FY2007 budget submission.

8. Consideration of the remainder of the education sector: We are concerned that other sub-sectors may be increasingly under-funded as a result of the strong commitment to the SP-UPC on the part of Government and donors. Assuming that the combined Government and DP allocations to the SP-UPC will, over the medium term, meet the primary sub-sector's absorption capacity, we recommend that the Ministry's FY 07 and subsequent budgets include larger allocations relative to the primary sub-sector as the Government's proposed increased sector allocations become a reality. We could then be better assured that the sector, as a whole, is providing better services and outcomes are likely to improve.

9. We are also concerned that Government takes a strategic approach to secondary expansion and quality improvement. The SP-UPC makes very limited reference to the flow-through effects that the SP-UPC activities will have on secondary education. We look forward to future Government documents (including the National Education Policy Framework) and the 2006 SIP explicitly addressing the improvement and expansion of secondary education.

10. HIV/AIDS: We note that the Ministry has elected not to include in the SP-UPC a strategy to address HIV/AIDS at the primary school level. This, we understand, is due to low prevalence rate in the country, the absence of national policy that could guide the Ministry, and the fact that the Ministry has not yet held related discussions on this topic with key concerned stakeholders. The Development Partners recommend that the development of a strategy to address HIV/AIDS should be kept under review.

## 4 Technical Assessment

### 4.1 Summary

11. The SP-UPC articulates how the Government of Timor-Leste intends to target resources at a single objective: Universal Primary Completion by 2015. The UPC framework for the period 2006/07 to 2008/09 is clearly presented, as is the Government's recognition that the SP-UPC is ambitious and demanding. Equally clear is the MoEC's commitment to a successful implementation of the SP-UPC. The Plan plainly conveys the constraints to be overcome (inadequate physical infrastructure, poor and inadequate teaching and learning materials, ill-prepared teachers, limited management capacity, and severely limited implementation capacity) and offers a comprehensive sub-sector strategy to achieve that goal<sup>8</sup>.

12. Overall, the technical interventions identified to address these problems over the medium-term are viable and well thought through. Importantly, we note that the interventions are particularly well focused and that they are not 'padded' in any way. In fact, we see the entire program as necessary and timely. As the reader progresses through this assessment, however, they will see that attention is continually drawn to the issue of institutional capacity. There can be little doubt that, above all else, the Government must maintain a substantial commitment to address the service delivery capacity shortfall (at all levels) for some years to come.

13. The DPs recognize that as Ministry capacity to implement and manage 'normal' services increases, their role as program implementers will diminish. This progression should be carefully programmed. We would like to see this shift begin immediately with increased active Ministry participation in capacity development in key technical and management areas.

14. Government allocations to SP-UPC: The Government is committed to ensuring that the education sector receives at least the current share of the domestic budget for the foreseeable future – this is an important commitment as the national budget is set to increase substantially in FY 2006/07 to approximately US\$230 million and then to be sustained at that level thereafter. In respect to the education sector, and to the primary sub-sector in particular, this means that the Government will be looking to ratchet-up spending on the most pressing of immediate needs and to begin to phase-in the financing of routine and development expenditures as their implementation and management capacities increase and as the system stabilizes. Although discussion with the Ministry of Planning and Finance have revealed that the Government will not be able to provide financing to meet the projected costs of the SP-UPC over the short-term (MoEC will therefore require significant support over the 2006/7 to 2008/09 period (see table 7), there appears to be a commitment to finance the construction related costs detailed in the Plan.

15. We note that MoEC is confronted with budget execution challenges. There was a total unutilized balance of about US\$1 million in the fiscal years 2003/4 and 2004/05. The Ministry is conscious of the fact that both planning and financial management must improve drastically if they are to provide and facilitate effective services. As there are signs of improvement in these areas already, budget execution improved in 2004/05 compared to the previous fiscal year, we trust that this positive trend will be strengthened through the planned capacity building activities.

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<sup>8</sup> The appraisal reviewed and took documents listed in table 1 into account.

## 4.2 Strategies to improve access and equity in access

16. Strategies proposed in the SP-UPC include the introduction of measures to lower the cost of schooling for the poorest households, a continuation and stepping-up of school construction, rehabilitation and maintenance program, and actions to make schooling more attractive and to deter drop-out and repetition.

17. Reducing the household costs for education is expected to have a significant impact on the poor, especially on those families with several school aged children. It is also expected to contribute toward keeping girls in school. The Plan's interventions and current Government actions (fee relief, grants to schools, and increased PTA responsibility in managing school resources, including the operation and maintenance of water and sanitation facilities) are all positive and most welcomed steps. We look forward to seeing the detail of how these will be implemented. The MoEC, however, could strengthen its position by advocating and establishing more inter-sectoral links to other programs that target the most vulnerable families (school-based health interventions and feeding programs (strategy 1.6) and income generation activities).

18. Although new policies will require that PTAs become engaged in the management and monitoring of school grants and in the use of school resources, capacity will have to be developed at the community level to take on these responsibilities. The experience of the pilot project (with UNICEF) on school finance indicated that school management in consultation with PTAs can plan and implement school improvement initiatives. Experience elsewhere in the region illustrates that school committee training, guidance, and monitoring makes PTA/community participation in schooling a trusted and effective intervention. Incentive driven PTA development programs (certification for training, for example) may further strengthen community participation.

19. Taking the SP-UPC as a whole, there is the possible risk of too much reliance placed on PTAs and/or the community. Giving PTAs greater responsibility in managing school grants, participation in school maintenance schemes (strategy 1.3) and community monitoring can have a positive effect on school performance. It can also make school management in the longer run more cost effective for the Government. The key challenge will be to build capacities not only of PTAs, but also of district level supervisory system. However, it appears that MoEC recognizes the issue and will move to tap the potential of the MoEC's Infrastructure Facilities Unit (IFU) and build the capacities of District Education Superintendents in facilitating the PTAs and school grant programs and in positively ensuring compliance with national policy. Maximizing these, and other, resources will be essential – as will a rapid building-up of capacity in MoEC to manage and support PTA-based programs. Monitoring of this process will be crucial to ensure that all necessary adjustments are made to the SP-UPC Implementation Plan when required.

20. While a potentially positive objective, the strengthening of the district and school role in decisions over service delivery must be managed well. Capacity is severely limited at these locations and intra-sector communication is often frustrated by poor roads, poor transport systems, and a weak telecommunications infrastructure. Although, the Ministry cannot alter the current operating environment, allowances may have to be made at times and some flexibility anticipated in both program implementation and expected outcomes.

21. In respect to school grants and the role that they may play in the future of school management and service standards, it will be important for MoEC to establish standards and benchmarks around eligibility, use, fund flow mechanisms, safeguards, etc. As mentioned above, there is an impressive volume of experience on school grants in the region and the opportunity is there for Timor-Leste to adopt known best practice and to avoid pitfalls already experienced elsewhere.

22. In respect to the Ministry's strategy to provide adequate infrastructure (strategy 1.2), there is substantial support for this initiative from the DPs. This is seen as a fundamental priority in light of the devastation of facilities that has taken place. Particularly important are the planned strategies of fully mapping the system and developing an in-house planning capacity in MoEC. Especially relevant is the Government's plan to construct additional small schools closer to remote communities. This is expected to significantly influence age appropriate and girls' enrollment (see table 3 for enrollment and classroom projections).

23. Attention is also drawn to three particularly positive steps: (i) the setting and publication of appropriate national standards for facility development and maintenance<sup>9</sup>; (ii) the provision of new or rehabilitated schools or classrooms where classroom capacity of 50 students per classroom is exceeded and where double shifts of a minimum of four hours per shift are not feasible; and (iii) the prioritization of the provision of water and appropriate gender specific sanitation facilities to all primary schools. These are seen as either substantial cost saving, quality improvement or important health measures and are strongly endorsed by the DPs. Table 3 shows the DPs estimates of enrollment growth and the corresponding need for new or rehabilitated classrooms. These estimates are very close to the estimates provided by the Ministry.

24. There is a degree of concern over the proposal to facilitate student flow through the early grades in order to reduce repetition. While recognizing the need to avoid high repetition rates the DPs have expressed the need for MoEC to critically assess the adoption of any automatic promotion policy without a parallel effort to ensure that students master an acceptable degree of grade specific competencies. Concern, again, revolves around the Ministry's capacity to properly manage and monitor such a program at this time.

#### **4.3 Strategies to improve quality and relevance**

25. SP-UPC strategies include establishing a strong and relevant primary curriculum and systems to ensure that schools get quality learning materials and textbooks, quality multi-grade schooling where appropriate, that teachers are well trained, have career opportunities, are provided appropriate incentives, and are deployed where needed.

26. The DPs fully recognize that, in comparison to the challenges faced in addressing its access to schooling problems, the Government faces a much more complex set of tasks in upgrading the quality of schooling. We are encouraged to see that the Government has identified the issues well and is aware of what needs to be done in the short-term and which actions can be delayed. In considering these challenges and the demands that meeting the challenges will place on the Ministry and on the supporting donor community, we draw attention to a number of concerns that, we feel the Government must firmly address as soon as possible:

27. Curriculum: Overall, the curriculum is well designed and is based on learning outcomes and activities that adhere to the practice of child-centered teaching and learning. It promotes the active participation of the children in the learning process. Syllabuses have been developed and approved. Teacher guides for all subjects are written and in the trial stage. This child-centered curriculum is a major

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<sup>9</sup> A good example of where guidelines will provide a crucial service to stakeholders is in the area of school maintenance: The SP-UPC indicates that (a) major rehabilitation work will be coordinated/performed by the IFU; (b) routine maintenance will be supported by the IFU; and (c) minor maintenance and upkeep will be the responsibility of schools/PTAs, financed via a school grant. Guidelines will need to define the separation point between functions (a), (b), and (c). This is particularly important to maximize the effectiveness of the school grant, so that monies are not consumed by maintenance activities which are the appropriate remit of the IFU/MoEC.

improvement over the former Indonesian curriculum. However, we feel that the curriculum, as designed, cannot be most optimally implemented unless best practices strategies for minority language speakers are used. The language courses (Portuguese and Tetum) are not coordinated very well to the principle of initial literacy in Tetum and the transfer of literacy skills to Portuguese. Consideration should be given to the improved harmonization of the two language courses. It would require only minor changes in the curriculum to modify the Portuguese syllabus and guide to include the acquisition of second language principles. The current trial stage could provide useful lessons. The Development Partners welcome the Ministry's proposal to use summative student assessment in the curriculum development process in order to monitor the achievement of the curriculum outcomes. We recommend that future teacher training will include instruction on basic summative assessment.

28. Teacher upgrading: (In-service) Developing the capacity of the existing teacher force is a critical element of the UPC strategy. Currently three programs support teacher upgrading: Portuguese Language Program followed by the *Bacharelato Nocturno* financed by Portugal, training provided in the context of the 100 Friendly Schools Project, supported by UNICEF, and the program to *Lafaek* organized by CARE and financed by TFET through FSQP (and to be continued through June 2006 via support from NZAID and Ireland)<sup>10</sup>. There is much that can be done to ensure that these programs are better integrated and thus made more efficient and more effective. It is critical that a concerted effort be made both by the Government and the DPs to fully integrate all teacher upgrading programs into a single program based on internationally recognized and locally adapted sets of competencies and linked a system of formal certification. Further, an incentive structure is in place that stimulates active and productive participation in the program and in implementing what is learnt.

29. The single program must meet the objective of ensuring that all Timorese primary school teachers are qualified by a certain point in time or are officially exempt from gaining that qualification (due to a nearing retirement, for example). That qualification should be based on: the national curriculum; subject knowledge; pedagogy; and language competency (in both the national language(s) and the language(s) of instruction for the grades they are teaching. As stated above, the challenge for the DPs is to ensure that all donors coordinate their support for such a single program in a manner that is in line with the UPC strategy envisaged by the Government.

30. First steps in this direction are: to ensure that a thorough review of the existing institutional structure of teacher training is completed, to develop a national in-service teacher training strategy that is competency based and reflective of the skills described above (and, is part of an overall teacher training strategy – see below). Conducting a baseline of teaching skills will provide critical information for defining the strategy. An additional issue - which is closely linked to the new curriculum - that needs to be addressed in teacher training for (a) development of language skills in Portuguese and (b) for teaching children a language that is not their home (or maternal) language.

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<sup>10</sup> The upgrading program, supported by the Portuguese Cooperation, involves two modules. The first module aims at developing advanced knowledge of Portuguese over a period of three years. Three annual preparatory courses intend to develop basic, intermediate, and advanced knowledge of Portuguese. The second module includes the strengthening of primary school teachers' knowledge and skills. By the completion of the two modules, teachers will have acquired new teaching methodologies and language skills. The *Instituto para Formação Continuada* has the responsibility for the continuing development of teachers. Currently it is collaborating with UNICEF in the training of trainers for the 100 Friendly Schools Project, to train primary school principals and teachers in the school clusters. One current activity is training to support the new Primary Curriculum Implementation Plan. The *Lafaek* Project includes a Teacher Training Program that focuses on teacher professional development (in-service training) and active learning methodology. Six teacher trainers work regionally to support teachers to use *Lafaek* magazines in the classroom and to reinforce the instructions given in the Teacher Magazine. Since January 2005 approximately 2,300 teachers from across the country have had at least two one-day training sessions. Some have had three.

31. Pre-service: Again as part of a broader strategy for teacher training, the DPs feel that it is necessary for the Government to more clearly articulate how they envisage teachers can best be prepared for their profession. Although a pre-service program has been developed with the support of the Portuguese and Brazilian Cooperation, and the University of Timor-Leste, experiences and lessons from this program (started in 2005) could be usefully combined with a review of international best practice to perhaps develop a more solid program for Timor-Leste that also strengthens substantially the capacity of in-country institutions. This would be most welcomed as there is a need to plan for: (i) replacement of retiring teachers, (ii) reducing the number of teachers who teach in two shifts, (iii) teachers for new and expanded schools, and (iv) a standardization of the student/teacher and student/class ratios over time. This broader strategy may also facilitate efforts to ensure that pre- and in-service certification falls within a common accreditation framework.

32. Teacher Deployment: It is also important that the Ministry articulates its position on teacher deployment and that a clear policy be formulated and maintained. Such a policy could provide a basis to ensure that all children have access to trained and qualified teachers; that teachers are treated as professionals; and that an incentive structure exists to ensure that all schools are properly staffed. Strategies that need to be explored by the Ministry include small schools (*filial*) for remote communities and multi-grade classes, particularly for these small schools. A review of their feasibility and the proposed mapping of schools would be a timely contribution to policy.

33. It is important that the Ministry exercise leadership as they and the DPs move to establish a consistent and coordinated teacher training and deployment strategy. The DPs are beginning to move in this direction, but urgently need clear policy guidelines to follow and a national objective to adhere to.

34. Provision of textbooks and T/L materials: Developing a textbook policy and establishing a textbook management system will greatly benefit the curriculum development process and will also ensure that books and teaching/learning materials arrive in schools when needed.

35. What is of greatest concern at this point is the confusion that exists around how the of the language of instruction policy (see below) is translated into policies and practices that influence what books and learning materials are provided to schools. The draft National Education Policy, the outcomes of the Education Congress in 2004, and the Curriculum Framework for Primary Education approved by the Council of Ministers earlier this year, endorse the use of both Tetum and Portuguese as the way to ensure successful learning and achievement of proficiency of Portuguese language by secondary school. Given that the SP-UPC states that textbooks and teaching/learning materials will be in Portuguese and that teachers can use the mother tongue to facilitate the process of introducing Portuguese, a number of issues need to be addressed by policy: (i) will textbooks be designed to introduce Portuguese as a second language; (ii) to what extent will teaching/learning materials and textbooks be provided in Portuguese; (iii) will these then be complemented by materials produced in Tetum, and other spoken languages where appropriate; (iv) who will be responsible for developing these materials; (v) will all materials be tested to ensure that they are appropriate; (vi) what part of the budget will be allocated for each of these materials. Each of these issues needs to be reviewed within the context of the above quoted documents which will have been formally approved by the Council of Ministers and which refer to a two language policy and not a multi-language policy.

36. LAFAEK magazine: For the foreseeable future *Lafaek* will remain an important resource in a system of schools with poorly qualified teachers, problematic communications, and few teaching resources. Beyond this, for as long as it is financially able, it is likely to remain a popular publication with a significant role in supporting learning, communication, and nation-building. It is appropriate that its content be delivered in both official languages, Portuguese and Tetum, as this, we believe, helps the readers to develop their language skills in terms of reading, writing, and understanding.

37. The effectiveness of the magazine could be improved by making explicit links to the new curriculum and by continuing to improve the publication through conducting and responding to audience research. The link to the curriculum would be more effective if an extra *Lafaek* magazine was produced to allow for a two-year audience span for each edition rather than a three-year one. In adapting the magazines to this purpose it will be critical that the essential nature of *Lafaek* as a popular children's magazine is retained.

38. The teachers' magazine could be made more effective if it became a resource for teacher in-service training to be supported by a systematic program provided by relevant agencies (see above). In the current context it is unreasonable to expect teachers to learn and apply lessons independently from a publication such as *Lafaek for Educators*. The *Lafaek* teachers' magazine is well-placed to provide a resource for professional development but, to be effective, needs to be used in in-service training situations where professional development is supported in an ongoing, facilitated group situation. A program of cluster-based training developed in collaboration with UNICEF, the Portuguese mission, and MoEC (including the Institute for Continuing Education, and district-based training supervisors) could achieve this. Important points are that the effectiveness of *Lafaek* in supporting the improvement of basic education in Timor-Leste could be improved by better coordination between the key stakeholders, including donors and government, and the development of a plan for its sustainability.

39. Language of Instruction: We are pleased to see that the Ministry has more clearly articulated its position<sup>11</sup>:

- The prime concern of MoEC is the provision of opportunity for all Timorese children to reach their potential and their aspirations.
- The official national languages are Portuguese and Tetum with recognition of the value of nurturing and preserving all mother tongue languages.
- Global best practice is acknowledged and underpins Ministry policy of using Tetum or the mother tongue in the early grades to provide the foundation for establishing literacy in Portuguese.
- A goal of this policy is to ensure that instruction in the higher grades of primary education is conducted effectively in Portuguese.
- Ideally the implementation of this policy will facilitate all primary students becoming functionally literate in both Portuguese and Tetum.

40. We are also pleased to note that dual language learning materials (Portuguese/Tetum) have already begun to be developed for use as supplementary materials and as main texts. However, we note that key to assessing the success of this policy in meeting its objectives will be (i) the careful, regular, and systematic evaluation of in-school instruction and language use, and (ii) a means of effectively modifying those instructional methods that frustrate the institutionalizing of the national languages. Of equal importance is to establish a phased teacher training system to ensure that all teachers gain language proficiency in Portuguese to the level required for child centered and activity based learning.

41. The Ministry must ensure its language policy is reflected in its textbook and teaching/learning materials policies (see above). It is equally important that Government take steps to be explicit in its guidelines for their application in schools in terms of the role of each language and that this is clearly articulated to educators, education program stakeholders, and to the public.

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<sup>11</sup> See the FSQP September 26 – October 11, 2005, mission Aide Memoire.

#### **4.4 Strategies to improve education system and school management**

42. The Ministry has proposed a comprehensive and reasonable strategy to improve its capacity to manage the education system at all levels. Whereas in the past, capacity building in the MoEC has most often focused on increasing the skills and knowledge of an individual staff member in order to accomplish specific tasks, the SP-UPC clearly puts forward a broader agenda for capacity building. The Ministry has correctly recognized the need for capacity building that will reform the institution. Their program includes: (i) modifying working procedures and coordination mechanisms; (ii) increasing the skills and qualifications of personnel in a way that meets the demands and needs of the priority policies, programs, and services; (iii) placing an emphasis on the development of higher level conceptual analysis within MoEC management and the abilities to analyze complex issues; and (iv) adjusting policies and regulations to better accommodate quality services and professional service delivery.

43. Overall, in this regard, the SP-UPC is appropriate and we are pleased to see that it recognizes the need for time for the development and internalization of management processes and procedures. We recommended that a team, consisting of key MoEC staff and a long-term management advisor, coordinate all capacity building interventions in the education sector, ranging from central Ministry staff to school head teachers, to ensure the coherence of inputs and the grouping of all capacity building strategies into a single management plan.

44. We ask that the Ministry considers establishing a school quality assurance capacity that is independent of district education offices. Strategy 3.1 may infer the establishment of such a capacity, however, we suggest that an immediate step be taken to create an enabling, supportive, data-collecting, and analytical school quality assurance unit (as opposed to a punitive, policing approach).

#### **4.5 Readiness of the Strategic Plan for implementation**

45. The Timetable: SP-UPC provides a reasonable program of activities but does not include a timetable. Such a timetable would be welcomed, particularly in respect to year one activities as would an overall, though less detailed, SP-UPC Implementation Plan that could be updated annually.

46. The DPs are concerned about the Ministry's overall capacity to implement the SP-UPC. If the MoEC Capacity Building Plan (SP-UPC table 7 and 8) is acted upon in early 2006 and adhered to, and if the DPs are able to maintain their high level of engagement in the sector then the proposed timetable is acceptable.

47. Disbursement and Financial Management: At least over the course of the first year of the SP-UPC, many of the included programs will be executed as donor projects embedded in the Ministry. This, we feel, is a preferred situation until such times as the financial management capacity of the Ministry is substantially strengthened. Under these conditions, much of management of expenditures and disbursements will fall to donors or to TA, although as Government resourcing of the sector increases the majority of this responsibility will rest with MoEC. Later in the implementation of the SP-UPC we expect that it will begin to shift to be 100 percent under GoTL control.

48. In light of the gradual manner in which the financial management responsibilities for all SP-UPC activities will be under the MoEC, we are confident that the Ministry's financial management system will be adequate to handle the expected growth in volume of financial activity that will result from the SP-UPC. Through its association with project channels it should be able to monitor activities and fund flows to schools and districts and to support program monitoring and accountability oversight, and thus to ensure that resources reach intended destinations.

49. Division of Responsibility: Currently the vast majority of education service provision is under central control, with district superintendents serving more as mid-line administrators than as program managers. Under SP-UPC this will gradually change as district officials become better trained and as schools/communities begin to handle grants and engage in school support programs such as maintenance, school health and sanitation, and school feeding. The DPs are looking forward to the completion of the operational policies and guidelines for the implementation of SP-UPC as these are seen as fundamental to the empowering of schools, communities, and district officials.

50. Program Management: The SP-UPC states that "a small group of management advisors will assist the Vice-Minister to execute the SP-UPC on a day-to-day basis". While the Vice-Minister for Primary and Secondary Education should certainly maintain a policy oversight, it would seem to be more appropriate for day-to-day operations to be coordinated by the relevant MoEC Directorates, with those individuals reporting to the Vice Minister, and perhaps to the Permanent Secretary. Such an approach would be more consistent with good practice, and for addressing the challenges articulated in the SP-UPC paragraphs on Governance and Management (#s 26-27) and for the remedies outlined in Strategy 3.1. We do, however, anticipate the need for an overall 'program management advisor' who would be tasked with assisting the senior management of the Ministry to implement and monitor the Plan, and who would also assist in the coordination of all TA inputs.

51. We also draw attention to the possibility of developing parallel management systems that may rival with the legitimate role of MoEC staff. The primary objective of the Technical Assistance should be to develop the capacity of MoEC systems and staff, and in this role, we suggest that the "SP-UPC management support team" be re-named an "SP-UPC advisory body", and be endowed only with a limited management mandate. Functions could include: (a) advising on the deployment of TA and (b) assisting the Vice-Minister, the DG and the Directors on approaches to implementing the SP-UPC reform process. Ongoing coordination with MoEC on the SP-UPC agenda could be handled by the EFA Coordination Committee.

## **5 Resource Requirements and Financing Gap**

52. Cost Estimates: Overall, and in light of the constraints on estimating costs discussed in Section 8, the estimated costs provided by the Ministry are reasonable (see table 6). Arriving at more accurate estimates of program costs is hampered by a number of factors, for example: weak overall ministry capacity; little experience in service delivery and in the purchasing goods and services; and too few operational policies and standards. It is our assumption that the cost estimates in the SP-UPC are actually too low (see paragraph 64 below) as details of planned activities are yet to be spelt out and implementation plans fully articulated. While we are comfortable proceeding with the Ministry's estimates at this point in time, we request that a comprehensive and professional review be made of projected costs at the same time that the Implementation Plan requested above is drafted.

53. Use of Additional Financing: The SP-UPC illustrates how the primary sub-sector is currently funded (see SP-UPC table 3). It is our understanding that additional financing is being sought for the following priority activities: block grants for schools, teacher in- and pre-service training, learning materials, monitoring progress, and, most importantly, capacity building. Each of these has been discussed by the Government with the DPs and there is consensus that additional resources should be sought to meet the cost of these critical activities. However, as the Ministry's capacity to implement is low (even with TA), we recommend that the provision of additional financing for other non-priority activities be delayed until the Ministry's capacity is demonstrably improved.

54. Financing Gap: The financing gap (i.e., the gap between the estimated cost of completing all the activities in the SP-UPC, less funding already committed to the Plan) is US\$17.8 million (see table 7).

This 'shortfall' is for the current planning period FY2006/07 – FY2008/09. An assumption has been made that the Government will finance at least all new construction in the primary sector (at an estimated US\$8 million per year) and that any increases in the sector's development budget will also be targeted at much needed improvements in other sub-sectors. We recognize that this assumption must be revisited each year and that annual discussions with the MoEC and the Ministry of Planning and Finance will inform the EFA planning process of each forthcoming financial year's SP-UPC budget shortfall. We also expect, and are preparing for, a general increase in allocations to the sector from the national budget as that budget increases due to revenue inflows from the Timor Gap.

55. It is, therefore, quite probable that as information on costs, the school system, and on the projected budget allocations becomes more available over the coming year the estimated cost of SP-UPC will increase (referred to earlier) while the allocation to primary education increases. Coupling this uncertainty with our knowledge of available resources and absorption capacity we consider that the EFA FTI Catalytic Fund should be targeted at the priority areas that are currently under funded or not funded at all (see paragraph 52). The annual joint SP-UPC review and ongoing CF oversight should provide the EFA FTI Secretariat with adequate information on costs of and commitments to the SP-UPC to allow it to adjust CF allocations accordingly.

## **6 Funding Modality**

56. Although over the short-term it is most likely that most donors will continue to support the sector via projects, TA, and grants. The DPs, in general, see their support of the SP-UPC as the first step toward a program-based approach being adopted for the sector once the Government structures (FM, procurement, and monitoring systems, in particular) are robust. Should EFA FTI Catalytic Funds be made available to meet or partially meet the anticipated financing gap, discussions with the Secretariat will determine the most appropriate funding modality for those funds.

## **7 Monitoring Process**

57. The MoEC has proposed a comprehensive monitoring framework, including outcome and output indicators, which covers the three program objectives, the proposed program timeframe, and data collection instruments. DPs discussions with the Ministry have indicated that they recognize that a careful monitoring of these indicators will be crucial to improve system performance, to identify bottlenecks, and to make programmatic adjustments where necessary.

58. At the same time, MoEC is aware of the constraints it faces in terms of the availability of reliable and consistent data. The monitoring framework (table 6 in the SP-UPC) will need to be adjusted as detailed implementation plans are developed and as priorities better identified. Also, included data will need to be verified once EMIS data for 2004/05 are available. However, attention is drawn to the fact that the monitoring framework represents a significant step forward from only monitoring input and output to monitoring outcomes, for example, by using a learning achievements test.

59. The monthly joint EFA Coordination Committee meetings will provide a forum for coordination, monitoring of progress, and guiding the implementation of the Plan. Additionally, the MoEC proposes an Annual Joint Review (AJR) of the SP-UPC implementation process. The Development Partners welcome this proposal to carry out an annual review of the primary education sub-sector. We see the AJR as an effective way to strengthen donor coordination, to ensure alignment of DP's programs to the MoEC's priorities, and to continuously ensure that strategies remain streamlined.

60. The Development Partners recommend that the AJR be held in September of every year to allow the Ministry to incorporate findings and recommendations into the SIP review and the Annual Action Plans. The Annual Action Plans specify the Ministry's actions for the next FY, identify expenditure projections, and form the basis for the resource allocation by the Ministry of Finance. It is also recommended that the EFA Coordination Committee develops detailed terms of reference and procedures for the Annual Joint Review, including report formats as well as responsibilities for collection and analysis.

## **8 Critical Knowledge and Data Gaps**

61. Basic Data – Accessibility, Reliability, and Availability: The Ministry has yet to establish a means of gathering, collating, and reporting comprehensive basic education data. Although a UNICEF-supported EMIS exists, it will be some time (perhaps over a year) before it will be able to provide system data adequate for policy and planning purposes. Through its recent exposure to the developing data set (see table 2 and 3), the Ministry has recognized the need for reliable trend data to achieve a continuous process of quality improvement and quality control. This is an encouraging signal and bodes well for efforts to ensure that the EMIS becomes a dynamic and well used management and monitoring tool.

62. At present, however, entry of 2003/4 and 2004/5 primary school data is incomplete and reliable data-based indicators such as net and gross enrollment rates, student/teacher ratios, student/class ratios, etc., are not available. The data shortage is further exacerbated by the delay in the release of the 2004 census data. It appears that a considerable and sustained effort is required to create the EMIS the Ministry needs – i.e., one that can provide a baseline and subsequent measures of a range of indicators as well as a means of identifying where activity and funding should be targeted and how the system and schools are performing. If this is the goal, then the DPs strongly recommend that the Ministry prioritizes the strengthening and staffing of the EMIS unit.

63. Assessing Educational Inputs, Learning Processes, and Outcomes: The capacity to prepare qualitative research instruments, including student assessment instruments, to applying them in the field or to analyze the data they provide does not exist in the Ministry or at any of the nation's higher education establishments. However, we acknowledge the Ministry's commitment to establishing these capacities and then to strengthen them in order that a robust accountability structure can be put in place. The DPs see the proposed approach to initiate a modest qualitative research and assessment program as sensible and deserving of support.

64. Estimating Costs and Developing System Expansion and Cost Scenarios: The absence of data makes it particularly difficult to develop meaningful high, medium, and low cost scenarios for the SP-UPC. Furthermore, the Strategic Plan proposes a number of interventions and policies which will need to be more fully developed (see our related recommendation in paragraph 52). Some of the cost estimates will, we assume, vary substantially, depending on the nature and scope of certain envisioned interventions – fee relief for the poorest students, ensuring compliance with teacher standards, for example. Thus, it would appear that the cost estimate in the Strategic Plan is a rather low estimate as it does not reflect the implications of more refined policy and implementation plans. Neither, does it include the costs of teachers and expected increases in operational and system maintenance costs. Without doubt, the SP-UPC cost estimates are based on currently available information and on costs of ongoing interventions such as construction and teacher pre- and in-service training. As we have suggested, cost estimates will be refined as more reliable data becomes available. In addition to our recommendation for a review of costs (paragraph 52), we also recommend that, to ensure their financial sustainability, each future policy decision by the Ministry and each intended future intervention be carefully costed prior to their approval.

65. Overall, system knowledge and associated data gaps are a very substantial concern. It is imperative for continued DP support of the SP-UPC that these shortfalls are addressed in the immediate future and that the Ministry is in a much stronger position over the next 12 to 24 months in this respect. Although there is substantial support for the SP-UPC, that support is predicated on the expectation that the Ministry will be able, in the near to medium term, to comprehensively monitor the sub-sector and with surety be able to report its status, its costs, and its performance. A concerted effort must be focused, both by the Ministry and by the donor community on making this expectation a reality.

## 9 Challenges

66. Finally, we identify four significant challenges that MoEC must address. We also make related recommendations. These complement the key concerns and recommendations listed in section 2. Through the SP-UPC Monitoring Framework (SP-UPC Table 6), the DPs will work with the Ministry and the EFA Coordination Committee to closely monitor not only the plan but how these challenges are addressed.

1. *Taking the SP-UPC as a whole, it is possible that too much reliance is to be placed on PTAs and/or the community.*

*Recommendation:* Take note of regional best practice and ensure that PTAs and communities are well prepared. Training is essential as is support during implementation and adequate monitoring.

2. *It is important, in respect to school grants, for MoEC to establish standards and benchmarks around eligibility, use, fund flow mechanisms, safeguards, etc.*

*Recommendation:* There is an impressive volume of experience in school grants in the region and Timor-Leste should adopt known best practice and to avoid pitfalls experienced elsewhere.

3. *As part of its broader strategy for teacher training, the Ministry must clearly articulate how they envisage teachers can best be prepared for their profession.*

*Recommendation:* A review of international best practice and of options available, considering the very limited capacity of in-country institutions, would be a welcome first step. Establishment of a list of competencies and a structure of competencies will be critical and again, internationally set competencies should be reviewed.

4. *The Ministry must avoid delays in budget execution.*

*Recommendation:* The planned capacity building activities will strengthen the already improving financial management of the Ministry. This must be complemented by a mechanism to improve planning processes, by setting clear targets, detailed implementation plans, by adhering to the proposed monitoring framework, and by developing more effective mechanisms of fund flows to districts and schools.

## **Tables**

**Table 1: Catalogue of Main Documents Available for the Technical Assessment**

<b>Document</b>	<b>Date</b>	<b>Authorship/ Sponsorship</b>	<b>Document Length</b>
National Education Policy 2005-2009	April 2005	MoEC	46
Sector Investment Program	July 2004	GoTL	62
National Development Plan	May 2002	GoTL	
Education since Independence: From Reconstruction to sustainable Improvement	December 2004	World Bank	198
The Democratic Republic of Timor-Leste: Public Expenditure Review	July 2004	World Bank	104
Strategy Paper for EFA Planning Week	May 2005	MoEC	44
Institutional Assessment and Capacity Building Plan	April 2005	MoEC	35
Teacher Professional Development and School-based Performance Management: Context, Current Situation, Future Strategies	April 2005	MoEC	122
Framework for Learning	December 2004	MoEC	61

**Table 2: Population and Education Indicators Selected from the Assessment Documents**

<b>Domain/Indicator</b>	<b>Year 2002/2003</b>	<b>Year 2003/2004</b>	<b>Year 2004/2005</b>
<b>Selected population characteristics</b>			
Total size <sup>1</sup>	872,000	898,000	925,000
% of population below the poverty line	40 <sup>2</sup>	NA	NA
Number of HIV positive cases	NA	NA	25
<b>Primary education enrollments and student flow</b>			
Total enrollments	185,594 <sup>3</sup>	174,010 <sup>4</sup>	177,058 <sup>5</sup>
Net enrollment ratio	75 <sup>3</sup>	77 <sup>5</sup>	78 <sup>5</sup>
Gross enrollment ratio	117 <sup>3</sup>	115	114
Apparent intake rate (%)	NA	138	119 <sup>5</sup>
Repeaters as % of enrollments	20 <sup>3</sup>	20 <sup>4</sup>	NA
Girls as % of total enrollments		47	48 <sup>4</sup>
<b>Govt. primary school service delivery indicators</b>			
Years in cycle	6	6	6
Pupil-teacher ratio (government teachers only)	44:1	42:1	41:1
Pupil-classroom ratio (overall)	NA	46:1 <sup>4</sup>	44:1 <sup>4</sup>
Number of teachers (including voluntary teachers)	NA	4,850	5,441 <sup>4</sup>
Number of government teachers	4,248 <sup>3</sup>	4,125 <sup>6</sup>	4,298
Number of volunteer teachers	NA	725	1,143
Civil servants as % of total	NA	85	79
Average annual wage bill per primary teacher (civil servant; including benefits) as a % of GDP per capita	27	24	24
Instructional hours			
Annual instructional hours for pupils	500 <sup>7</sup>	500	500
Average pupils' instructional hours per week	12	12	24
<b>Public spending on education</b>			
Public expenditure on education as a share of total public expenditure	24	19	21
Recurrent spending on education (all levels) as % of GDP	4.8	4.9	4.7
Primary education's share of total education recurrent spending	48	46	56
Share of recurrent primary education spending used on inputs other than teachers (%)	20	11	11
<sup>1</sup> Ministry of Planning and Finance. 2005. Demographic Projections. <sup>2</sup> World Bank. 2003. Timor-Leste Poverty Assessment. Washington DC. Figure refers to 2001 data. <sup>3</sup> Ministry of Education and Culture. 2004. Timor-Leste: Education and Training Sector Investment Program. <sup>4</sup> EMIS <sup>5</sup> Estimate based on incomplete EMIS and preliminary census data. <sup>6</sup> No data for number of teachers for 2003/04, only number of newly recruited teachers from 2003/04 to 2004/05. Thus, figure does not reflect attrition rate through retirement, illness or death. <sup>7</sup> 1 hour = 2 classes - 30 minutes each.			

**Table 3: Enrollment Projects and Estimated Need for New Classrooms**

<b>(a) Project Enrollment <sup>1</sup></b>												
<b>Grade</b>	<b>2003/4</b>	<b>2004/5</b>	<b>2005/6</b>	<b>2006/7</b>	<b>2007/8</b>	<b>2008/9</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>1</b>	42,187	39,552	38,077	40,388	41,831	38,524	35,024	33,955	35,313	36,726	38,195	39,723
<b>2</b>	33,592	35,859	34,805	34,269	37,157	38,903	36,213	33,272	32,597	33,901	35,624	37,431
<b>3</b>	32,740	29,561	31,556	31,325	31,528	34,556	36,568	34,402	31,942	31,293	32,884	34,912
<b>4</b>	27,741	28,811	26,014	28,085	28,819	29,321	32,483	34,740	33,026	30,664	30,354	32,226
<b>5</b>	20,959	24,412	25,354	23,152	24,995	26,802	27,561	30,859	33,350	31,705	29,744	29,747
<b>6</b>	16,791	18,863	21,971	22,818	20,837	22,496	25,193	26,183	29,624	32,016	30,754	29,149
<b>Total</b>	<b>174,010</b>	<b>177,058</b>	<b>177,776</b>	<b>180,038</b>	<b>185,167</b>	<b>190,601</b>	<b>193,043</b>	<b>193,412</b>	<b>195,853</b>	<b>196,305</b>	<b>197,555</b>	<b>203,187</b>
<b>(b) Net Enrollment Ratio Projections <sup>2</sup></b>												
<b>Estimated SAP <sup>3</sup></b>	151,826	154,863	158,734	162,703	166,770	171,059	175,312	178,903	184,747	189,285	191,830	196,873
<b>Highest NER <sup>4</sup></b>	0.89	0.92	0.93	0.93	0.94	0.96	0.97	0.98	0.98	0.98	0.98	0.98
<b>(c) Classroom Need Projections</b>												
<b>No. needed if STR is 40:1 <sup>5</sup></b>	4,350	4,426	4,444	4,501	4,629	4,765	4,826	4,835	4,896	4,908	4,939	5,080
<b>Needed if 25% DS <sup>6</sup></b>	3,263	3,320	3,333	3,376	3,472	3,574	3,620	3,626	3,672	3,681	3,704	3,810
<b>No. of good ones <sup>7</sup></b>	2,900											
<b>Additional required</b>	363	57	13	42	96	102	46	7	46	8	23	106
<b>Total additional required by 2008/09 <sup>8</sup></b>						<b>720</b>						
<b>No. per year over SP-UPC's first three years <sup>9</sup></b>				<b>240</b>	<b>240</b>	<b>240</b>						

Notes

- <sup>1</sup> WB estimates based on preliminary EMIS and census data.
- <sup>2</sup> WB estimates based on preliminary EMIS and census data.
- <sup>3</sup> Estimated school age population drawn from preliminary census data.
- <sup>4</sup> Estimated highest net enrollment ratio achievable under this enrollment scenario.
- <sup>5</sup> STR = Student Teacher Ratio – The EFA target is 40:1.
- <sup>6</sup> Number of classrooms required if 25% of all classrooms operate two shifts.
- <sup>7</sup> Number is existing classrooms in good condition (i.e., not in need of replacement).
- <sup>8</sup> Total number of new classrooms required by end of 2008/09 school year.
- <sup>9</sup> Number required to be built or rehabilitated each year of the first three years of SP-UPC.

**Table 4: Selected Quantitative Targets in the 3 Year Action Plan**

	Base year 2004/05	Projections			
		2006/07	2007/08	2008/9	Cumulative 2006-08
Number of students in government primary schools <sup>1</sup>	177,058	180,000	185,200	191,000	556,200
Number of new teachers in government primary schools <sup>2</sup>	173	100	150	250	500
Number of textbooks to be procured & distributed for government primary grades	unknown	130,000	120,000	140,000	390,000
Number of new classrooms to be built for government primary schools <sup>3</sup>	256 <sup>4</sup>	240	240	240	720
Aggregate recurrent budget <sup>5</sup>					
Primary education	<b>7,299,000</b>	<b>8,904,000</b>	<b>9,306,000</b>	<b>10,087,000</b>	28,297,000
Secondary	4,313,000	5,538,000	5,786,000	6,098,000	17,422,000
Higher education	932,730	1,736,000	1,860,000	2,154,000	5,750,000
Other	2,787,270	3,433,000	3,572,000	4,026,000	11,031,000
Aggregate budget for capital investments					
Primary	<b>500,000</b>	<b>7,750,000</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>23,750,000</b>
Secondary	443,000	491,006	867,007	610,000	1,968,013
Higher education	-	500,000	600,000	700,000	1,800,000

Notes:

<sup>1</sup> WB projections based on preliminary EMIS and census data.

<sup>2</sup> Number of new teachers graduating from pre-service programs.

<sup>3</sup> Projections from World Bank estimates based on preliminary EMIS and Census data. Base year data from MoEC/FSQP.

<sup>4</sup> Data refers to 2003/05.

<sup>5</sup> Budget data from Ministry of Planning and Finance.

**Table 5: EFA-FTI Indicative Framework - Comparison of Timor-Leste's and International Benchmarks for Assessing Strategic Directions**

Indicator	Indicative benchmark by 2015	Timor-Leste's Targets			
		2006/07	2007/08	2008/09	2014/15
<b>Student flow indicators</b>					
% of age-group entering first grade in primary cycle <sup>1</sup>	100	80	82	85	100
% of age-group completing grade 6 in primary cycle	100	37	44	51	100
% repeaters, grades 1 to 4 <sup>2</sup>	10 or less	20	18	15	4
Number of year per primary school graduate		12	11.5	11	7.5 or less
Gender Equity Index	100	90	92	94	100
% of students walking one hour or more to school		8	6	4	0
<b>Access and Facility indicators</b>					
% of classrooms needing major rehabilitation or replacement		27	15	7	0
% of schools with good gender specific toilets		50	60	70	95
Completed, up to date school mapping <sup>3</sup>		No	Yes	Yes	Yes
<b>Service delivery indicators</b>					
% of classroom with complete sets of learning materials	100	0	0	25	100
% of deployed teachers meeting MoEC qualification standards		10	20	30	100
% of teacher absenteeism of annual teaching time		30	25	20	5
% of classes with STR of 40:1 or less	100		90	92	100
Annual instructional hours for pupils <sup>4</sup>	850 - 1000	600	700	800	1,000
<b>Financial Indicators</b>					
% of national budget going to education		20	20	20	20
% of education recurrent budget going to primary sub-sector		54	52	50	44
% of recurrent sub-sector budget that is non-salary		14	16	18	22

Notes

- 1 Current NER is estimated at 78 percent based on incomplete EMIS data and preliminary census data (World Bank).
- 2 Currently estimated to be 23 percent (2004/5).
- 3 Each school to be updated every three years.
- 4 1 hour = 50. The new curriculum prescribes 24 hours per week at 42 weeks of instruction per school year, excluding exams. Thus, according to the new curriculum the annual instructional hours should be about 1,000. However, the new curriculum started to be phased-in at the beginning of the 2005/06 school year. It is estimated that the annual instruction hours will increase progressively as the new curriculum will be phased in.

**Table 6: Estimated Costs of SP-UPC and area where EFA FTI Catalytic Fund Support is requested for High Priority Activities**

<b>1. Improved access and equity in access</b>		<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>Costs (\$US)</b>
1.1	Lower the household cost of schooling				
1.1.1	Establish and publicize financing policies for government and non-government schools	30,000			30,000
1.1.2	Introduce publicly financed cost relief for the most disadvantaged students <sup>1</sup>	725,000	662,500	637,500	2,025,000
1.1.3	Provide grants to government and non-government schools for materials/school maintenance to replace voluntary contribution	800,000	760,000	750,000	2,310,000
1.2	Provide an adequate number of schools				
1.2.1	Establish an Infrastructure Facilities Unit	792,000	792,000	792,000	2,376,000
1.2.2	Complete a comprehensive education needs and school location mapping	134,000	133,000	133,000	400,000
1.2.3	Establish policy, publicize and distribute procedures relating to class size, construction and rehabilitation standards as well as water and sanitation facilities.	60,000			60,000
1.2.4	Construct/rehabilitate schools based on assessed demand and policy considerations in respect to new schools, rehabilitation of existing schools, and construction of small rural schools.	7,910,000	7,910,000	7,910,000	23,730,000
1.3	Maintain school facilities				
1.3.1	Repair or demolish unsafe facilities	100,000	100,000	100,000	300,000
1.3.2	Execute and prioritize maintenance program	60,000			60,000
1.3.3	Develop cost sharing arrangements for maintenance of schools with PTAs	1,500,000	1,500,000	1,500,000	4,500,000
1.4	Increase awareness and participation				
1.4.1	Improve communication and outreach activities	100,000	80,000	60,000	240,000
1.5	Facilitate student flow through the lower grades	60,000			60,000
1.6					
1.6.1	Establish a school feeding program through the provision of daily snacks in the most 'at risk' districts	1,600,000	1,000,000	1,000,000	3,600,000
1.6.2	Coordinate basic health checks at the school level				
		<b>13,871,000</b>	<b>12,937,500</b>	<b>12,882,500</b>	<b>39,691,000</b>
<b>2. Improved quality and relevance of primary education</b>					
2.1	Establish strong and relevant primary school curriculum				
2.1.1	Strengthen the Curriculum Division in order to support the curriculum cycle	100,000	100,000		200,000
2.1.2	Revise teacher guides and development of relevant teaching and learning materials	150,000	50,000		200,000
2.1.3	Continue to phase-in the new curriculum				

		2006/07	2007/08	2008/09	Costs (\$US)
2.2	Establish a system to provide quality textbooks and learning materials				
2.2.1	Establish an organizational structure and operational policies to support the process of design, procurement, distribution of books	30,000			30,000
2.2.2	Provide learning materials and/or books to all primary schools	2,620,000	2,560,000	2,540,000	7,720,000
2.2.3	Provide <i>Lafaek</i> and similar materials	790,000	790,000	790,000	2,370,000
2.3	Provide high quality teacher training				
2.3.1	Establish an organizational structure and operational policies to support highly focused in- and pre-service teacher training, teacher recruitment, teacher career path development, teacher deployment, and conditions of service and related incentives				
2.3.2	Define a competency based qualifications framework for pre- and in-service teacher training that targets improvement of teacher subject knowledge and pedagogic practices in the classroom with a strong focus on student-centered practices	60,000			60,000
2.3.3	Ensure that different training courses and programs accredited by the MoEC will comply with this framework	3,460,000	3,420,000	3,300,000	10,180,000
2.4	Increase the efficiency of teacher deployment				
2.4.1	Establish and apply teacher professional development and teacher deployment standards <sup>2</sup>	130,000	125,000	120,000	375,000
2.4.2	Strengthen multi-grade teaching		30,000		30,000
2.4.3	Monitor teacher performance, including compliance with MoEC's performance standards <sup>3</sup>	150,000	45,000		195,000
		<b>7,490,000</b>	<b>7,120,000</b>	<b>6,750,000</b>	<b>21,360,000</b>
<b>3. Improved education system and school management</b>					
3.1	Build capacity within the new organizational structure of MoEC				
3.1.1	Establish MoEC's newly approved organizational structure, including job descriptions and performance standards	90,000			90,000
3.1.2	Strengthen institutional and staff capacities	1,500,000	1,300,000	900,000	3,700,000
3.1.3	Develop a monitoring and evaluation system to assess education system performance and student achievement	600,000	300,000	100,000	1,000,000
3.1.4	Adjust system inputs (including UPC strategies) to reflect M&E findings and regularly assessed system needs	20,000	15,000	10,000	45,000
		<b>2,210,000</b>	<b>1,615,000</b>	<b>1,010,000</b>	<b>4,835,000</b>
<b>Management of SP-UPC*</b>		125,000	125,000	125,000	375,000
		<b>23,696,000</b>	<b>21,797,500</b>	<b>20,767,500</b>	<b>66,261,000</b>

Notes

\* Estimated costs include costs for one advisor to support the MoEC in the implementation of the SP-UPC. Additional TA is costed under the respective strategies.

\*\* Annual cost estimates will need to be revised as detailed implementation plans will be developed. Thus, the estimates are indicative.

<sup>1</sup> Cost estimate does not include cost for training of PTAs, district education directors, etc. which will depend on policy decision and actual nature of planned interventions.

<sup>2 3</sup> Additional costs will be incurred which will depend on policy decisions to be taken.

**Table 7: SP-UPC Costs and Financing Gap**

	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>Total</b>
<b>Estimated cost of SP-UPC</b>	23,700,000	21,800,000	20,800,000	66,300,000
<b>Government contribution*</b>	7,750,000	8,000,000	8,000,000	23,750,000
<b>Donor contribution</b>	13,000,000	7,111,000	4,645,000	24,756,000
<b>Bilateral</b>	4,296,000	-	-	4,296,000
<b>Multilateral</b>	8,782,000	7,111,000	4,645,000	20,538,000
<b>Total Financing gap</b>	2,950,000	6,689,000	8,155,000	17,794,000