Report No: ACS13711

Democratic Republic of Timor-Leste

Programa Nasional Dezenvolvimentu Suku (PNDS) Research and Evaluation Program

Omnibus Baseline Survey and Process Monitoring Report

June 2, 2015

GSURR

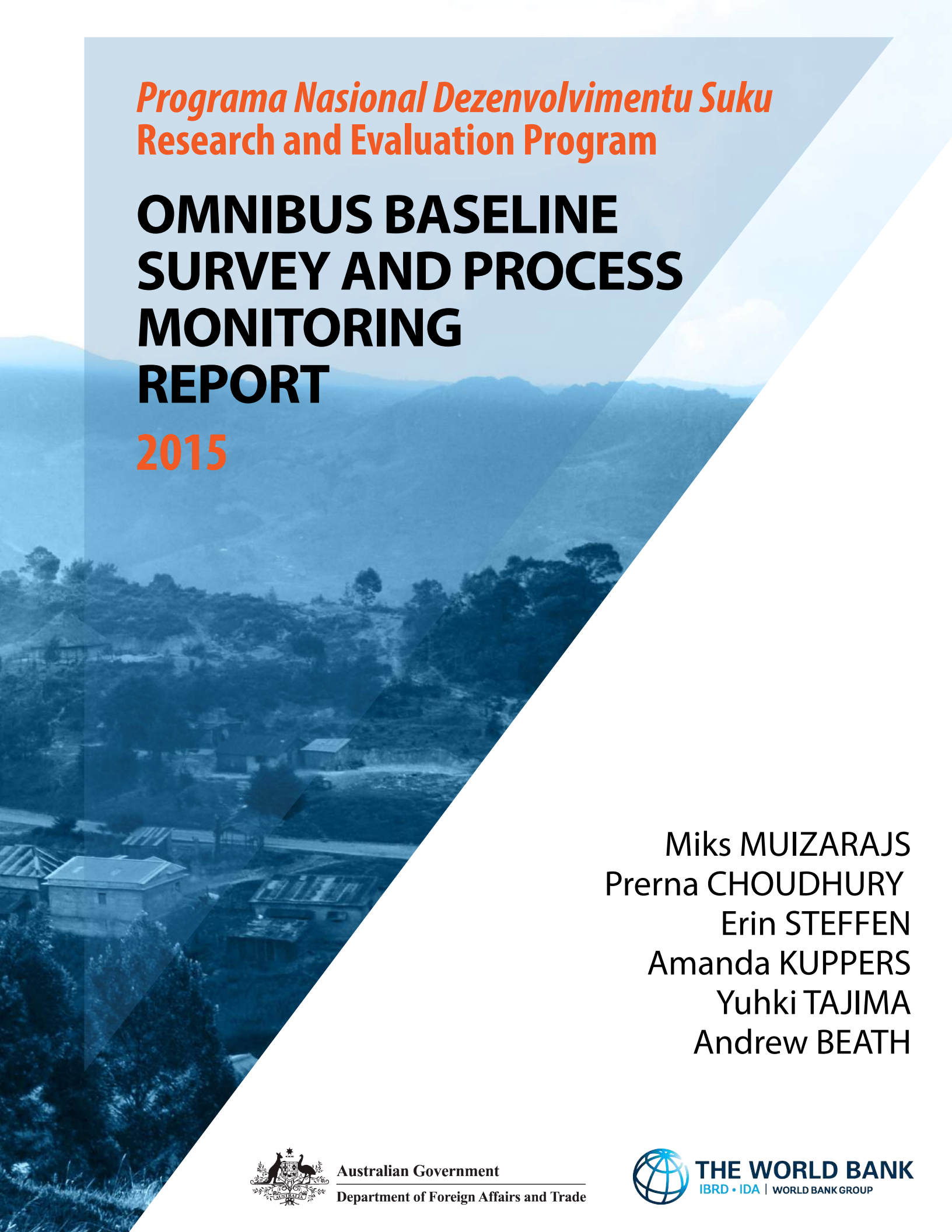
EAST ASIA AND PACIFIC

Public Disclosure Authorized

Programa Nasional Dezenvolvimentu Suku
Research and Evaluation Program

OMNIBUS BASELINE SURVEY AND PROCESS MONITORING REPORT

2015



Miks MUIZARAJS
Prerna CHOUDHURY
Erin STEFFEN
Amanda KUPPERS
Yuhki TAJIMA
Andrew BEATH

Australian Government
Department of Foreign Affairs and Trade

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

CONTENTS

ACKNOWLEDGEMENTS

This report is a product of the Office of the Chief Economist for East Asia and the Pacific of the World Bank. Sudhir Shetty, Chief Economist for East Asia and the Pacific; Bolormaa Amgaabazar, Country Representative for the World Bank in Timor-Leste; and Luis Constantino, former Country Manager for the World Bank in Timor-Leste provided general direction for the task.

The Qualitative and Quantitative Baseline Survey Report was authored by Prerna Choudhury (World Bank), Miks Muizarajs (World Bank), and Yuhki Tajima (World Bank and Georgetown University) and edited by Andrew Beath (World Bank).

Qualitative Baseline Survey data summarized in the report was collected by a team of researchers affiliated with the World Bank, including: Leonel Bere; Edio da Costa; Olivio de Deus; Clarimundo Castelo Gusmao; Domingas Soares Gusmao, Monica do Rosario da Costa Moreira; Maria Jose Pinto da Silva; Maria Reis; Alex Tilman; Geraldo Sarmento Ximenes; and Henrique Soares Ximenes. Quantitative Baseline Survey data was collected by a team of enumerators and supervisors affiliated with the Dili Institute of Business and managed by Isabel Ximenes and Cristina Benevides.

Quantitative Baseline Survey instruments were developed by Katy Cornwell, with the assistance of Jose Mousaco and Amanda Kuppers. Hamidullah Gharibzada and Trang Thu Pham further assisted Katy Cornwell, Jose Mousaco, and Amanda Kuppers in the training of Quantitative Baseline Survey enumerators and in monitoring the Quantitative Baseline Survey. The Qualitative Baseline Survey instruments and methodology were developed by Miks Muizarajs and David Butterworth, with the assistance of the Qualitative Baseline Survey researchers. Scott Wingo assisted with the monitoring of the Qualitative Baseline Survey.

Quantitative Baseline Survey data was processed and analyzed by Prerna Choudhury, Indira Bose, Andrew Carmona, Molly Slotznick and Yixing Zhu. The Qualitative Baseline Survey data was analyzed by Miks Muizarajs, Leonel Bere; Edio da Costa; Olivio de Deus; Clarimundo Castelo Gusmao; Domingas Soares Gusmao, Monica do Rosario da Costa Moreira; Maria Jose Pinto da Silva; Maria Reis; Alex Tilman; Geraldo Sarmento Ximenes; and Henrique Soares Ximenes. Erin Steffen oversaw the team of local researchers during the analysis and provided feedback on various drafts of reports. Molly Schneider and Michael Shih also provided feedback on drafts of qualitative reports.

The Report on Process Monitoring of PNDS Socialization, Election, and Prioritization Processes was authored by Amanda Kuppers (World Bank), Erin Steffen (World Bank), and Yuhki Tajima (World Bank and Georgetown University) and edited by Andrew Beath (World Bank).

Process monitoring of PNDS socialization and election activities was planned, implemented, and analyzed by Amanda Kuppers (World Bank). Process monitoring activities were undertaken by a team of researchers including Leonel Bere, Olivio de Deus, Clarimundo Castelo Gusmao, Domingas Soares Gusmao, Monica do Rosario da Costa Moreira, Maria Jose Pinto da Silva, Maria Reis, Alex Tilman, Geraldo Sarmento Ximenes, and Henrique Soares Ximenes.

Process monitoring of PNDS prioritization activities was planned, implemented, and analyzed by Erin Steffen (Word Bank). Process monitoring activities were undertaken by a team of researchers including Leonel Bere, Olivio de Deus, Clarimundo Castelo Gusmao, Domingas Soares Gusmao, Monica do Rosario da Costa Moreira, Maria Jose Pinto da Silva, Maria Reis, Alex Tilman, Geraldo Sarmento Ximenes, and Henrique Soares Ximenes

The team is grateful to counterparts at the PNDS Secretariat and PNDS Support Program for their comments on the previous drafts of the report and for feedback provided during the development of the Baseline Survey instruments and methodology. The team would especially like to thank the Director General of PNDS, Miguel de Carvalho; Dulce Guterres, National Director of Operations, PNDS; Rosito Guterres, Department Chief of Monitoring and Evaluation, PNDS; Karrie McLaughlin, former M&E Advisor for the PNDS Support Program; Prabir Majumdar, M&E Advisor for the PNDS Support Program; and Chloe Oliver, former Director of the PNDS Support Program.

The findings, interpretations, and conclusions expressed in this paper are entirely those of the authors. They do not necessarily represent the views of the International Bank for Reconstruction and Development/World Bank and its affiliated organizations, or those of the Executive Directors of the World Bank or the governments they represent.

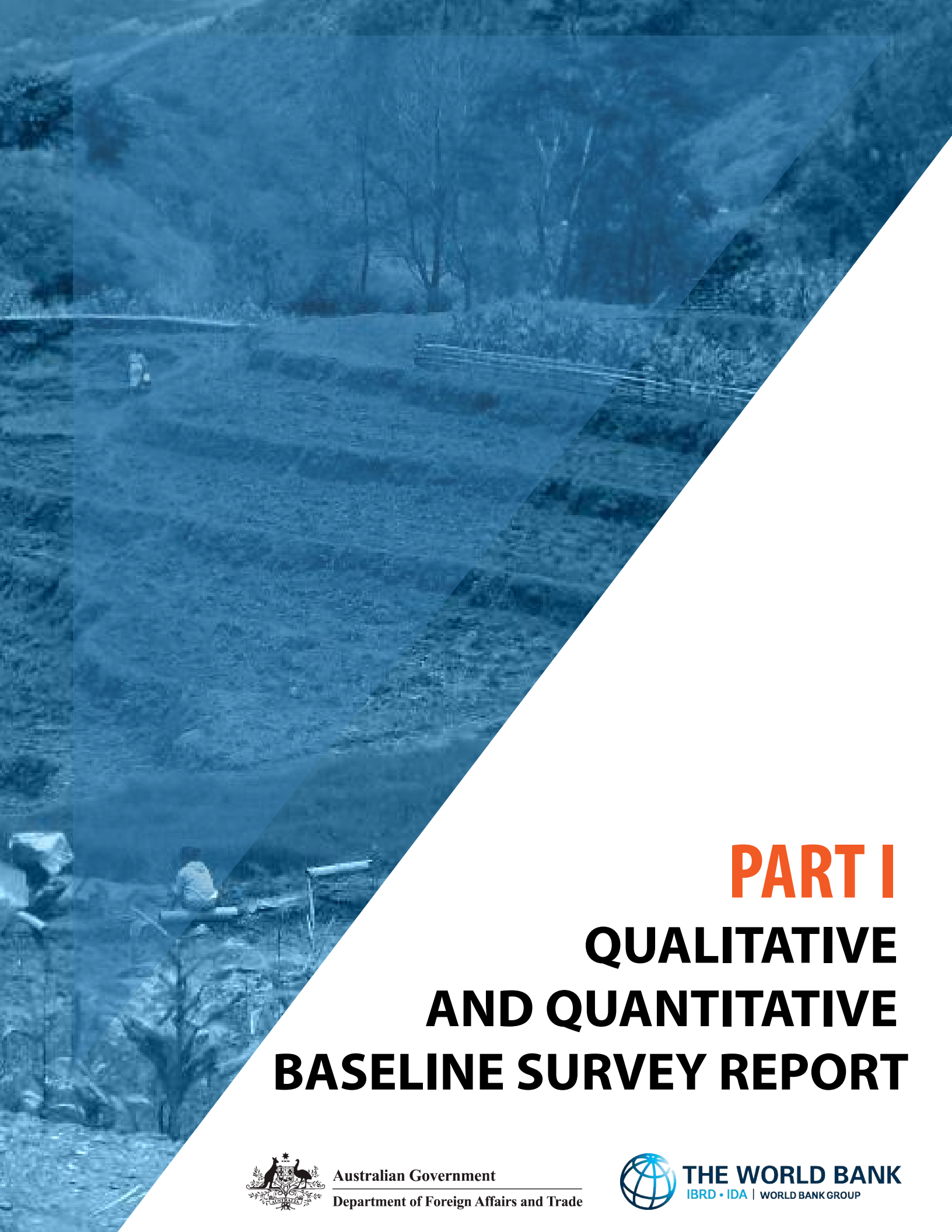
STRUCTURE OF REPORT

The Omnibus Baseline Survey and Process Monitoring report contains the primary findings of the PNDS Research and Evaluation Program. The Report is divided into three parts:

(i) *Qualitative and Quantitative Baseline Survey Report*: This part provides an overview of economic, institutional, and social characteristics of villages in which PNDS will be implemented, but prior to the implementation of PNDS. In particular, the discussion summarizes the local economies, infrastructure, access to public services, public works project delivery, local governance, and conflict and conflict mediation practices. However, as data analyzed in this section was collected prior to the implementation of PNDS, the results reported *per se* do provide any basis for assessing the impacts of PNDS.

(ii) *Report on Process Monitoring of PNDS Socialization, Election, and Prioritization Process*. This part presents the results of qualitative monitoring of the implementation of the Socialization, Elections, and Prioritization stages of PNDS implementation in Phase-III villages. The part reviews the adherence of observed practices to those outlined in PNDS Program Operations Manual and provides recommendations to improve the effectiveness of the monitored stages.

(iii) *Common End Matter*. This part contains a list of references cited in Parts I and II and the appendices for both sections of the Report.



PART I

QUALITATIVE AND QUANTITATIVE BASELINE SURVEY REPORT

Australian Government
Department of Foreign Affairs and Trade

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

EXECUTIVE SUMMARY

Background

The *Programa Nasional Dezenvolvimentu Suku* (PNDS) is a USD $294 million nationwide community-driven development (CDD) program implemented and funded by the Government of Timor-Leste.[1] From 2013 to 2022, PNDS will annually disburse grants of $50,000 – $75,000 to all 442 villages in Timor-Leste. Grants will be used to fund small-scale infrastructure projects identified, planned, constructed, managed, and maintained by local communities.

The PNDS-REP Baseline Survey Data was collected prior to the implementation of PNDS in the sample villages and spans socio-economic conditions; local infrastructure, social services, and development projects; and the structure and function of local governance. Baseline Survey data coupled with data collected by follow-up surveys may be used to assess changes in conditions over time across both the full sample and segments of the sample, such as marginalized groups. The coupling of Baseline Survey data with data monitoring PNDS processes may facilitate the analysis of factors conditioning the structure and effectiveness of PNDS components.

Methodology

The PNDS-REP Baseline Survey incorporated both a Quantitative Baseline Survey (NBS) and a Qualitative Baseline Survey (LBS). The respective methodology and instruments were designed to complement each other. The NBS employed relatively short household and local leader surveys to collect data on economic, institutional, social and other factors across a relatively large sample. The LBS, on the other hand, employed semi-structured interviews and direct observation administered over a relatively long period within a relatively small sample to explore complex local governance and development processes.

The NBS was administered to a sample of 102 villages (*suku*) randomly selected from PNDS Phase-III villages, which in turn are a random sample of the 442 villages scheduled to be mobilized by PNDS but are the last of three batches of villages to be mobilized by PNDS. The NBS was administered between June and August 2014. Within each of the 102 villages, two hamlets (*aldeia*) were randomly sampled and, in each of these two hamlets, eight households were randomly sampled. Three instruments were designed for administration at the household level: (i) a male household questionnaire; (ii) a female household questionnaire; (iii) a youth (15 – 25 years) and elderly (55+ years) questionnaire. In addition, a Village Chief / Hamlet Chief questionnaire was designed for administration to the village and hamlet heads, respectively, in the sample villages and hamlets.

The LBS was administered to 16 villages sampled from among the 102 villages sampled by the NBS. The 16 villages were sampled to provide balance across the following criteria: (i) region; (ii) rural vs. peri-urban; (iii) intensity of conflict; (iv) veteran population; and (v) proximity to border. The LBS was administered between February and August 2014. In each village, three instruments were administered to ascertain information on: (i) social cohesion; (ii) formal and informal local institutions; and (iii) public goods and services. On average, research teams conducted 30 two-hour long semi-structured interviews per village.

Findings

The NBS and LBS collected data on local economies; infrastructure, services, and development priorities; local institutions; and conflict and social capital. The respective findings are summarized below:

Economy

Assets: While 85 percent of sample households live on land owned by their family, 63 percent live in dwellings with an earth or mud floor. Among household respondents, 70 percent own a mobile phone. The vast majority of households own some livestock with 81 percent owning chickens and 82 percent owning pigs.

Income and Livelihoods: Annual household income averages $880. Although 56 percent of households engage in farming, only 21 percent of households derive cash income from farming. While farming of cassava (28 percent), corn (44 percent), and/or rice (19 percent) is relatively common, only 13 percent of cassava farmers, 5 percent of corn farmers, and 4 percent of rice farmers sell produce. The most common income-generating activity is animal husbandry (40 percent), followed by

[1] The Department of Foreign Affairs and Trade (DFAT) of the Government of Australia has provided technical support to the design and implementation of PNDS.

government transfers (23 percent), trading (17 percent), salaried work (18 percent), and services (15 percent). Salaried work was the most lucrative income-generating activity, while coffee - which 15 percent of households engage in – was the most lucrative source of farm income.

Food Consumption: In the week preceding the survey, 15 percent of households had at least one member that had experienced hunger. Rice is the most frequently consumed staple in Timor-Leste. However, while 80 percent of households consume rice on a daily basis, 54 percent of households experienced difficulty obtaining rice at some point in the previous 12 months. During such shortages, rice is commonly substituted with cassava and/or corn, although 35 percent of respondents reported reducing their food intake in response. Respondents cited fiscal shortfalls (46 percent), transportation and supply problems (34 percent), price spikes (53 percent) as the main cause of rice shortages. Poor road conditions are also strongly correlated with disruptions to rice supply.

Agriculture: Pests (55 percent), drought (54 percent), and flooding (26 percent) were the top reasons for a loss of crops in the past 12 months. Farmers relied on rivers (42 percent), boreholes (23 percent), springs (22 percent) and canals (20 percent) for sources of water to grow their crops. With only 20 percent feeding their crops with irrigation canals, 70 percent of respondents indicated dissatisfaction with irrigation infrastructure. Improved agricultural inputs, in the form of a tractor or a processing facility, are the most frequently requested improvements from the sample in the agriculture sector.

Infrastructure, Services and Development Priorities

Roads: Only 19 percent of roads connecting hamlets to villages are asphalt or concrete. As a result, during the past year, 51 percent of hamlets were inaccessible to even four-wheel drive vehicles. Among adult respondents, 79 percent are dissatisfied with existing road and bridge infrastructure and, when given a choice of different potential development projects,[2] 47 percent of respondents stated that road improvements should be prioritized. The majority of these respondents (58 percent) preferred improvements to hamlet roads, while 17 percent prefer improvements to village roads and 11 percent prefer improvements to roads to the district market.

Irrigation: Irrigation is used to grow crops for 17 percent of sampled households. However, 53 percent of households engaged in farming state that they have faced problems in acquiring sufficient water for irrigation in the previous 12 months, while 68 percent state that their yield would improve with more regular irrigation water. Among household respondents, 69 percent indicated dissatisfaction with current irrigation infrastructure. Hamlet Chiefs experienced particular dissatisfaction with irrigation infrastructure, at 82 percent.

Water and Sanitation: Across the sample, 46 percent of households draw water from a tap, although only 4 percent have water piped to their dwelling. Overall, 61 percent of respondents are dissatisfied with the state of water infrastructure. When asked which projects should be prioritized, 21 percent of respondents cited drinking water projects, second only to road infrastructure. Of these respondents, 63 percent preferred that investments focused on installation of piping; 21 percent preferred installation of a public tap. Access to sanitation is generally poor, with 59 percent of respondents having access to improved sanitation facilities and 46 percent of the population practicing open defecation.

Electricity: Among the sampled households, 59 percent have houses that are connected to the electrical grid. However, there is significant variation in grid penetration across districts. In the sample, while 93 percent of households in the capital of Dili are connected to the grid, below 20 percent of households connected in other districts.

Education: Across the sample, 50 percent of male respondents and 37 percent of female respondents are literate. While 85 percent of children are enrolled in school, enrolled children miss approximately 0.4 days of school per week. The main causes for non-enrolment among first-born children are a lack of money (16 percent), a lack of interest among the children (14 percent), a need for family work or chores (11 percent), and long distances to school (8 percent). 38 percent of respondents are dissatisfied with local educational facilities, but only 10 percent believe that educational investments should be prioritized over other types of projects. Among those that do prefer educational investments, 63 percent prefer that investments focus on constructing new schools.

Health: During the four weeks preceding the survey, 46 percent of households experienced sickness among at least one household member. Across the sample, 40 percent of villages have health clinics, but only 24 percent of villages have operational clinics. At operational clinics, doctors and nurses are present an average of 4.3 and 4.4 days per week, respectively. 40 percent of respondents are unsatisfied with their access to health care, although only 8 percent of

[2] Respondents were asked to choose between eight different potential projects: Agriculture, Community Buildings, Education, Electricity, Health, Irrigation, Roads, and Drinking Water Facilities.

respondents preferring that new investments focus on health projects. Among those that did prefer health projects, most prefer that such investments focus on the construction of a new health center.

Public Works Projects

Satisfaction and Priorities: Villagers expressed the greatest dissatisfaction with roads and bridges (79 percent), irrigation (70 percent), community buildings (68 percent), and drinking water (61 percent). Healthcare (40 percent) and education (38 percent) facilities were generally more satisfactory. When asked which sector should be prioritized for new investments, roads (49 percent for men and 45 percent for women) were the most frequently cited, followed by drinking water (18 percent for men and 23 percent for women).

Influences on Project Selection: Project selection is affected by a number of factors, but typically dominated by elite preferences. Technically complex projects tend to be avoided by villages, particularly if skills and/or materials are scarce. Concerns of not inciting conflict between hamlets also drive selection decisions, leading to the selection of village offices over more productive investments.

Selected PNDS Projects and Villager Priorities: In Phases I and II of PNDS, villages most frequently prioritized community centers (28 percent) and drinking water (28 percent), followed by roads (10 percent) and sanitation (9 percent). Community centers were selected with much greater frequency than were preferred by villagers, although other project selection outcomes appeared to broadly map villager preferences.

Factors Affecting Project Outcomes: Development projects are more successful when initiated by village authorities, rather than by external actors, and strong local governance structures increase the chance of successful implementation. Administrative skills and an ability to mobilize and exact contributions from villagers are particularly important. Given the scarcity of technical and managerial skills in rural areas, technically complexity disproportionately fail, as do projects that pay uncompetitive wages or which fail to consult with or compensate *de facto* landowners. Weak coordination between local actors also often hinders project effectiveness and/or creates complications such as spatial clustering of facilities.

Local Governance

Types of Local Governance Structures: Variation exists between regions in the strength of formal (Village Council) and informal (customary) structures. In mountainous areas, both structures tend to be weak, with infrequent meetings of Village Councils. In urbanized areas, formal structures are strengthened by political party activities, while informal structures are weak due to high levels of migration and ethno-linguistic fragmentation. In areas with limited resistance activity, informal structures are stronger, with customary leaders directing the outcomes of village elections. Finally, there are a number of villages where informal structures cooperate with the Village Council, giving strength to both formal and informal institutions.

Decision-Making Processes: Decisions by the Village Council and other local institutions are made through a variety of means, including unilateral decision-making, perceived consensus, *paralelizmo*, and formal voting. Although the village law prohibits political party members running for Village Council elections, this norm is not followed in practice. Informal governance structures are generally less democratic with inherited positions of power and decisions made either unilaterally or based on consensus.

Financing: Fund management of the Village Council is weak and budgeting, price comparisons, and standard procurement processes are rare. Little accountability exists in the use of external subsidies or grants and reports of missing funds and material subsidies are common. Funding for customary structures comes from direct contributions from affiliated households, expectations of which are codified by an array of community rules. Such resources are typically used for organizing customary rituals, constructing or maintaining the Sacred House, and for marriages and funerals.

Participation: Community involvement in local decision-making structures is limited. Village Council meetings are generally attended by a small group of village elites, including veterans, educated persons, religious representatives, and customary leaders. Villagers are prevented from attending Village Council meetings due to a lack of information, transportation difficulties, and the demands of work and familial responsibilities. Female participation in local decision-making is very limited and female Village Council representatives have little knowledge of recent decisions.

Conflict and Social Capital

Informal hamlet-based authorities are more involved in domestic violence cases and marriage issues and similar conflicts that pertain to customary rules. Formal leaders are more active in resolving agriculture related incidents, such as land

disputes and animal trespassing conflicts. National police officers are called when conflicts turn violent or involve weapons. The preferences of the victim, though, often guide the process.

1 INTRODUCTION

The following sections provide an overview of *Programa Nasional Dezenvolvimentu Suku* or PNDS (1.1); the PNDS Research and Evaluation Program (1.2); and the Qualitative and Quantitative Field Surveys (1.3).

1.1 *Programa Nasional Dezenvolvimentu Suku*[3]

The *Programa Nasional Dezenvolvimentu Suku* (PNDS) is a USD $294 million nationwide community-driven development (CDD) program implemented and funded by the Government of Timor-Leste with support from the Australian Department of Foreign Affairs and Trade (DFAT). Starting from 2013, PNDS will annually disburse Suku Grants (SGs) to all 442 villages in Timor-Leste. SGs will then fund small-scale infrastructure projects that are identified, planned, constructed, managed, and maintained by village communities.[4] During the first three years, SGs will average USD $50,000 per village per year, rising to USD $75,000 in subsequent years.[5] Through this funding, PNDS aim to improve "*socio-economic conditions and local governance for village men and women in Timor-Leste through community managed infrastructure*" and ensure that women and men from different socio-economic backgrounds both participate in and benefit from program activities.[6]

Figure 1: Districts of Timor-Leste

1.2 PNDS Research and Evaluation Program[7]

1.2.1 Objectives

The PNDS Research and Evaluation Program (PNDS-REP) was designed by the World Bank in partnership with the Government of Timor-Leste (GoTL) and DFAT to enable evidence-based enhancement of the impact of PNDS. As all villages in Timor-Leste are scheduled to receive PNDS during its first year of implementation, there is no feasible means by which the direction and magnitude of impacts of PNDS activities can be estimated to within acceptable bounds of confidence. Accordingly, the REP has instead been designed to deploy an integrated program of field surveys, monitoring activities, and design experiments to analyze factors constraining PNDS impacts and to develop impact-enhancing design modalities.

The primary goal of the PNDS-REP is to enable an evidence-based enhancement of PNDS design and implementation modalities and, by extension, enhance the impacts of PNDS on the access of poor villagers to essential services, infrastructure, and utilities and on the social cohesion and quality of local governance in rural Timor-Leste.

[3] This section is drawn from Annex II of World Bank (2014a), which provides a detailed description of PNDS structure and processes.
[4] SGs consist of both Operational Funds and Infrastructure Funds.
[5] SG amounts are initially determined by objective criteria (such as remoteness and population), but will be adjusted in subsequent years based on community performance criteria.
[6] PNDS has three key expected outcomes: (i) "strengthened GoTL systems to accelerate direct delivery of PNDS to communities"; (ii) "increased community participation and capacity for planning and managing local infrastructure," and (iii) "quality infrastructure built and maintained by communities."
[7] This section is drawn from World Bank (2014a), which provides a detailed description of the PNDS Research and Evaluation Program.

Secondary goals of the PNDS-REP include: (i) building the capacity of client and stakeholder counterparts in implementing evidence-based decision-making and associated data collection and analyses; (ii) providing the population of Timor-Leste, GoTL, and other stakeholders with an indicative assessment of the absolute impacts of PNDS on proximate outcome indicators and the extent to which different groups realize those benefits; and (iii) contributing to global learning on how to enhance CDD effectiveness.

1.2.2 Research Structure, Themes, and Questions

The PNDS-REP deploys an integrated and iterative program of data collection and analytical activities that will: (i) indicate proximate impacts of PNDS and the distribution thereof across space, time, and social groups; (ii) identify policies, practices, and/or factors which constrain or enhance the general impact of PNDS and/or skew distribution of impacts; and (iii) formulate and pilot enhancements of PNDS, identify the marginal impact of these enhancements, and, if found to be more effective than existing modalities, recommend their incorporation into PNDS. The PNDS-REP is designed to be iterative, with data collection and analyses resulting in the formulation and testing of alternative modalities, which, if found to be impact-enhancing, are then adopted by PNDS and then further evaluated. Through this process, it is envisaged that the PNDS-REP can promote a comprehensive refinement of PNDS design and processes throughout the duration of program implementation.

Descriptive and prescriptive research activities undertaken by the PNDS-REP are expected to focus on three broad thematic areas: (i) project impacts; (ii) institutional and social spillovers; and (iii) capture, leakage, and inefficiency. These thematic areas and associated research questions and indicators are listed in Table 1 below.

Table 1: Main Research Questions of the PNDS-REP[8]

Thematic Area	Research Focus	Research Questions
Project Impacts	Level	Average impact of PNDS on outcomes directly affected by projects (e.g., access to education, health care, drinking water, sanitation, electricity)
	Distribution	Distribution of impacts of PNDS on outcomes directly affected by projects, both within and between villages (e.g., whether marginalized villages and households within villages benefit relative more from PNDS)
	Conditioning Factors	Correlation of impacts of PNDS on outcomes directly affected by projects with *ex-ante* economic, institutional, and social characteristics (e.g., whether cohesive villages benefit more from PNDS projects)
Institutional and Social Spillovers	Local Governance	Impacts of PNDS on and its interaction with local governance institutions (e.g., impacts of PNDS on accountability of local leaders; effects of local governance structure on PNDS impacts)
	Social Cohesion	Impacts of PNDS on and its interaction with social cohesion (e.g., impacts of PNDS on interpersonal trust, conflict, and collective effects; effects of *ex-ante* social cohesion on PNDS impacts)
	Spillovers	Impacts of PNDS on and its interaction with systems to deliver other government services (e.g., indirect impacts of PNDS on district-level projects; effects of *ex-ante* development activity on PNDS impacts)
Capture, Leakage, and Inefficiency	Characteristics	Incidence and nature of capture, leakage and other inefficiencies in PNDS projects (e.g., representativeness of project selection procedures; incidence of leakage in project implementation; duration of projects)
	Conditioning Factors	Correlation of capture, leakage and inefficiencies with *ex-ante* economic, institutional, and social characteristics (e.g., whether cohesive villages benefit are less susceptible to leakage)

1.2.3 Activities

The PNDS-REP consists of three components: (i) Qualitative and Quantitative Field Surveys (QQFS); (ii) Multi-Method Process Monitoring (MMPM); and (iii) Evaluations of Design Variations (EDV). The QQFS – which is structured around

[8] Annexes IV, V, VI, and VII of World Bank (2014a) provide further information on the specific research questions or hypotheses that will be addressed by the various research activities. These research questions and the methods by which they will be investigated are informed by a large body of literature on the impacts of CDD programs and on modalities which enhance the efficiency, equity, and/or overall impact of CDD programs. Annex III of World Bank (2014a) provides a summary of relevant studies of CDD programs.

baseline and follow-up data collection across a sample of villages – will assess the level and distribution of PNDS impacts, as well as how those impacts are conditioned by pre-existing factors. The MMPM will observe the implementation of PNDS and its interactions with villagers, providing potential explanations for the impacts observed by the QQFS. The EDVs will rigorously evaluate the value-added of alternative PNDS modalities (formulated based on QQFS data, MMPM data, international evidence, and stakeholder consultations) and will thereby provide specific evidence-based recommendations to the GoTL on how to enhance PNDS impacts. The PNDS-REP thereby provides an overarching framework for the assessment of direct impacts of PNDS (through the QQFS), explanation of the observed impacts and non-impacts (through the MMPM), and the enhancement of the equity, efficiency, and overall impact of PNDS activities (through the EDVs).

While the three components of the PNDS-REP are functionally distinct, data from each of the three components will mutually support investigation of research questions. Table 2 denotes the data sources for each research question and indicates questions for which data will be sourced from multiple components. While the research questions addressed by the QQFS and MMPM will be descriptive in nature (in describing how PNDS interacts with the context in which it is implemented), the research questions addressed by the EDVs are prescriptive in so far as they address whether enhancements to PNDS will alter particular outcomes. The capability of the EDV component to address the listed research questions will be constrained by the nature of the design variations (DV) implemented and whether they may be reasonably expected to affect a given outcome. In addition, the capability of the QQFS to address the impacts of PNDS on institutional and social outcomes may be constrained by methodological factors (see Section 1.3).

Table 2: Role of PNDS-REP Components in Addressing PNDS-REP Research Questions

Thematic Area	Research Question	QQFS	MMPM	EDVs
Project Impacts	Level	✓		✓
	Distribution	✓		✓
	Conditioning Factors		✓	
Institutional and Social Spillovers	Local Governance	✓		✓
	Social Cohesion	✓		✓
	Delivery Systems	✓		✓
Capture, Leakage, and Inefficiency	Characteristics		✓	✓
	Conditioning Factors		✓	

Note: Grey check marks indicate that research conclusions may be limited by methodological factors (for QQFS) and DVs implemented (for EDVs).

1.3 Qualitative and Quantitative Field Surveys

The PNDS implementation schedule prescribes that all villages in Timor-Leste will receive PNDS during 2013 – 14. This precludes (all but very short) comparisons of villages receiving and not receiving PNDS and thus rigorous estimation of PNDS impacts over the time period during which such impacts are expected to be realized. Accordingly, the PNDS-REP will not be able to rigorously determine, within acceptable levels of certainty, the direction and magnitude of certain PNDS impacts. This is particularly true of higher-order outcomes (such as poverty, local governance quality, or government legitimacy) which respond to multiple factors and which PNDS may affect via complex causal processes.[9] While the reliability of inferences over impacts on outcomes directly affected by PNDS activities will also be constrained, the separation of impacts of PNDS from those of other factors is generally expected to be more feasible than for higher-order outcomes.

The general goal of the QQFS is to support credible analyses which generate information of interest to stakeholders and/or support the formulation of impact-enhancing design variations. Due to the aforementioned methodological constraints, QQFS activities are being designed to support three sets of analyses: (i) assessment of PNDS impacts on outcomes directly and exclusively affected by program activities; (ii) estimation of local heterogeneity in PNDS impacts and the identification of correlating factors of such variation;[10] and (iii) estimation of regional heterogeneity in PNDS impacts and the identification of correlating factors of such variation. Such analyses will provide stakeholders with an assessment of the efficacy and distributional implications of PNDS, while indicating areas of priority for design variations.

[9] For further discussion, see Annex V of World Bank (2014a).

[10] Such analyses will examine, for instance, whether particular groups of villagers (e.g., elite or non-elite, male or female, residents of peripheral or central hamlet) accrue programmatic benefits that differ from those accruing to other groups of villagers.

Data collection for the two components of the QQFS will occur independently, although both data sources will be analyzed together. Both components consist of qualitative and quantitative baseline surveys administered prior to the commencement of PNDS activities in sample districts in 2014, with follow-up surveys covering the same two samples of villages. As such, the baseline surveys provide information that, when combined with data from follow-up surveys, may be used to construct before-and-after comparisons to indicatively assess the impacts of PNDS, the distribution of those impacts within and between villages, and analyze factors conditioning the level and distribution of impacts.

1.3.1 Qualitative Field Surveys (LFS)

Qualitative methods are suited to exploring nuanced processes, nebulous institutions, and dynamic interactions in complex social systems, which quantitative methods – by virtue of their compact and linear nature – do not adequately capture. Qualitative methods necessitate intensive ethnographic exercises by qualified researchers and are accordingly time-consuming and resource-intensive.

The LFS is designed to perform the following functions: (i) indicate how PNDS affects social interactions, local decision-making processes, and other institutional outcomes using before-and-after comparisons, attribution-focused questioning, and MMPM data; (ii) indicate correlates of local and regional heterogeneity in PNDS impacts on institutional and social outcomes; (iii) provide baseline data for assessments of how pre-intervention variation in social and institutional characteristics induce between- and/or within-village variation in participation in PNDS (as assessed by the MMPM); and (iv) indicate mechanisms – or causal pathways – that underlie results obtained by before-and-after analyses by the NFS.

1.3.2 Quantitative Field Surveys (NFS)

Although qualitative methodologies provide for in-depth examination of processes and generation of grounded hypotheses, the respective conclusions are limited in their generalizability given the small number and unrepresentative selection of cases. By contrast, quantitative methods provide precise measures of outcomes of interest that, by virtue of the standardized methods of data collection, are comparable across sample units. Given their efficiency, quantitative methods can be deployed over relatively large samples, with electronic data capture and statistical packages providing for rapid and objective analysis.

The NFS is designed to perform the following functions: (i) indicate how PNDS affects outcomes directly affected by PNDS using before-and-after comparisons, attribution-focused questioning, MMPM and MIS data, and data on other competing causal factors; (ii) estimate local heterogeneity in PNDS impacts and isolate correlates of such variation; (iii) estimate regional heterogeneity in PNDS impacts and isolate of correlates of such variation; (iv) provide baseline data to support estimation of between- and/or within-village variation in participation in PNDS activities (as measured by the MMPM) and assessments of how pre-intervention variation in economic, geographic, institutional, social, and other characteristics condition such variation; and (v) provide potential sources of baseline and/or follow-up data for EDVs.

2 METHODOLOGY

In accordance with the principle of mixed methods research, the PNDS-REP Qualitative (LBS) and Quantitative (NBS) Baseline Survey instruments were designed to complement each other by taking advantage of their respective methodological strengths. The LBS employs semi-structured interviews and direct observation to explore processes producing village- and hamlet-level development and governance outcomes and which may in turn affect the implementation of PNDS and participation in PNDS processes. The NBS using closed-ended survey questions administered to villagers and local leaders to ascertain precise and nationally representative measures of outcomes of interest.

2.1 Qualitative Methods

2.1.1 Research Questions

LBS research questions were divided into three thematic sections: (i) project impact; (ii) capture, leakage, and inefficiency; and (iii) institutional and social spillovers. Table 3 provides further details on these research questions.

Table 3: LBS Research Questions

Project Impacts	
1	What other factors commonly constrain the equity, efficiency, and impact of local public goods and services?
2	How do village- and hamlet-level public goods affect access of households to basic infrastructure, services, and utilities?
3	What village- and hamlet-level development projects are most demanded by villagers?
Capture, Leakage, and Inefficiency	
4	How are decisions made concerning the allocation of public goods and services within and between villages (both geographically and socially)?
5	To what extent and how is the local delivery of local public goods and services constrained by leakage or other forms of misappropriation?
Institutional and Social Spillovers	
6	How do villagers aggregate and articulate interests to obtain access to public goods and services? Do some villagers (including local leaders) do this more effectively than others?
7	What is the structure (identity of leaders and correspondence of *de facto* and *de jure* authority), function (primary activities); and reception (degree of accountability and villager satisfaction) of local governance at the *village*- and *hamlet*-level?
8	What is the role of marginalized groups in local governance structures?
9	What is the quality of social cohesion and incidence of collective action at the village- and hamlet-level and what factors most significantly constrain them?
10	What are the prevailing sources of social tension, conflict, or violence at the village- and/or hamlet-level?
11	What is the frequency and nature of interactions between villagers and government officials at the sub-district and district levels?

2.1.2 Sampling

Sampling of Villages

The LBS sample consists of 16 villages from all of regions of Timor-Leste. Of these 16 villages, two villages received PNDS during Phase II (which commenced in February 2014), while the remaining 14 villages received PNDS during Phase-III (which commenced in August 2014). The 14 Phase-III villages were among the 100 villages surveyed by the NBS. The following sections provide further information on the sampling procedures.

The 16 LBS villages were purposively sampled based on: (i) location in one of Timor-Leste's five regions; (ii) extreme or average level of characteristics hypothesized to affect governance, decision-making and/or implementation of public works projects.[11] The first criterion ensures that the sample is balanced across the regional groupings, each of which has different economic, cultural, geographic, and historical characteristics and are accordingly expected to interact different with PNDS

[11] Sample selection is driven in part by the comparative method and in part by what the process-tracing approach can answer in the research questions. As a means of increasing the explanatory leverage of the comparative approach, the selection of cases typically aims to maximize variation across key variables thought to be important for explaining outcomes of interest. For this reason, villages are selected to accentuate variation in key variables that are thought to affect decision-making and implementation of public goods.

processes. The second criterion increases the probability that the LFS will be able to isolate the conditioning effect of key background characteristics on the equity, efficiency, and overall impact of PNDS, while also enhancing external validity.

For each of the five regions, a set of salient characteristics – summarized in Table 4 – were identified as criterion for selecting the LFS sample.[12] Identified characteristics were: (i) level of violence; (ii) presence of veteran populations; (iii) existence of state institutions (peri-urban vs. rural); and (iv) proximity to border. Further details of the data sources and sampling protocols used for each of the four characteristics follow:

- Levels of violence were determined using 2013 village-level incident data from National Police of Timor-Leste (PNTL) records. A territorial unit average number of incidents was calculated. Villages with the number of incidents one standard deviation above the mean were coded as "high violence", while the rest were assigned an "average violence" code.
- Presence of veteran populations was determined using data provided by the Secretariat of Veteran's Affairs. A territorial unit average was calculated and villages with a population of veterans one standard deviation above the mean coded as "high veteran population", while the rest were labeled as Average Veterans.
- The existence of state institutions was determined by a classification of villages developed by the PNDS Secretariat, which categorized villages into "rural" and "peri-urban" localities.
- Proximity to border was used as a sampling criterion only in the Enclave region. Using the 2008 Timor-Leste District Atlas, the distance from the village center to the Indonesian border was measured for all NFS villages. Three villages that were located closest to the border were listed as potential field sites.

Based on this data and the sampling criteria outlined in Table 4, villages with the requisite combinations characteristics were selected among the 100 villages sampled by the NFS. Research teams then conducted a semi-structured interview with the respective District Administrator. The outcome of the consultation process was a referral to one of the three villages, which was selected as one of the 16 LFS sample villages.

Table 4: Criteria for Selection of LFS Sample

Region	Description	Selection Criteria
Mountains	Villages in Mountainous Areas within Ainaro, Ermera, Aileu, and Manufahi Districts	1. High Violence and Rural 2. Average Violence and Rural 3. High Veteran Population and Rural 4. Average Veteran Population and Rural
East	Villages in Baucau, Lautem, and Viqueque Districts	1. High Veteran Population and Peri-Urban 2. Average Veteran Population and Peri-Urban 3. High Veteran Population and Rural 4. Average Veteran Population and Rural
Border	Villages Located Close to Indonesian Border (Bobonaro and Cova Lima Districts)	1. High Violence and Peri-Urban 2. Average Violence and Peri-Urban 3. High Violence and Rural 4. Average Violence and Rural
Capital	Villages in Dili	1. High Violence and Peri-Urban
Central	Villages in Liquica and Non-Mountainous Areas Located in Manatuto, and Manufahi Districts	1. High Violence and Peri-Urban 2. High Violence and Rural 3. Average Violence and Rural
Enclave	Villages in Oecusse District	1. Close to Border

[12] For instance, the mountainous regions are generally rural, but provide for variation in the level of violence and presence of veterans. In the east, there are high numbers of veterans and overlaying this variation with proximity to state administration (peri-urban vs. rural) allows the LFS to determine whether the effect of veteran populations on PNDS differs by the context. The border areas provide for variation in violence and proximity to state institutions. Due to similarity with adjacent regions, only three villages in the central region are covered. One village in Oecusse close to the Indonesian border is selected to determine how the special status of such villages affects PNDS implementation.

Sampling of Respondents

Within sample villages, respondents were selected using three sampling methods: (i) purposive sampling; (ii) snowball sampling; (iii) convenience sampling. Each was executed at a different stage of a 12-day data collection cycle. Details on the sampling procedures follow:

- *Purposive Sampling*: A list of key stakeholders (e.g., Village Chief, Hamlet Chief, Ritual Leader, and the local Priest) was prepared prior to the arrival in each field site. Such stakeholders regularly participate in local governance activities and oversee local public works projects. Key respondents were interviewed in the earlier stages of data collection, with additional stakeholders identified and interviewed throughout the field visit.
- *Snowball Sampling*: Additional respondents were identified based on referrals from key stakeholders throughout field visits.
- *Convenience Sampling*: Research teams purposively selected easily accessible respondents and interviewed them at their houses or during community events. This sampling methodology was utilized in the final stages of the data collection cycle primarily to access marginalized villagers.

2.1.3 Survey Instruments and Data Collection

Instruments

LBS research instruments were developed to investigate the following narratives:

i. *Social Cohesion*: The research instrument was designed to investigate volume and quality of interactions between villagers and to further explore sub-themes such as: identity; conflict and conflict mediation; power and vulnerability; development needs and priorities; village and hamlet borders; historical context; and reoccurring social problems.

ii. *Formal and Informal Local Institutions*: The research instrument reviews defining processes occurring within village-level institutions, including local governance structures and community groups. The instrument further explored sub-themes such as: leadership, power and decision making; financial management; collective action and communication strategies; and the creation and termination of village community groups.

iii. *Public Goods and Services*: The research instrument mapped the life-cycle and quality of public goods and services within the village and explored sub-themes such as: project selection and decision making processes; project planning; project implementation; resource management; and development outcomes.

Data Collection

LBS field visit lasted 12 days per village and was conducted by teams of two local researchers. LBS utilized the following data collection methods:

i. *Village Mapping*: Upon arrival in the sampled village, a day-long mapping of village public works projects and institutions was completed. Using this information, an improvised map with coordinates of public facilities was designed.

ii. *Semi-Structured Interviews*: Teams conducted an average of 30 audio-recorded interviews per field study site. Using LBS Research Instruments, a list of 23 themes was developed. In addition, a LBS Question Guide contained sample questions for each theme. Paper-based interview notes were compiled after each interview. Overall, 554 respondents were sampled, of which 65 percent were male.[13]

iii. *Direct Observations*: Research teams conducted direct observations of community meetings and events, public works construction processes, conflict mediation and other events within the village. For each observation, field notes were compiled, dated and assigned a theme.

Challenges Encountered

During LBS data collection, the team encountered the following challenges:

Linguistic Barriers: Although the LBS research team consisted of 8 local researchers from various parts of Timor-Leste, data collection in Oecusse, Lautem, and Viqueque districts was affected by a lack of *Tetum* language skills among

[13] The gender disparity was caused by targeting of village leaders.

respondents and the limited knowledge of the *Baikenu*, *Naoti*, *Fataluku*, and *Makasae* languages by researchers. External translators were recruited to assist in these districts, but this potentially compromised the quality and integrity of the data.

Access to Villages and Respondents: Several potential field sites were excluded from the study due to difficulties encountered in accessing them. In addition, respondents living more than 4 hours away from the village center were excluded from the study.

Data Analysis

After each field visit, LBS research teams transcribed field notes, reviewed audio recordings, and developed a village report that incorporated qualitative data corresponding to the aforementioned research themes. The village report incorporated the tools of process tracing and thick description. Process-tracing entails examining the step-by-step linkages that connect causes and effects of phenomena, with each step in the process is tested by examining various sources of data to ensure validity. Thick description was used as a data analysis tool, which involved reviewing field and interview notes and identifying recurring topics. Village reports were used as inputs to the analysis described in this report. Specifically, researchers utilized the cross-case data analysis method to formulate hypotheses and typologies.

2.2 Quantitative Methods

2.2.1 Research Questions

NBS research questions were divided into three thematic sections: (i) project impacts; (ii) distribution of project impacts; and (iii) conditioning effects of institutional and social factors. Table 5 provides further details.

Table 5: NBS Research Questions

	Project Impacts
1	What is the quality of access infrastructure and what is the level of and variation in transportation outcomes (particularly those pertaining to access to services and markets)?
2	What is the level of and variation in access to sanitation and clean drinking water?
3	What is the level of and variation in access to irrigation and what is the incidence and nature of damage done by flooding?
4	What is the quality of and variation in existing education infrastructure and services?
5	What is the quality of and variation in existing health infrastructure and services?
6	What is the quality, satisfaction with, and level, variation, and nature of use of community halls?
7	What is the level of and variation in use of electricity?
8	What is the level of and variation in access to markets?
9	What is the quality, satisfaction with, and level, variation, and nature of use of local public facilities?
10	What is the level of and variation in use of banking and financial services?
	Distribution of Project Impacts
11	What are the development priorities (both generally and within the PNDS positive list) of different demographic and social groups?
12	What are the salient economic, geographic, institutional and social differences within and between villages?
13	What is the level of and variation in economic outcomes, such as income, consumption, assets, employment, and access to markets?
14	What is the level of and variation in remoteness, topography, and other relevant geographic characteristics?
	Conditioning Effects of Institutional & Social Factors
15	How do villagers perceive the accountability of local governance (especially decision-making over local public goods)?
16	What is the level of and variation in interpersonal trust, incidence of disputes and feuds, civic engagement, and social conflict?
17	What is the level of and variation in access to information on government services and development projects?
18	What is the level of and variation in attitudes to government?

2.2.2 Sampling

Sampling of Villages

The NBS sample consists of 200 hamlets randomly sampled from 100 villages, which were in turn randomly sampled from the 202 villages located in sub-districts assigned to Phase-III of the PNDS roll-out, which received village-level socialization

from August 2014 onwards. Given that sub-districts were randomly assigned to one of the three phases, the NBS sample is approximately representative of Timor-Leste.[14] Within each of the 100 villages, two hamlets were randomly sampled.[15]

Sampling of Households

In each sample village and hamlet, questionnaires with Village Chief (*Xefe Suku*) and Hamlet Chief (*Xefe Aldeia*) surveys were administered, respectively. Within each sample hamlet, 8 households were selected through a random sampling protocol. The sampling of households was conducted in the field with the village or hamlet head. The sampling procedures consisted of three steps:

- *Access List of Households*: In many cases, a list of households in the hamlet was available in the office of the Hamlet Chief or on a board outside the office. When a list of households was not readily available, the field team constructed a list of households in conjunction with the Hamlet Chief.
- *Numbering Households*: If the list of households in the hamlet was not already numbered, the field team assigned a number to each household sequentially.
- *Random Sampling*: The total number of households (*N*) was entered into a random number generator application installed on the electronic tablets used by the field team for data collection. The random generator produced a random sample of 12 integers between 1 and *N* (total number of households). The first eight households formed the primary sample households, while the next four households served as reserves.

Sampling and Data Analysis

Observations from households and Hamlet Chiefs were weighted using the inverse of the probability of selection in order to ensure national representativeness. However, while the NBS sample is representative of households across Timor-Leste, district-level aggregates of NBS survey data must be interpreted with caution. The reasons for this are two-fold. First, on average, just 15 hamlets were surveyed within any given district. This relatively small number results in a high degree of sampling error, which in turn create substantial imprecision in estimates, as manifested by wide confidence intervals for each indicator. Second, the sampling error induced by the small number of hamlets surveyed in each district is aggravated by the fact that sampled hamlets were clustered in specific sub-districts randomly selected from the population of sub-districts in Timor-Leste. If sampled sub-districts differ from other sub-districts in the district, estimates may be further skewed. As a consequence of these two factors, the actual district-level aggregate values may differ from the district-level aggregate estimates presented in this report.[16]

Appendix D provides a comparison between estimates of key indicators produced the PNDS Baseline Survey and indicators from the 2010 Population and Housing Census.

2.2.3 Survey Instruments and Data Collection

Survey Instruments

The NBS consists of four different instruments:

Male Household Questionnaire (MHQ): The MHQ collects information on basic household characteristics; health; crops, irrigation, and income; consumption and markets; projects and community; decision-making and governance; cohesion; subjective well-being and satisfaction with public services; and information, social, and human capital. The questionnaire was designed to survey the male head of household or, in the absence of such, a working-age male between 30-59 years old. A total 947 MHQs were administered across the 100 sample villages.

Female Household Questionnaire (FHQ): The FHQ covers similar issues to the MHQ but also contains specific questions pertaining to maternal and child health. FHQs were administered to working age females between 30 and 59 years old and/or

[14] In order to ensure that the villages in each phase were representative of the entire country, the PNDS-REP team worked with PNDS to randomly select the sub-districts whose villages would be assigned to Phases I, II, and III. Because the random selection of sub-districts into the three phases was randomized (with a few exceptions relating to special cases in Dili and pilot villages), each of the three phases were representative of the entire country.
[15] One exception is Maletat in Oecusse district, which has only one hamlet.
[16] District-level aggregate estimates are included in response to requests for such by PNDS stakeholders.

responsible for decisions regarding children in the household and/or day-to-day household activities. A total 1,114 FHQs were administered across the 100 sample villages.

Youth and Elderly Questionnaire (YHQ): The YHQ is a shorter version of the MHQ and contained questions on development projects and satisfaction with public services, local decision-making, and subjective well-being. The YHQ covers youth aged between 15-29 years and elderly aged above 55 years who reside in sample households and were not surveyed by the MHQ or FHQ. A total of 166 youth and 84 elderly respondents were surveyed across the 100 sample villages.

Village / Hamlet Chief Questionnaire (VC/HC-Q): The VC/HC-Q was administered to village and hamlet heads in the sample and ascertained information on village characteristics and the functions of chiefs. On average, one Village Chief and two Hamlet Chiefs were sampled in each village. However, one village contained only one hamlet and, in a number of villages, the village head was unavailable or refused to participate. In total, 198 Hamlet Chiefs and 95 Village Chiefs were interviewed.

Data Collection Process

Quantitative data was collected between June 20, 2014 and August 15, 2014 in 100 villages in all 13 districts of Timor-Leste. Data collection was undertaken using a computer-assisted personal interviewing system using Open Data Kit (ODK), an open-source set of tools used to author, field, and manage mobile data collection solutions. Field staff members were issued Google Nexus tablets that contained electronic surveys. Completed surveys were sent from the field using 3G connectivity to a remote online server after each survey had been scrutinized by the team leader. A member of the PNDS-REP team in Dili checked incoming surveys and, if logical inconsistencies or any other faults in data quality were detected, contacted the relevant teams for further clarification or correction. The programming of surveys, design of web interface, and maintenance and upkeep of the software and server was outsourced to a private firm, Catalpa International.

Challenges Faced

During NBS data collection, the team encountered the following challenges:

- *Limited Data Connectivity*: 3G connectivity is limited in rural Timor-Leste. Field teams were often unable to upload their surveys to the server until they reached a bigger town. This led to a lag in uploading survey data, which limited the ability of the Dili-based team to verify data quality in real time.
- *Data Quality*: Errors in the coding of surveys forms resulted in some inconsistencies and inaccuracies in skip patterns, which resulted in some data loss. Despite the administration of extensive training to field staff, several cases were identified of enumerators falsifying data or outsourcing the fieldwork to untrained staff. To limit the impact of these issues on overall data quality, 77 households were resurveyed in August 2014.
- *Coverage of Youth and Elderly Respondents*: Enumerators experienced difficulties in locating youth to survey due to high rates of out-migration of youth from villages to Dili or other towns for work or education and due to the involvement of youth still living in the villages in harvesting coffee or preparing the land for the second crop of maize and rice. Similarly, many elderly refused participation in the interview citing hearing difficulties, health problems, or a general lack of interest in the survey. As a result, the small number of observations youth and elderly respondents does not provide a representative sample of the youth or elderly populations in Timor-Leste.
- *Coverage of Village Heads*: Three village heads did not participate citing ill health, travel commitments, or a lack of interest.
- *Coverage of Sample Villages*: Field teams were reluctant to survey one village on grounds that it is known locally to practice ‘black magic’. A replacement village was then randomly selected from within the same district.

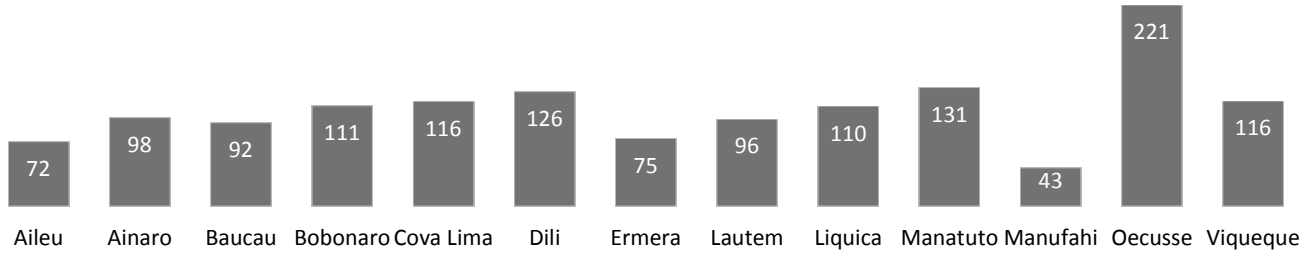
3 GENERAL CHARACTERISTICS

3.1 Villages, Hamlets and Households

On average, sample villages consist of 630 households and a few public buildings such as schools, health centers, churches, and community centers. The smallest sample village, *Fatucalo* in *Manufahi* district, consisted of 83 households, while the largest, *Bemori* in *Dili*, consisted of 5,288 households.

On average, sample hamlets consist of 105 households. The smallest sample hamlet, *Fohonaro* in *Manufahi*, consists of just eight households, while the largest, *Pasabe* in *Oecusse*, consists of 776 households. Hamlets in *Aileu* and *Ermera* districts are relatively small, while those in Oecusse are relatively large (Figure 2).

Figure 2: Average Number of Households in Each Hamlet, Disaggregated by District

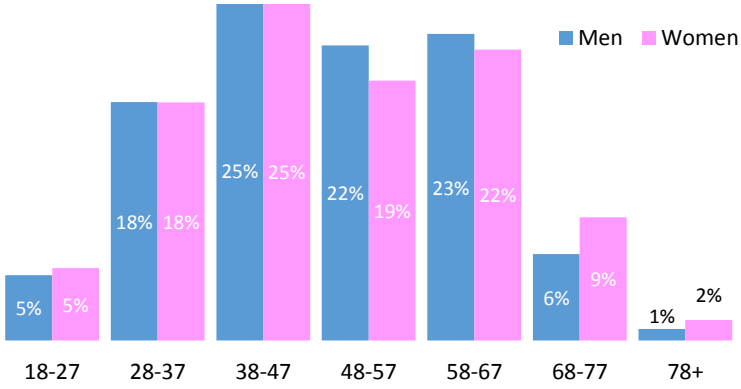


The mean size of sampled households was 6.6 members, with a minimum of 6 members and a maximum of 18 members. The mean size is comparable to the 2010 Census's average household size of 5.8 members (National Statistics Directorate [Timor-Leste] et al., 2010, p.13).

3.2 Respondents

Across the sample of household NBS respondents, 70 percent of men and 66 percent of women were aged between 38 and 67 years. Young adults were heavily under-sampled relative to the population, with those aged under 28 only making up 5 percent of respondents, compared to around 70 percent of the general population. On the other hand, elderly were oversampled, with persons aged over 67 making up 9 percent of the sample but less than 4 percent of the general population. The mean age of youth YHQ respondents is 19 years, with ages ranging from 15 to 25. The mean age of elderly YHQ respondents is 66 years, with ages ranging from 54 to 98. Village Chiefs average 47 years in age and range from 22 to 67 years, while Hamlet Chiefs average 55 years and range from 45 to 68 years.

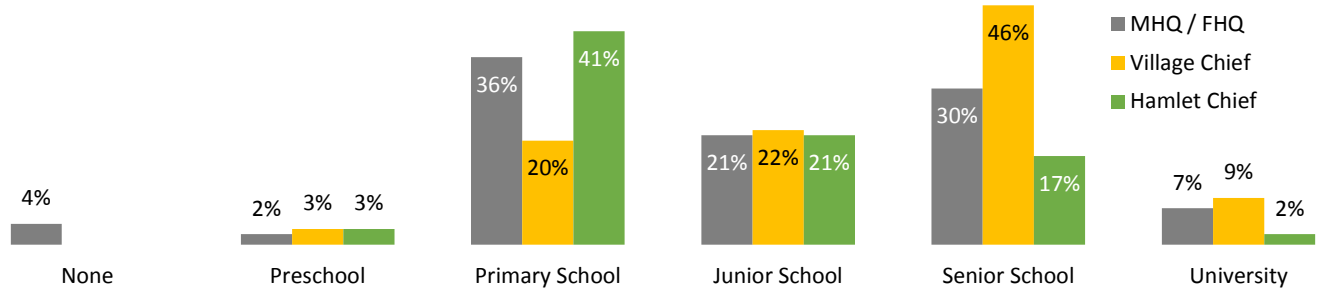
Figure 3: Baseline Sample by Gender and Age Group



Self-reported literacy among household NBS respondents was very low – 44 percent for males and 38 percent for females. However, 77 percent of both male and female respondents were able to read a simple sentence ("Maria sells vegetables in the market") from the screen of the tablet. 98 percent of Village Chiefs and 70 percent of Hamlet Chiefs were able to read the sentence.

The level of education attained by male and female household respondents was relatively similar. For 39 percent of men and 34 percent of women, the highest level of school attainment was primary school. 35 percent of men and 38 percent of women in the household survey had completed senior school of university. Only 4.5 percent of men and 3 percent of women had no education. Village Chiefs are, in general, better educated than the village population, with 55 percent having completed senior school. Hamlet Chiefs, however are less educated than the general population, with only 19 percent having completed senior school or university.

Figure 4: Highest Level of Education Attainment



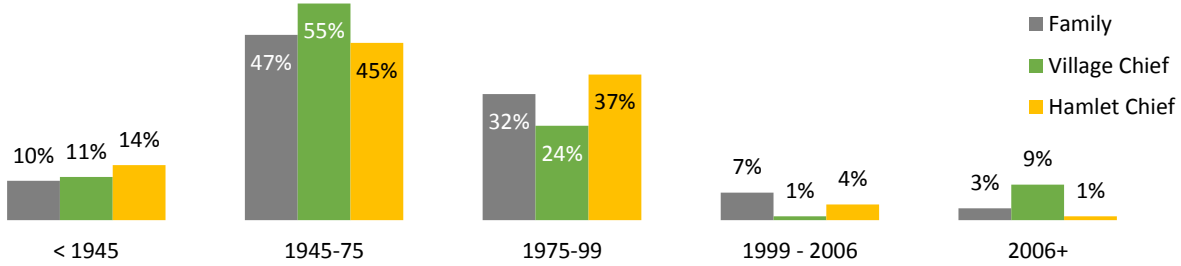
Over sixteen languages are spoken across Timor-Leste in addition to the official languages of Tetum and Portuguese. Village Chiefs were asked about the languages spoken at work and at home. The majority of Village Chiefs spoke Tetum at work, with exceptions in *Oecusse* (Baqueno) and *Cova Lima* where a mixture of Tetum and Bunak is spoken. In most districts, more than 50 percent of Village Chiefs spoke Tetum at home, except *Lautem*, where an overwhelming majority speak Fatulaka.

Table 6: Languages Spoken at Home

District	Tetum	Regional Languages
Ainaro	50%	--
Aileu	86%	--
Baucau	42%	Makasae
Bobonaro	100%	Bunak, Kemak, Bahasa
Dili	100%	
Ermera	69%	Kemak
Liquica	63%	Mambae, Tokodete
Lautem	9%	Fatulaka
Manatuto	100%	Galolen
Oecusse	27%	Baequeno
Manufahi	82%	Mambae
Cova Lima	50%	Bunak, Terik
Viqueque	100%	--

Migration between hamlets is relatively limited in Timor-Leste. A plurality of families (47 percent) and Hamlet Chiefs (45 percent) and a majority of Village Chiefs (55 percent) have resided in the same hamlet since the Portuguese period (1945-75).

Figure 5: Duration of Residence in Hamlet



4 ECONOMY

The following section provides information on the economic characteristics of sample respondents, households, and villages. Section 4.1 provides information on household assets, including land ownership and housing materials (4.1.1) and household ownership of consumer durables, vehicles, agricultural equipment, and livestock (4.1.2). Section 4.2 provides information on income and livelihoods, including sources of income (4.2.1), levels of income (4.2.2), and project labor (4.2.3). Section 4.3 provides information on food consumption, including the incidence of hunger (4.3.1), consumption of food staples (4.3.2), and the availability of rice (4.3.3). Section 4.4 provides information on agriculture, including crop cultivation and sales (4.4.1), animal husbandry (4.4.2), negative shocks (4.4.3), use of agricultural equipment (4.4.4) and access to markets (4.4.5).

4.1 Assets

4.1.1 Land and Dwelling

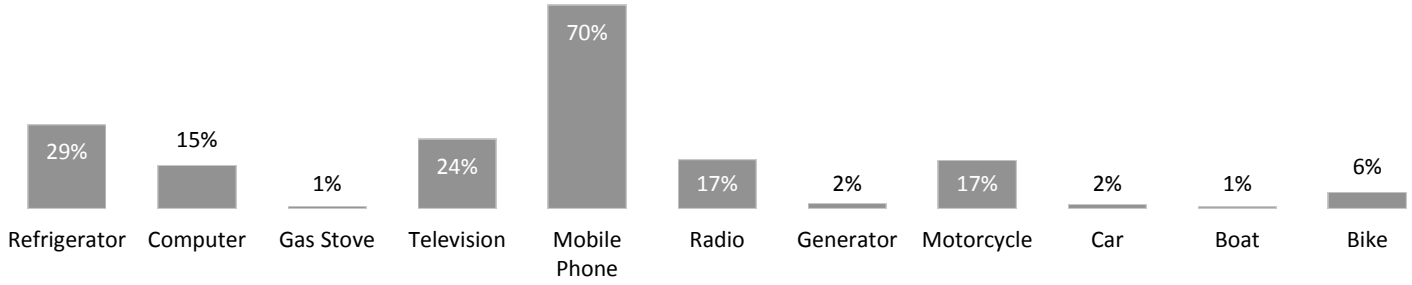
Among households surveyed, 85 percent live on land owned by their family and passed down through the generations. A further 7 percent live on of land owned by families outside the hamlet or by the community respectively, while 1 percent live on land owned by the government. 71 percent of households also reported owning additional plots of land other than that which they currently reside. Only 9 percent of households report problems with land ownership.

Three-quarters of dwellings of sample households feature permanent roofing material, but stable foundations are less common (63 percent), and permanent flooring is relatively rare (32 percent). 74 percent of dwellings occupied by sample households are made of iron, 13 percent are made of palm, and 9 percent are made of sod. The most common flooring materials are compacted mud (39 percent), cement (28 percent), earth (24 percent), and tile (4 percent). Over 50 percent of dwellings are raised off the ground or built on stilts, which is done to protect homes from flooding during the rainy season. Foundations mostly consist of rock (30 percent), cement (24 percent), and timber (7 percent). However, 26 percent of dwellings have no foundation. Across the sample, some 44 percent of households have no permanent material for roofing, flooring, or foundations. On average, households had 3 rooms in each dwelling, with a minimum of one room and a maximum of twelve rooms in the sample.

4.1.2 Consumer, Transportation, Agricultural and Livestock Assets

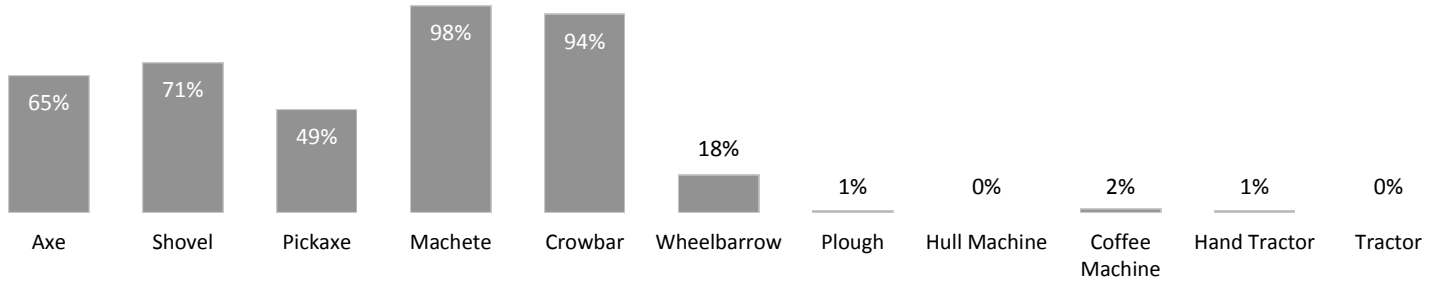
Across the sample, ownership of electronic goods is relatively high. 70 percent of households own a mobile phone; 29 percent own a refrigerator; 24 percent own a television; 17 percent own a radio, and 15 percent own a computer. Gas stoves and generators are rarely owned (1 percent and 2 percent, respectively). Ownership of transportation assets is rare, with only 17 percent households owning a motorcycle, 6 percent owning a bicycle, and 2 percent and 1 percent owning a car or boat, respectively. 77 percent of sampled households own no form of transport.

Figure 6: Household Ownership of Consumer and Transportation Assets



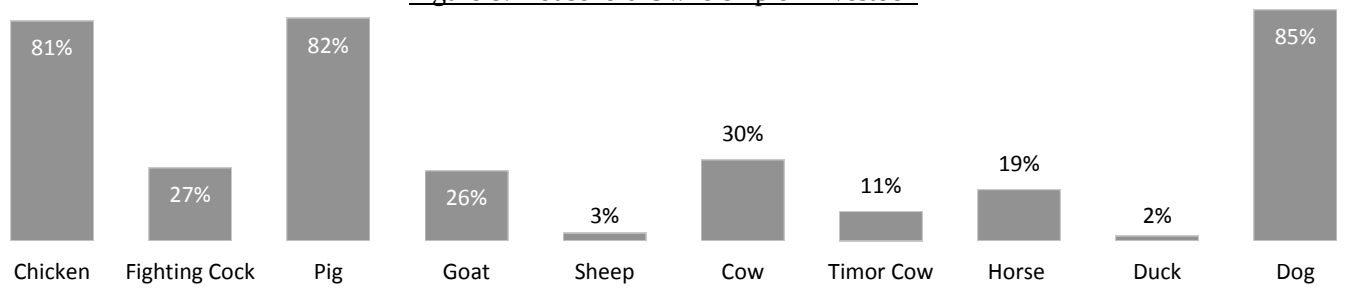
Most households own small, inexpensive tools such as a machete (98 percent), crowbar (94 percent), axe (65 percent), shovel (71 percent), pickaxe (49 percent), and wheelbarrow (18 percent). Ownership of larger and more expensive farming equipment is negligible, with 1 percent of the sample owning a plough, 2 percent owning a coffee machine, and equipment such as hull machine, hand tractor, or tractor generally being community property.

Figure 7: Household Ownership of Agricultural Assets



Smaller animals such as chickens (81 percent), pigs (82 percent), and dogs (85 percent) are the most common animals owned by households. More expensive and/or larger animals, such as cows (30 percent), horses (19 percent), and fighting cocks (27 percent) are less prevalent.

Figure 8: Household Ownership of Livestock



4.2 Income and Livelihoods

4.2.1 Sources of Income

Animal husbandry was the most common source of income for sample households in the 12 months prior to the survey (40 percent).[17] Other common sources of income include government transfers or subsidies (23 percent), farming (21 percent), salaried work (18 percent), trading (17 percent), and services (15 percent). Smaller percentages cite project work (8 percent), fish (2 percent), driving a *mikrolet*, taxi or truck (1 percent), or private transfers such as bride prices and/or other traditional sources (3 percent).

Figure 9: Sources of Household Income[18]

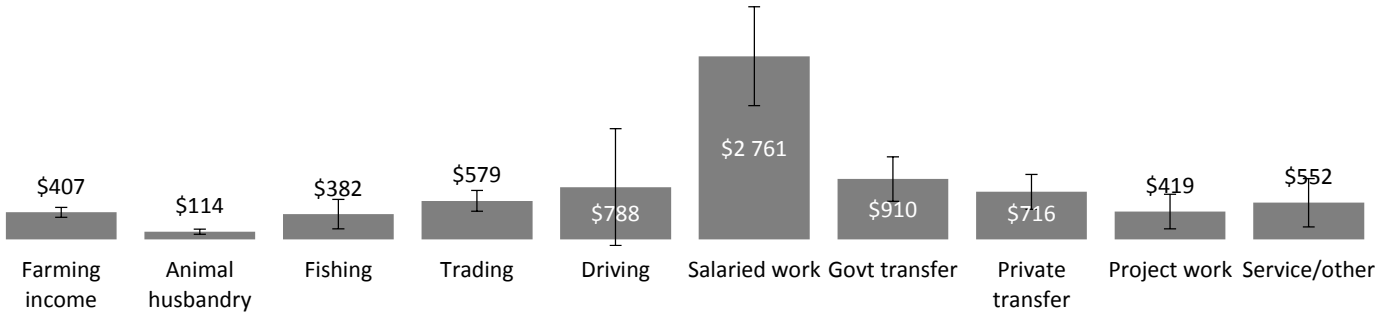
[17] Respondents were asked to provide a list of all sources of income for the household in the past 12 months, regardless of the number of sources.

[18] Error bars represent 95 percent confidence intervals. This means that if the randomized sampling scheme were conducted multiple times, the resulting sample would yield estimates of these variables that would fall with the range of the confidence intervals (error bars) 95 percent of the time. The error bars therefore can be interpreted as a means of assessing the statistical imprecision introduced due to the limitations of the sampling methods.

4.2.2 Levels of Income

On average, sample households are estimated to have earned $880 in the 12 months prior to the survey.[19] However, there is wide variation between households based on sources of income. Salaried work, for instance, nets an annual average of $2,761, while farming nets an average of just $407 annually.

Figure 10: Average Annual Household Income by Source[20]



4.2.3 Project Labor

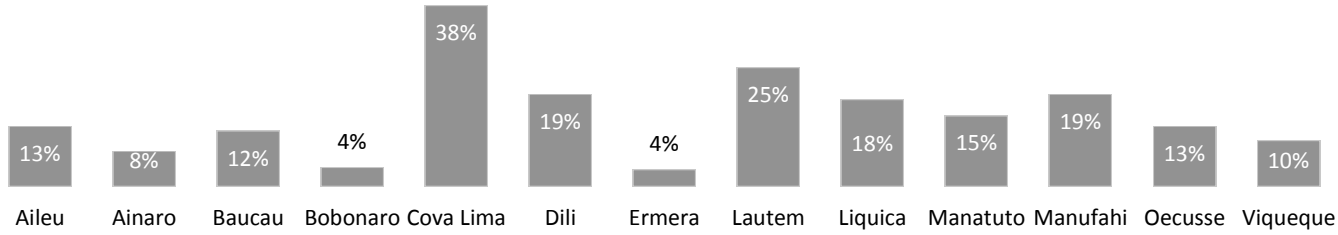
Of the projects that respondents worked on, 77 percent were public and 23 percent were private. The most common type of projects worked on were roads (29 percent), private buildings (17 percent), canals (12 percent), bridges (10 percent), schools (9 percent) and electricity (7 percent). The majority of work was done within the village (55 percent), with 43 percent of work done within the hamlet. Only 18 percent of work was done in other districts. When asked who funded the project work, 35 percent of respondents mentioned the government, 30 percent cited a private firm, 9 percent cited a private individual, 8 percent mentioned an NGO, and 14 percent didn't know.

4.3 Food Consumption

4.3.1 Hunger

Across the sample, 15 percent of female respondents mentioned that at least one member of the household experienced hunger in the previous 7 days. There is significant variation in hunger across Timor-Leste with high rates experienced in *Cova Lima* (38 percent), *Lautem* (25 percent), *Dili* (19 percent) and *Manufahi* (19 percent).

Figure 11: Incidence of Hunger by District



43 percent of households did not consume any meat during the past 7 days, while a further 31 percent only consumed meat once during the past 7 days.

4.3.2 Staples

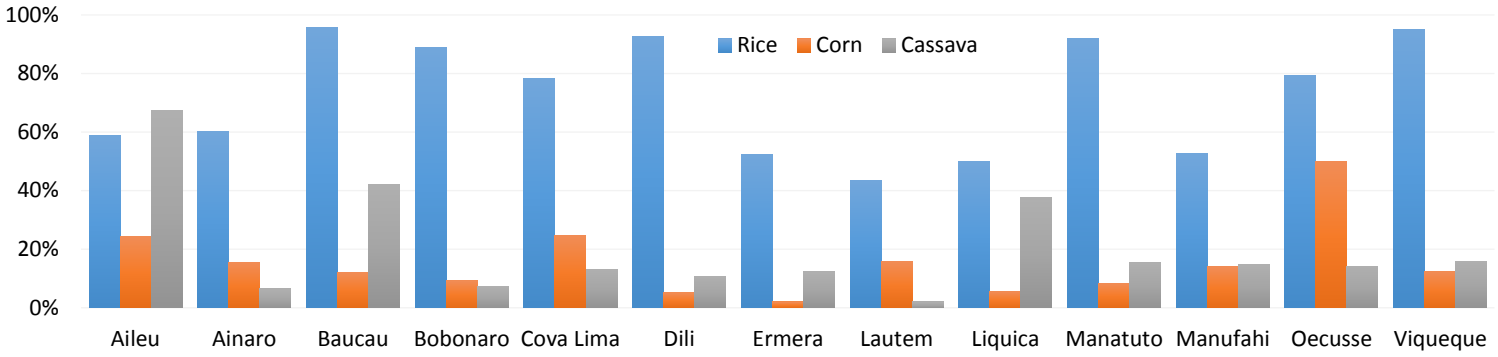
Rice constitutes the most frequently consumed staple, being consumed by households on average 6.3 days per week, compared to 2.4 days for corn and 2.1 days for cassava. Green vegetables are the most frequently consumed food item (6.4 days), while sources of animal protein such as eggs (0.9), meat (1.1), and fish (0.7) are much less frequently consumed. 80

[19] Estimates were constructed by multiplying the most recent income from each activity by the number of periods in which income was received over the previous 12-month period and summing over all activities. The 95 percent confidence interval runs from $633 to $1,128.

[20] Error bars represent 95 percent confidence intervals.

percent of households consume rice on a daily basis, compared to just 15 percent which consume corn on a daily basis and 16 percent that consume cassava.

Figure 12: Percentage of Households Consuming Staples 7 Days Per Week, by District



There are regional differences in the consumption of the three staples. In all districts except *Aileu*, rice is the most frequently consumed staple. However, cassava is the most common staple item in *Aileu* and is a significant daily staple in *Baucau* and *Liquica*. Corn is a significant, but secondary staple in *Oecusse* (50 percent), *Aileu* (25 percent), and *Cova Lima* (25 percent).

4.3.3 Rice Consumption

Despite its role as a staple across Timor-Leste, rice consumption is irregular in many districts. Approximately half of all households in *Ainaro* (46 percent), *Ermera* (51 percent), *Liquica* (51 percent), *Lautem* (52 percent), and *Manufahi* (55 percent) eat rice on a less than daily basis.[21] This compares to 5 percent in *Baucau*, 15 percent in *Bobonaro*, 8 percent in *Dili*, 15 percent in *Manatuto*, 27 percent in *Oecusse*, 19 percent in *Cova Lima* and 3 percent in *Viqueque*. While 42 percent of households in *Aileu* report not eating rice on a daily basis, this is primarily due to the fact that cassava is the staple in the district.

The shortfalls in rice consumption appear due, in large part, to difficulties in obtaining rice. Across the sample, 54 percent of households indicated a difficulty in obtaining rice during the past 12 months. Difficulties in obtaining rice are most acute in the enclave of *Oecusse* and in *Cova Lima*. Across the sample, the difficulty of obtaining rice roughly traces the rainy season, when rains often render roads difficult or impossible to traverse.

Figure 13: Incidence of Difficulty in Obtaining Rice in Past 12 Months by District

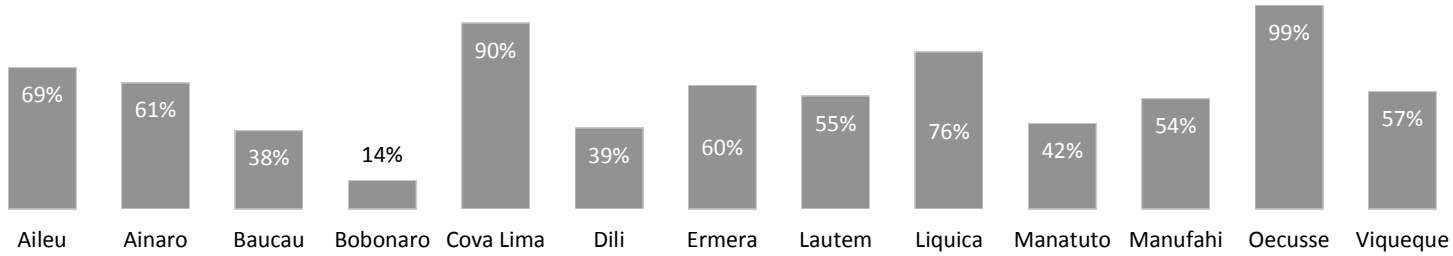
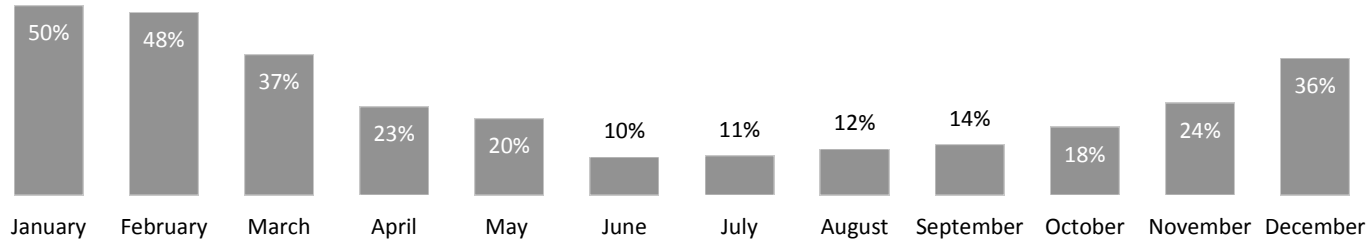


Figure 14: Incidence of Difficulty in Obtaining Rice in Past 12 Months by Month



[21] Rice was the primary staple for these districts.

When asked to explain difficulties experienced in obtaining rice, 46 percent cited a lack of money, 34 percent cited transportation and supply problems, 53 percent cited spikes in prices, while only 4 percent cited a loss of rice crop. Such responses, in conjunction with the extent to which difficulties in obtaining rice are correlated with the rainy season, indicate that rice shortages are at least partially associated with infrastructure bottlenecks.

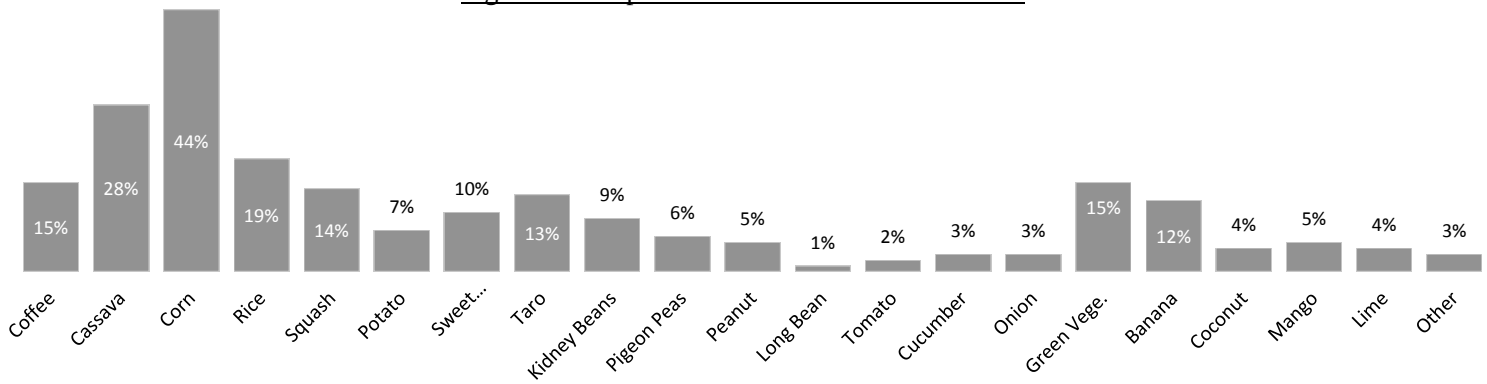
In response to difficulties obtaining rice, households substitute other food items, such as corn (81 percent), cassava (70 percent), and taro (48 percent). Households also respond to difficulties in obtaining rice in by taking smaller meals (29 percent), asking friends and family for rice (14 percent), borrowing money (13 percent), and skipping meals entirely (6 percent).

4.4 Agriculture

4.4.1 Crop Cultivation and Sales

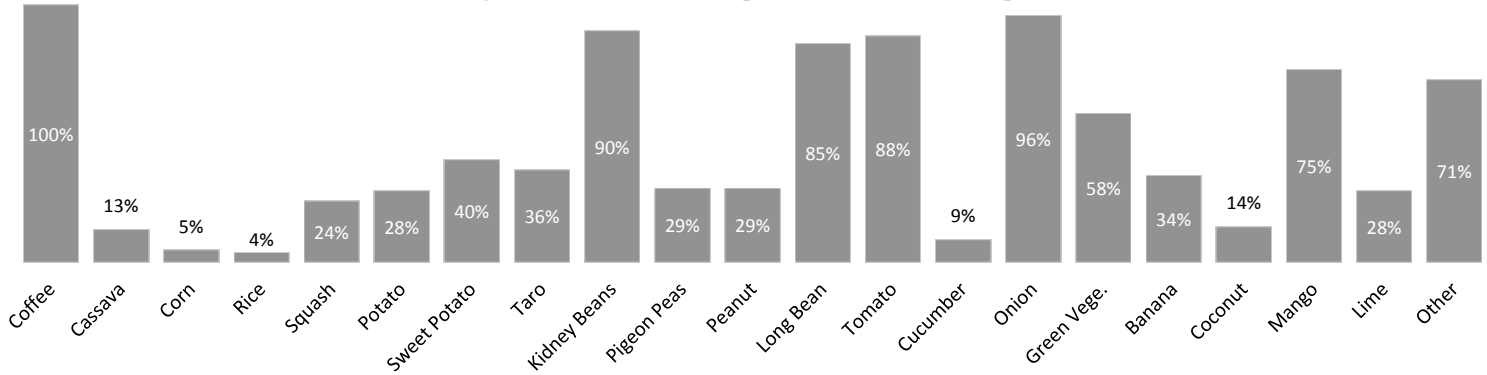
In total, 56 percent of sample households harvested crops in the 12 months prior to the survey.[22] Corn is the most commonly farmed crop among sample households (44 percent), followed by cassava (28 percent), rice (19 percent), and green leafy vegetables (15 percent). Coffee, Timor-Leste's most lucrative cash crop, is grown by 15 percent of the population.

Figure 15: Crops Harvested in the Last 12 Months



Very few households that cultivate staple crops or substitutes such as rice (4 percent), corn (5 percent), and cassava (13 percent) sell such crops, indicating that that are mainly retained for household consumption. In contrast, relatively large proportions of households that grow coffee (100 percent), kidney beans (90 percent), long beans (85 percent), tomatoes (88 percent), onions (96 percent), and mangoes (75 percent) sell their crops.

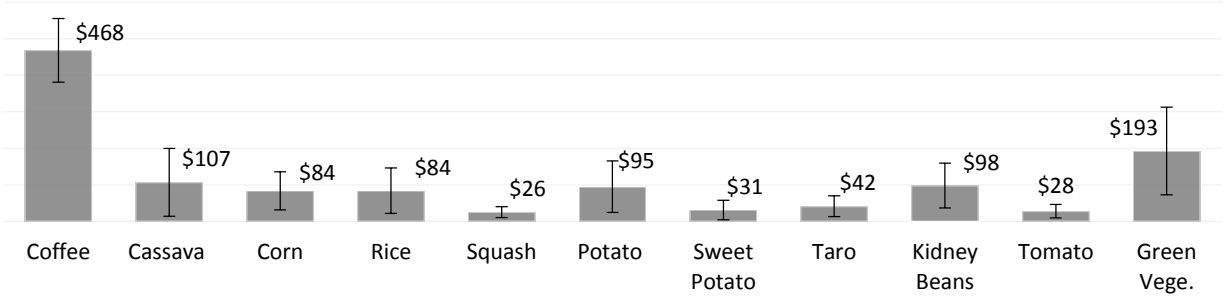
Figure 16: Percent of Crop Farmers that Sell Crops



Of those crops sold by sample households, coffee is the most lucrative, generating an average of $468 in annual income. The second most lucrative crop is green leafy vegetables ($193), although the small sample sizes attach substantial imprecision to the estimates.

[22] Given that only 21 percent of sample households earn cash income from farming, this implies that 35 percent harvest crops purely for their own consumption.

Figure 17: Average Income from Main Cash Crops[23]



4.4.2 Animal Husbandry

In total, 40 percent of sample households derive cash income from animal husbandry, making it the most common activity for generating income. By far the most commonly sold animal is chickens (31 percent), followed by pig (20 percent), and cow (9 percent). The amount of income that each type of animal generates varies widely. Although chicken is the most commonly sold animal, the average income generated over a 12 month period is only $29. Pigs generated an average annual income of $159. By far the most lucrative type of livestock is cow, which generated an average of $696 over the 12 months prior to the survey for the 9 percent of households that sold cattle.

Figure 18: Animals Sold in Past Year

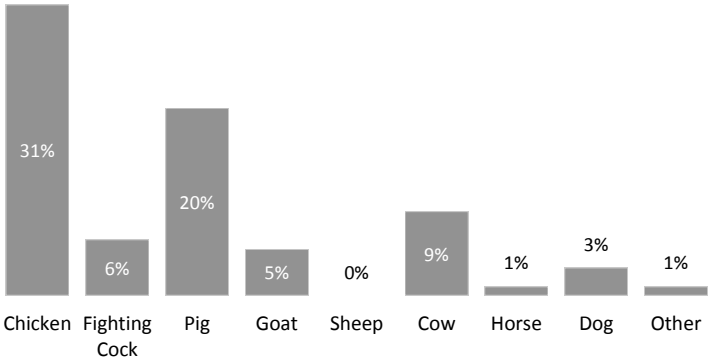
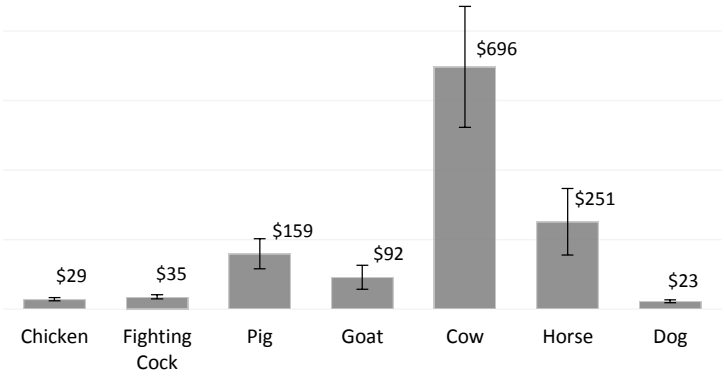


Figure 19: Income Earned from Animals in Past Year[24]



4.4.3 Negative Shocks

Over the preceding 3 years, 74 percent of sample hamlets experienced some kind of natural disaster. The disasters that were reported to be the most severe during this period all related to the effects of torrential rain with 23 percent experiencing flooding, 25 percent experiencing landslides, 17 percent experiencing storms, and 6 percent experiencing droughts. Flooding and other negative shocks can significantly affect yields. Of those farmers that reported loss of crops during the past 12 months, 55 percent cited pests as the reason, 54 percent cited droughts, 26 percent cited floods, and 4 cited fire.

4.4.4 Agricultural Equipment

Despite low rates of household ownership of agricultural equipment, the sue of communal equipment is common. On average, 54 percent of respondents indicate that they use a hand tractor, while 34 percent report using a regular tractor. Coffee pulps, on the other hand are used by mere 2 percent of households, indicating that farmers rarely process coffee, whereas 23 percent of households utilize rice hulls.

When asked which agricultural inputs were most in need to enhance agricultural productivity, 43 percent of respondents noted that access to a tractor would significantly improve the agricultural and fisheries sector for people living in their village. A further 28 percent opined that outputs could be increased by a processing facility, while 11 percent indicated that storage houses were most needed. Fishing boats and a landing center were requested by 3 percent of respondents. Notably, there were differences between men and women in their preferences. For example, women were almost twice as likely to

[23] Error bars represent 95 percent confidence intervals.
[24] Error bars represent 95 percent confidence intervals.

cite the need for a tractor (60 percent compared to 32 percent), while the reverse was true of processing equipment (34 percent compared to 18 percent).

4.4.5 Access to Markets

Across the sample, 36 percent of respondents reported visiting the market to purchase food, crops, or livestock in the previous 7 days, while 15 percent visited the market in order to sell goods. Women were slightly less likely than men to visit the market.[25] Of these respondents that visited the market to buy goods, the average amount spent over the previous 7 days was $18.66.

The location of the market relative to the location of the household can explain the less frequent visits to the market and the substantial amount spent at the market on a weekly basis. 42 percent of the sample reported going to a market in another village, 22 percent went to a market in another hamlet, 19 percent to a market in their own hamlet, 12 percent went to a market in another sub-district, and 5 percent visited a market in a different district altogether.

[25] 35 percent of women and 37 percent of men visited the market to buy in the past 7 days, while 14 percent of women and 17 percent of men visited the market to sell. Of respondents that went to the market during the past 7 days, the majority visited only once.

5 INFRASTRUCTURE AND ACCESS TO PUBLIC SERVICES

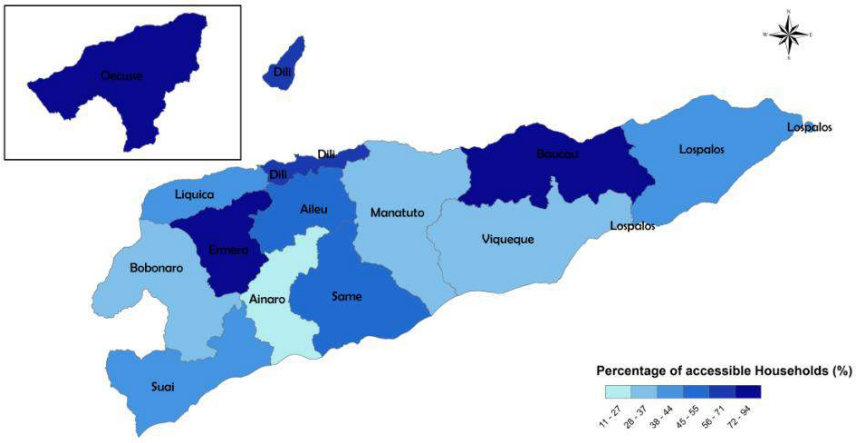
The following section provides information on the quality of local public infrastructure and villagers' access to public services. Section 5.1 provides information on road quality, including assessments of the surfacing and accessibility of local roads (5.1.1) garnered from surveys of hamlet and Village Chiefs, as well as household members, the incidence of impassable roads (5.1.2), and respondents satisfaction with local road infrastructure and perceptions of change in road quality (5.1.3). Section 5.2 provides information on irrigation infrastructure, including use and sources of irrigation (5.2.1) and perceptions of irrigation infrastructure (5.2.2). Section 5.3 provides information on access to drinking water, including sources of drinking water (5.3.1) and satisfaction with existing facilities (5.3.2). Section 5.4 provides information on sanitation, including toilet facilities (0) and hand washing (5.4.2). Section 5.5 provides information on access to electricity. Section 5.6 provides information on education, including literacy (5.6.1), enrolment (5.6.2), school accessibility (5.6.3), and perceptions (5.6.4). Section 5.7 provides information on the incidence and treatment of illness (5.7.1), the accessibility of health facilities and availability of health workers (5.7.2), and perceptions of access (5.7.3).

5.1 Roads

5.1.1 Surfacing and Accessibility

Across the sample, 15 percent of hamlets have asphalt roads connecting to village offices, while 4 percent have concrete roads. Gravel (36 percent) and dirt (32 percent) are more common surfaces for such roads. Makeshift roads or tracks ordinarily connect the dwellings of villages with other roads in the hamlet. 33 percent of dwellings are connected by a compacted road (which is constructed by using a vehicle to compact soil, concrete or asphalt and is generally passable by four-wheel drive), 22 percent by an earth road, 23 percent by a grass track, 11 percent by a dirt road, 9 percent by a sand road, and 1 percent have a sealed road (made from asphalt that has been permanently sealed by the use of several pavement treatments) or a road made of another material.[26]

Figure 20: Households Accessible by Compacted or Sealed Road



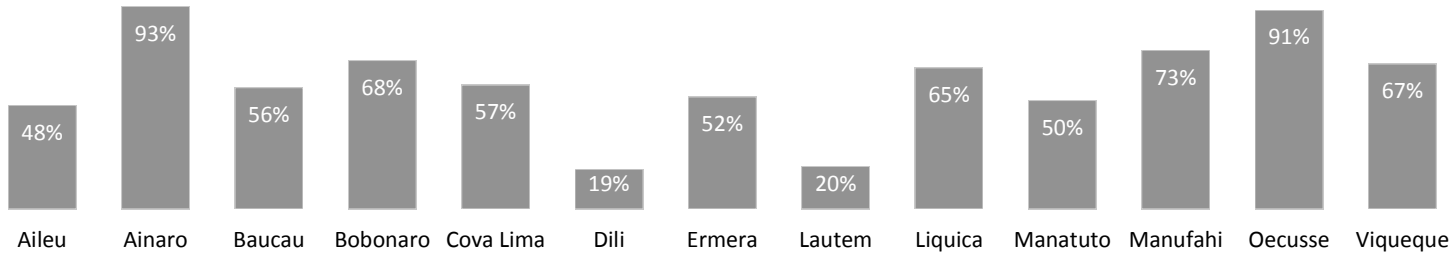
Across the sample, 49 percent of homes are accessible via a compacted or sealed road. In *Oecusse* (94 percent), *Ermera* (80 percent), *Baucau* (73 percent), and *Dili* (70 percent), the majority of dwellings are accessible via a compacted or sealed road. However, less than half of dwellings in other districts – *Ainaro* (11 percent), *Aileu* (45 percent), *Bobonaro* (27 percent), *Liquica* (39 percent), *Lautem* (38 percent), *Manatuto* (35 percent), *Manufahi* (46 percent), *Cova Lima* (43 percent), and *Viqueque* (35 percent) – are accessible by a compacted or sealed road. Walking time from households to the nearest passable road ranged from one minute to two hours, with a mean of 13 minutes and a median of five minutes.

5.1.2 Incidence of Impassability

Heavy rains, flooding, and landslides rendered roads to 51 percent of hamlets impassable to four wheel drive vehicles at least some point during the past 12 months. However, there is wide variation across the country. In *Ainaro* (93 percent) and *Oecusse* (91 percent), almost all hamlets report that roads were inaccessible at some point during the previous 12 months. However, such incidences are much less frequent in *Dili* (19 percent) and *Lautem* (20 percent).

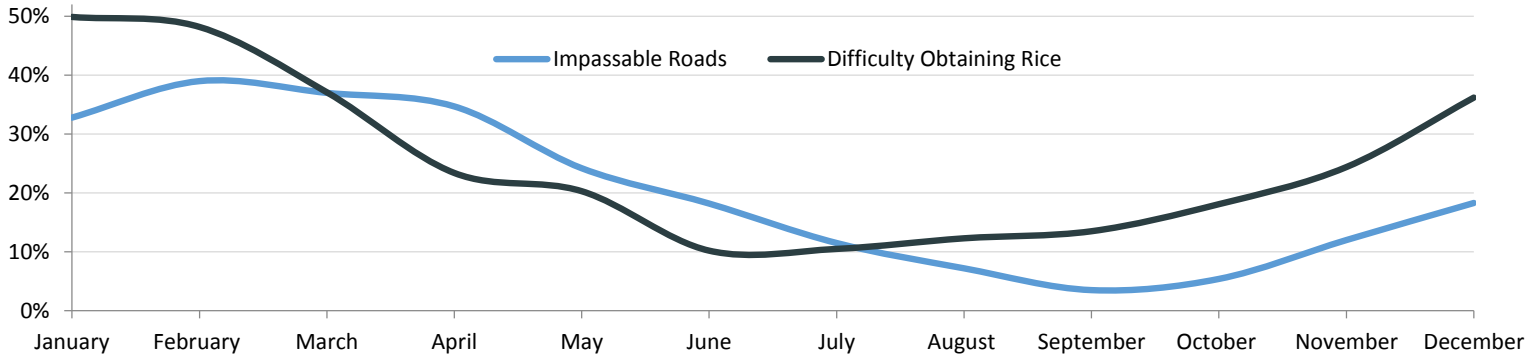
[26] Dirt, earth, grass, or sand roads are more vulnerable to being impassable during heavy downpours.

Figure 21: Hamlets with Roads Inaccessible to 4WD Vehicles during 12 Months



Impassability is concentrated during the rainy season from November to May. Rice availability (as measured by difficulties reported by households in obtaining rice) appears to be affected by impassability, but with a two-month lag (Figure 21). This underscores the link between food intake and transportation infrastructure.

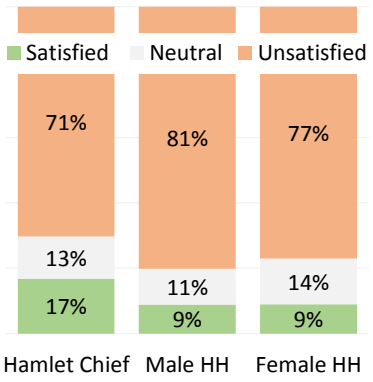
Figure 22: Correlation of Road Conditions and Rice Availability



5.1.3 Perceptions

When asked about the perceptions of changes in road quality over the past two years, 16 percent of Hamlet Chiefs opined that the condition of roads had improved, 45 percent noted that roads had deteriorated, and 39 percent reported that road conditions had not substantially changed. Among those Hamlet Chiefs reporting deterioration in road conditions, 88 percent cited a lack of maintenance as the cause of the deterioration, while 54 percent cited natural disasters, such as flooding and landslides. Improvements in road conditions largely were attributed to increased road construction (71 percent), followed by improvements in drainage systems (26 percent), a lack of natural disasters (17 percent), and maintenance (13 percent).

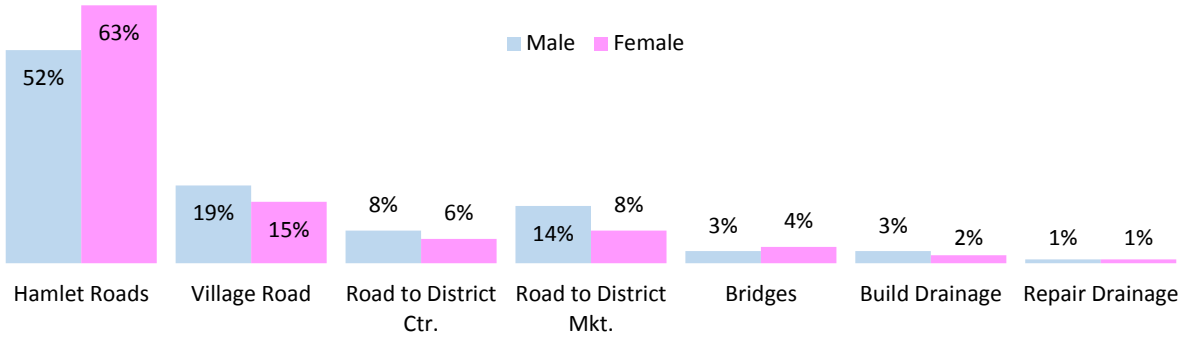
Figure 23: Satisfaction with Roads



Household respondents were asked to compare changes in the quality of roads in their hamlet with changes in the quality of roads in other hamlets in the village. 67 percent of respondents perceived that the quality of roads in their hamlet had deteriorated in the past two years as compared to other hamlets in the village, while 9 percent perceived that the quality of roads in their hamlet had improved relative to others in the village. Overall, 79 percent of male and female household respondents were unsatisfied with the current state of roads and bridge in their village, while only 9 percent were satisfied with roads and bridges in their village. Among Hamlet Chiefs, 71 percent expressed dissatisfaction with the quality of roads in the village, while 17 percent expressed satisfaction.

In the districts of *Aileu*, *Ainaro* and *Manufahi*, all household respondents expressed dissatisfaction with road quality. Levels of dissatisfaction are also high in *Bobonaro* (99 percent), *Ermera* (97 percent), *Liquica* (95 percent), *Manatuto* (99 percent), *Oecusse* (98 percent), and *Viqueque* (99 percent). Respondents in Dili, however, are relatively satisfied.

Figure 24: Preferences for Improvements in Transportation Infrastructures among Male and Female Adults



When asked which types of improvements in transportation infrastructure were most needed, 58 percent of adult household respondents that identified transportation as the highest priority for infrastructure in the hamlet identified hamlet roads as the priority and 17 percent cited roads connecting the hamlet to the village. Women (63 percent) were more likely than men (52 percent) to express a desire for hamlet roads to be prioritized, while men (19 percent) expressed were are more likely than women (15 percent) to express a preference for village roads.

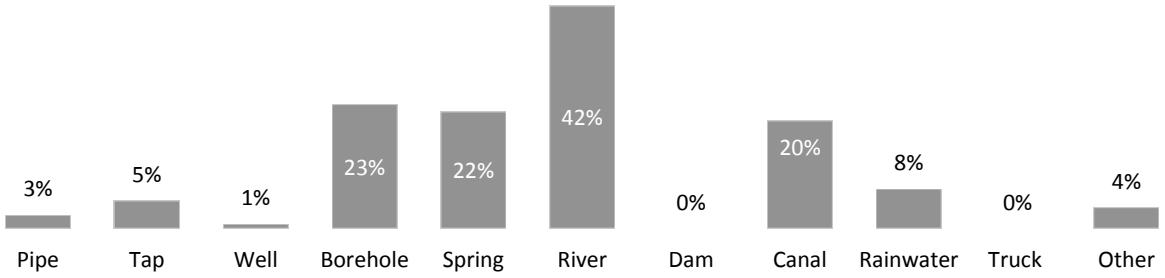
Figure 25: Dissatisfaction with Road Quality by District

5.2 Irrigation

5.2.1 Use and Sources

Across sample households, 17 percent reported using irrigation to grow crops. The main sources of irrigation are rivers (42 percent), boreholes (23 percent), springs (22 percent), canals (20 percent), rainwater (8 percent), and taps (5 percent). However, 53 percent of households engaged in farming stated that they had faced problems in acquiring sufficient water for irrigation during the past 12 months and 68 percent of households engaged in farming stated that their yield would have increased with a more regular source of irrigation.

Figure 26: Sources of Irrigation



Use of irrigation was more prevalent in *Baucau* (44 percent), *Manatuto* (68 percent), *Aileu* (23 percent), *Bobonaro* (21 percent), and *Liquica* (17 percent). Although 17 percent of hamlets have some form of irrigation, only 67 percent of irrigation systems are reported to be in working condition. Of the existing irrigation systems, 71 percent were installed in the last three years. The main causes for insufficiency of irrigation, according to household engaged in farming, include unusual rainfall patterns (67 percent), dry sources (47 percent), broken sources (19 percent), disputes over water (15 percent), and a lack of access to reliable water sources (6 percent).

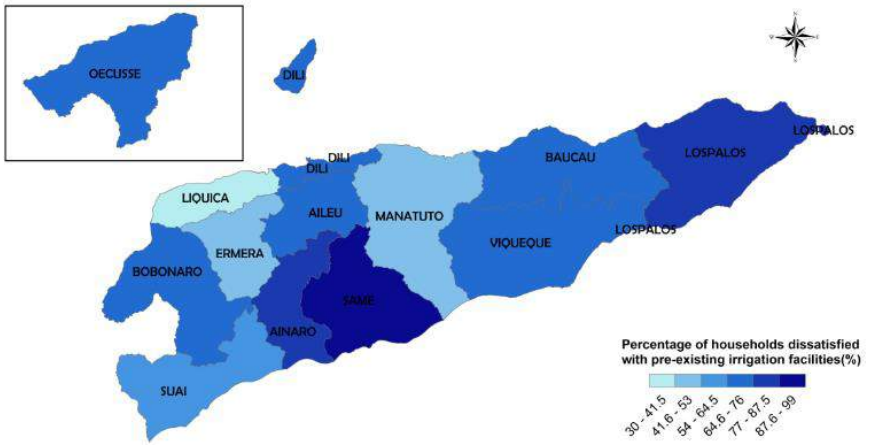
5.2.2 Perceptions

Overall, 82 percent of Hamlet Chiefs and 69 percent of respondents indicated a lack of satisfaction with the quality of local irrigation infrastructure. Respondents in *Ermera* (48 percent), *Liquica* (30 percent) and *Manatuto* (44 percent) report lower rates of dissatisfaction with existing irrigation facilities, while households in *Manufahi* (99 percent), *Ainaro* (80 percent),

Lautem (78 percent), *Oecusse* (76 percent), *Aileu* (74 percent), *Baucau* (73 percent), *Bobonaro* (72 percent), *Dili* (72 percent), *Viqueque* (69 percent), and *Cova Lima* (64 percent) report higher rates of dissatisfaction.

Among respondents that cited irrigation as a priority, 61 percent of adult male respondents cited a preference for canals and 39 percent cited a preference for dams. Female respondents that cited irrigation as a priority preferred investments in canals and dams with relatively similar frequencies.

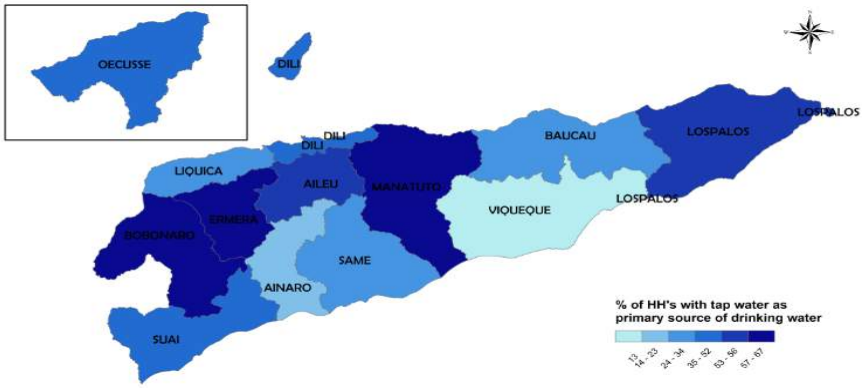
Figure 27: Dissatisfaction with Irrigation Infrastructure by District



5.3 Drinking Water

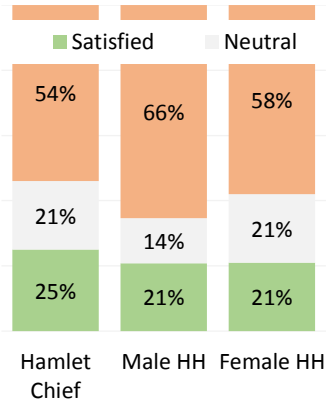
5.3.1 Sources

Figure 28: Households Primarily Sourcing Drinking Water from Taps



Sample households are generally rely on a sole source for drinking water, with 77 percent citing a single point of supply. Taps are the most common source of drinking water (46 percent), followed by springs (21 percent), wells (11 percent), and rivers (7 percent). For 75 percent of households, water is drawn from a communal source, while a further 13 percent of households draw water from a private tap, well or borehole used by multiple households. Only 12 percent reported exclusively private use of the water source facilities. Only 4 percent of households have access to piped water in their homes, while a further 2 percent have access to water piped into a neighbor's house, and 4 percent and 2 percent have access to boreholes and water pipes in their yards. Across all sources, 76 percent of households report drinking untreated water, while only 24 percent drink treated water.

Figure 29: Satisfaction with Water



There is large regional variation in the use of taps to access drinking water. Over 50 percent of the sample in *Ermera* (62 percent), *Aileu* (56 percent), *Bobonaro* (62 percent), *Lautem* (55 percent), *Manatuto* (67 percent), *Oecusse* (52 percent), and *Cova Lima* (52 percent) reported using tap water as their primary drinking source. *Dili* was lower at 49 percent, followed by *Liquica* (34 percent), *Manufahi* (33 percent), *Baucau* (30 percent), *Ainaro* (23 percent), and *Viqueque* (13 percent.)

On average, water is collected 2.7 times per day. It typically takes about 12 minutes and 19 minutes for villagers to access water during the dry and rainy seasons, respectively. 94 percent of respondents reported that they do not pay for water. Of the 6 percent of households that do pay for water, payments are most commonly made to *Grupo Maneja Facilidade* (GMF), which collects water for maintenance costs.

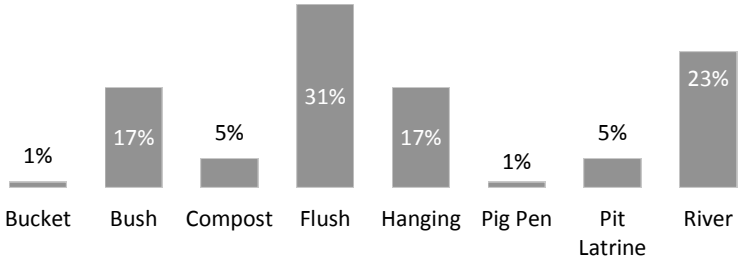
5.3.2 Perceptions

Across the sample, 54 percent of Hamlet Chiefs, 66 percent of male household respondents, and 58 percent of female household respondents expressed dissatisfaction with the current state of the water infrastructure. When asked which type of investments in water systems would be the most beneficial, 63 percent of male and female respondents that indicated that water represents the greatest need indicated a preference for the installation of a water pipeline, 21 percent suggested installing a public tap, 6 percent recommended repairs of existing infrastructure, and 3 percent of suggested the installation of a well.

5.4 Sanitation

5.4.1 Toilet Facilities

Figure 30: Types of Toilets



Across sample households, 46 percent practice open defecation.[27] Flush toilets are the most common type of toilets used by households (31 percent), followed by pit latrines (5 percent), composting toilets (5 percent), bucket (1 percent) and pig pen (1 percent). Hanging toilets are used by 17 percent of households, while rivers (23 percent) and bushes (17 percent) are the most common locations where open defecation is practiced.

Some 89 percent of pit latrines used by sample households do not have a squatting slab, platform or seat, which are necessary to effectively dispose waste and prevent the spread of infectious diseases. Toilets are often located in relative proximity to the drinking water source. On average, toilets are 36 meters away from sites that supply drinking water. Of households with access

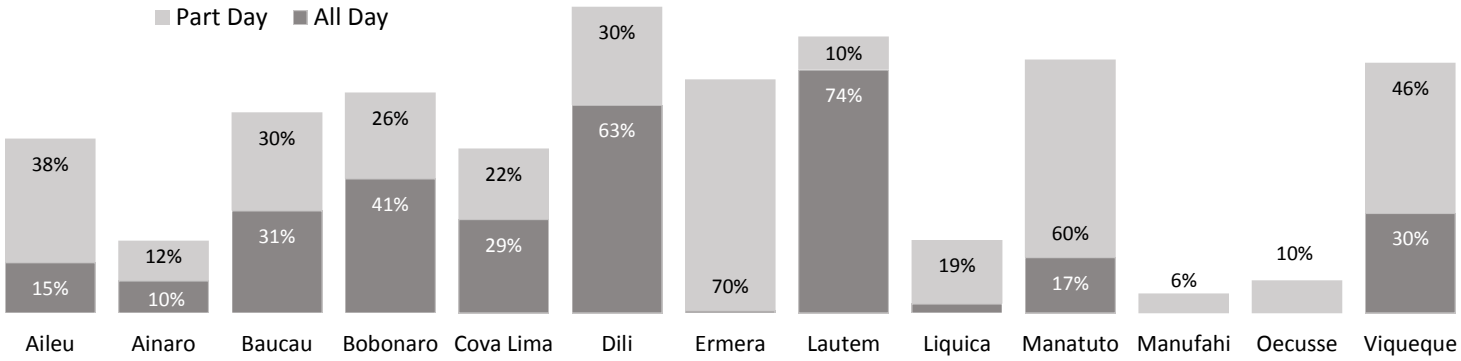
5.4.2 Hand Washing

On average, 47 percent of respondents reported using detergents for hand washing, 15 percent reported using bar soap, and 28 percent of respondents do not utilize any cleaning compounds for personal hygiene. Only 16 percent of respondents noted that the hand-washing site is within the yard of their house.

5.5 Electricity

Across the sample, 59 percent of households are connected to the electrical grid, although there is considerable regional variation in electricity usage. *Dili* (93 percent) and *Lautem* (84 percent) are the most electrified districts of the country, while *Manufahi* (6 percent) and *Oecusse* (10 percent) are the least electrified. Among households with access to electricity, 93 percent of households with it seven days a week.

Figure 31: Proportion of Households with Access to Electricity, by District



Regular power surges and other disruptions render electricity access unreliable. Of households that are connected to the electrical grid, 51 percent, indicate that electricity is regularly not available for part of the day. In the districts of *Oecusse* and *Manufahi* districts, all households are affected by irregular access. In *Ermera* and *Liquica*, 99 percent and 88 percent of households experience daily blackouts.

Across the sample, 54 percent of households with access to electricity report that they do not pay for electricity, while 45 percent paid between $1 and $10 in the previous four week period. Only 1 percent of households paid more than $10 for electricity over the previous four weeks. In the least electrified districts of *Oecusse* and *Manufahi*, no households reported paying for electricity. In *Aileu*, on the other hand, 85 percent pay between $1 and $10 for electricity in the past four weeks. Interesting, no households in the highly electrified district of *Lautem* reported making electricity payments.

[27] This includes households that utilize bush, compost, pen, and rivers.

5.6 Education

5.6.1 Literacy

Across the sample, 50 percent of male household respondents and 37 percent of female household respondents reported that they are literate. This differential is potentially the product of discrepancies in gender enrolment; with only 40 percent of women reporting to have attended school, compared to 50 percent of men. Self-reported literacy is highest in *Dili* (64 percent), followed by *Cova Lima* (55 percent) and *Manatuto* (54 percent). *Ainaro* (26 percent), *Baucau* (34 percent), *Ermera* (25 percent), *Liquica* (26 percent), and *Manufahi* (31 percent) have low rates of self-reported literacy.

Figure 32: Households with Access to Electricity All Day

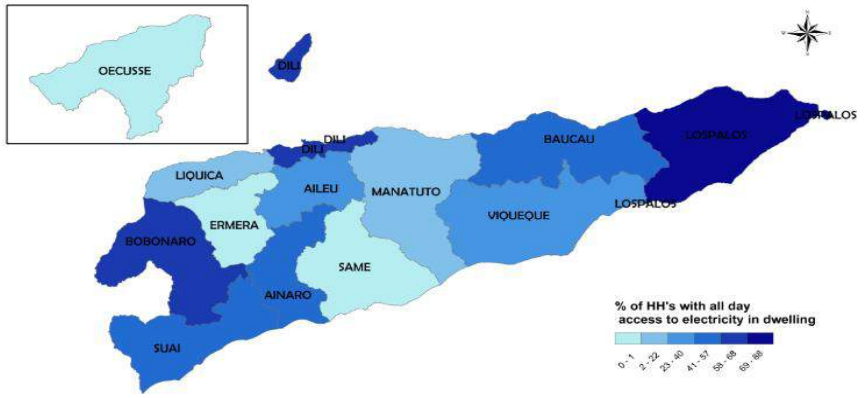
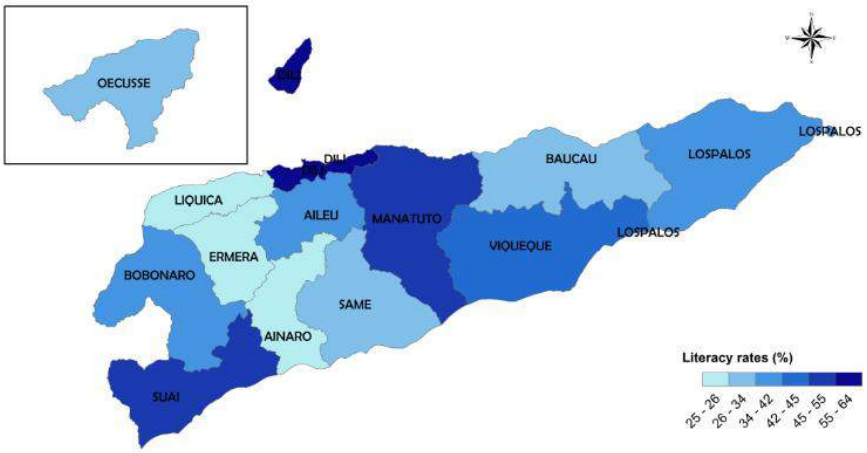


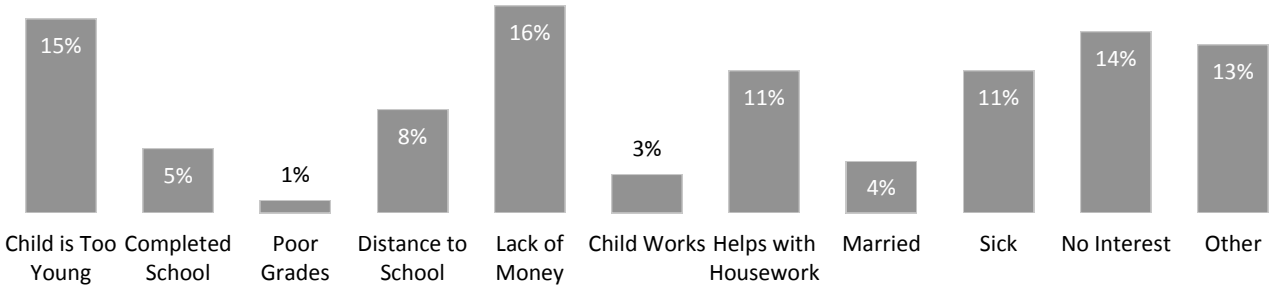
Figure 33: Self-Reported Literacy Rates by District



5.6.2 Enrolment

Notwithstanding the low literacy rates, enrolment rates are relatively high, with 85 percent of children are currently enrolled in school. On average, enrolled children miss 0.4 days of school per week.[28] The parents of non-enrolled first-born children frequently cited financial resources (16 percent) as the main reason for non-enrolment, followed by a lack of interest (14 percent); illness afflicting the child (11 percent); reliance on the child to perform housework (11 percent); distance to the nearest school (8 percent); and reliance on the child to generate income (3 percent).

Figure 34: Main Reason Why First-Born Child is Not Enrolled in School



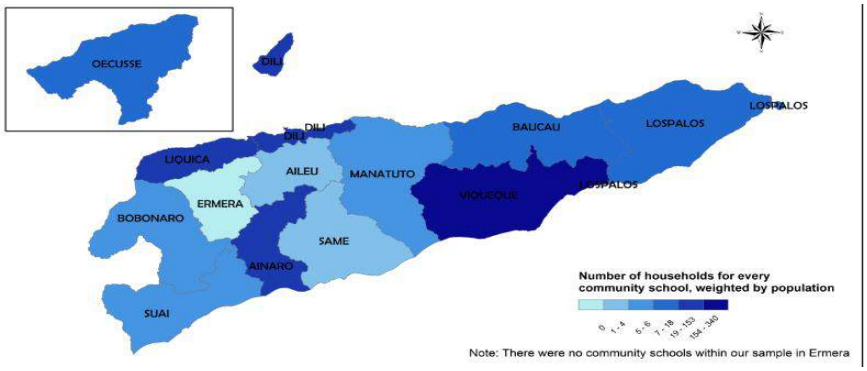
5.6.3 School Accessibility

Half of the hamlets surveyed have an on-site primary school; 18 percent of hamlets have an on-site junior high school and 11 percent of hamlets have an on-site high school. While primary schools are more prevalent, they are less likely to be operational, with 85 percent of primary schools reported to be open all of the time, compared to 91 percent of junior high schools, and 100 percent of high schools. In *Ermera* district, there are no community-based schools (primarily organized and managed by communities) accessible to children in the village. In addition, other districts with low literacy rates fewer community schools, with *Ainaro* and *Liquica* averaging 97 and 93 households per community school.

[28] Analysis of factors affecting enrolment is restricted to first-born children (87 percent of which are enrolled) in order to isolate factors relating to the household rather than factors related to the order of birth.

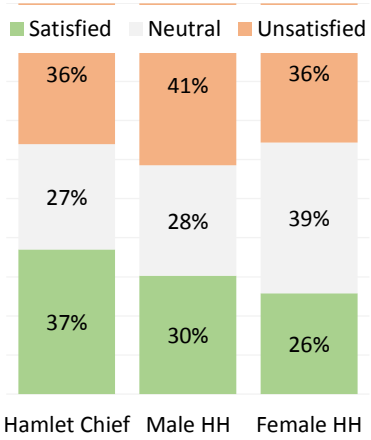
5.6.4 Perceptions

Figure 35: Number of Households per Community School



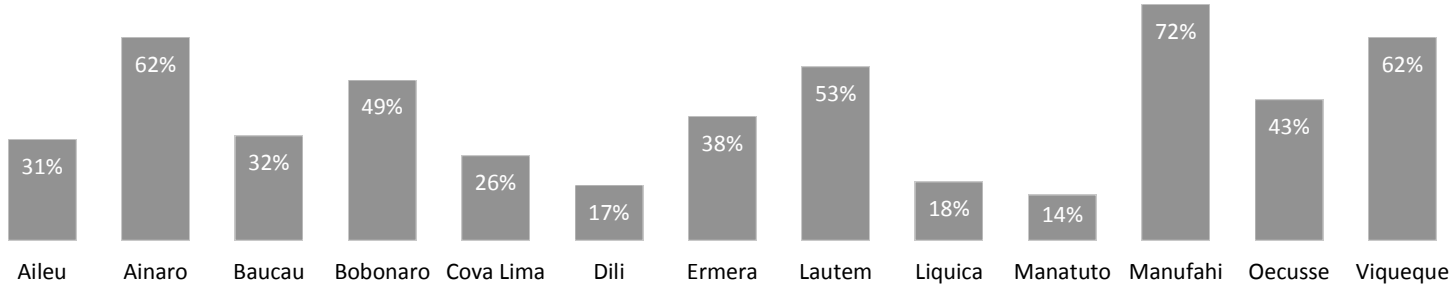
Overall, 28 percent of men and women are satisfied with the state of local educational facilities. Notably, Hamlet Chiefs are more satisfied (37 percent) than their fellow villagers. However, there are considerable differences across district in levels of satisfaction with educational facilities. Villagers in *Manufahi* and *Viqueque* districts expressed high levels of dissatisfaction with their education systems, with 72 percent and 62 percent of households respectively reporting that they are not satisfied with quality of education received by children in the area. Households in more urban districts, such as *Dili* (16 percent), *Liquica* (18 percent) and *Manatuto* (14 percent), were much more likely to report they are satisfied with the quality of education received by children in the area.

Figure 36: Satisfaction with Water



Among respondents that stated that investments in education should be prioritized over other public services and facilities, 70 percent of female and 57 percent of male respondents stated the improvements most needed are the construction of new schools. The building of new classrooms (14 percent of male respondents and 10 percent of female respondents) and the repair of existing school facilities (11 percent of male respondents and 14 percent of female respondents) were the next most popular priorities. The installation of school furniture and the purchasing of school books and resources were popular choices among women (7 percent and 8 percent, respectively), but less so for men (2 percent and 1 percent, respectively). Very few villagers noted teacher training or the hiring of more teachers as priorities (1 percent for each).

Figure 37: Proportion of Households Dissatisfied with Quality of Education, by District

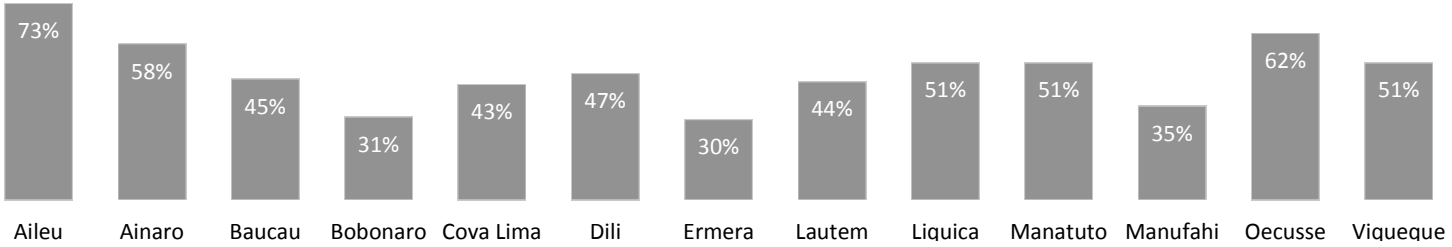


5.7 Health

5.7.1 Illness

Across the sample, 46 percent of households had at least one household member fall ill in the four weeks prior to the survey.

Figure 38: Proportion of Households with At Least One Member Ill in Previous 4 Weeks, by District

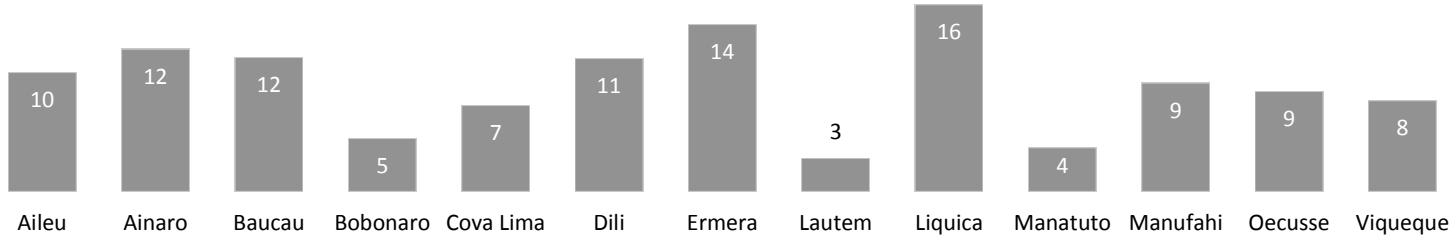


Of those who fell ill, 41 percent were still able to work; 42 percent were able to work some days while being sick, and 17 percent were precluded from working during the illness. Villagers from *Ainaro*, *Aileu*, and *Viqueque* districts were more

likely to continue working while sick (72 percent and 73 percent, respectively), while those in *Lautem* and *Baucau* were less likely (27 percent and 14 percent, respectively).

Across the sample, those who fell ill were precluded from working for an average of 9 days during four weeks prior to taking the survey. Those whole fell ill in *Liquica* reported the highest number of work days lost to illness (16 days), followed by *Ermera* (14) and *Ainaro* (12). Illnesses resulted in few work days lost in *Lautem* (3), *Manatuto* (4), and *Bobonaro* (5). Among those who fell during the past four weeks, 75 percent sought medical attention. Among the 25 percent that did not receive any medical assistance, 8 percent sought attention but could not receive it due to the unavailability of medical professionals, while 92 percent did not seek medical attention.

Figure 39: Average Number of Work Days Lost to Illness among Those Who Fell Ill, by District

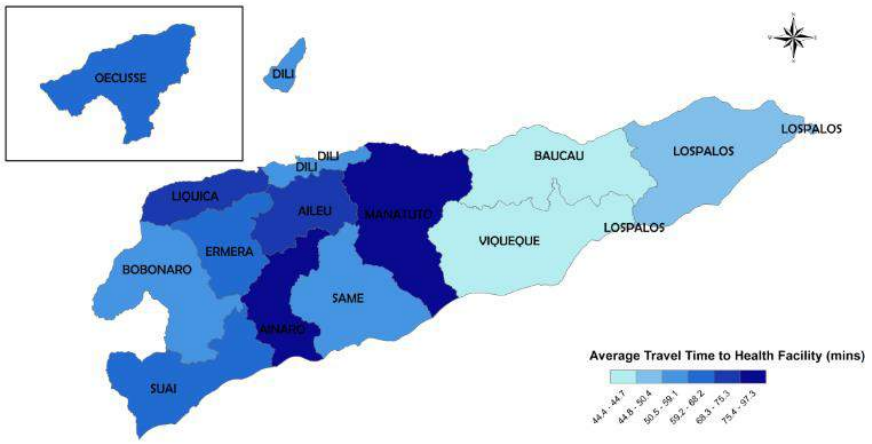


Persons suffering illnesses most frequently sought care from health facilities outside the village (37 percent), followed by health facilities in another hamlet in the village (29 percent) and health facilities in the hamlet (20 percent). Only 5 percent sought care from a mobile clinic in the hamlet, while just 3 percent sought care from a mobile clinic visiting another hamlet.

5.7.2 Accessibility of Health Facilities and Availability of Health Workers

According to the female adult respondents in the household survey, the average time taken to travel to the nearest health facility ranged from 44 minutes in *Viqueque* to over 1.5 hours in in *Ainaro*. Apart from *Ainaro*, *Aileu* (75 minutes), Ermera (68 minutes), *Liquica* (74 minutes), *Manatuto* (94 minutes), *Oecusse* (67 minutes), and *Cova Lima* (68 minutes), travel times to the nearest health facility is an under an hour.

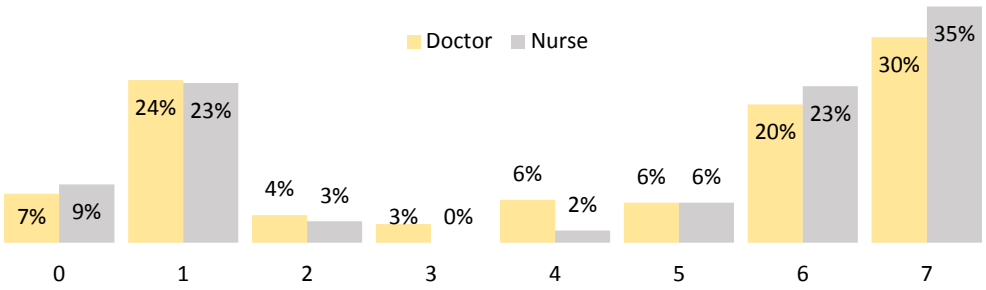
Figure 40: Average Time to Nearest Health Facility



Across the sample, 40 percent of villages have a local clinic. While 68 percent of facilities are either new or have been refurbished in the past three years, only 63 percent of facilities were operating at the time of the survey, meaning that just 24 of villages have a clinic that is operational. Of the clinics that are currently operating, doctors and nurses are present an average of 4.3 and 4.4 days per week, respectively. However, the distribution is highly bimodal, with 24 percent of clinics staffed by doctors just once a week and 30 percent of clinics staffed by doctors seven days a week.[29]

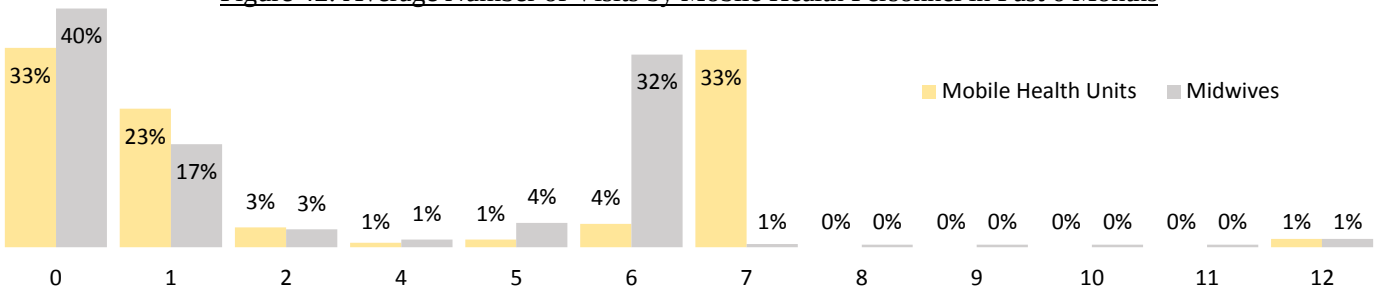
[29] While the utilization of old clinics (63 percent are operational) and new or refurbished clinics (63 percent are operational) is similar, doctors are present and new or refurbished clinics an average of 4.5 days per week compared to 3.6 days for older clinics. Nurses are present at new or refurbished clinics an average of 4.9 days per week compared to 3.5 days per week for older clinics.

Figure 41: Average Number of Days Spent at Operational Clinic in Past Week



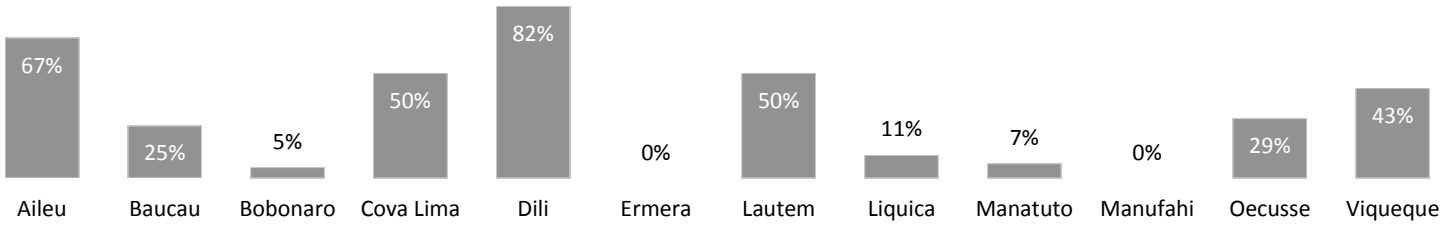
In addition to clinics, villagers receive medical services from mobile health workers also make regular visits to hamlets to provide general health care and midwife services. Across the sample, 67 percent of hamlets had been visited by mobile health units at least once during the previous 6 months and 60 percent received visits from midwives. The distribution of visits is also bimodal. Across the sample, 23 percent of hamlets were visited just once in the past month by a mobile health unit, while 33 percent where visited seven times. The rate of visits to hamlets with their own clinics is 79 percent, while visits to hamlets without clinics is 64 percent.

Figure 42: Average Number of Visits by Mobile Health Personnel in Past 6 Months



According to data from the female household survey determined that only 39 percent of women were registered for the *Mobile Mothers program*. There is, however, large variation between districts. *Dili* (82 percent) and *Aileu* (67 percent) districts have the highest registration rates, while no surveyed women were registered in *Manufahi* and *Ermera* districts.

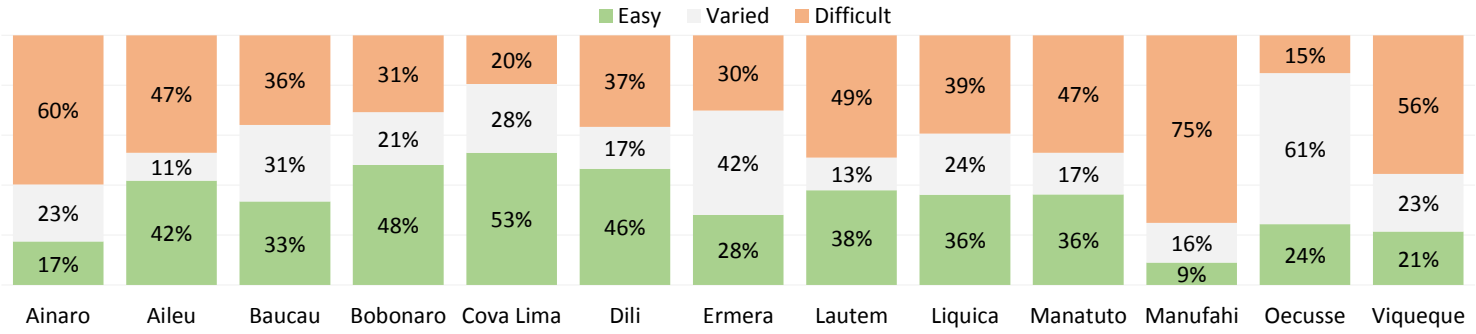
Figure 43: Mothers Registered for Mobile Mothers Program



5.7.3 *Perceptions*

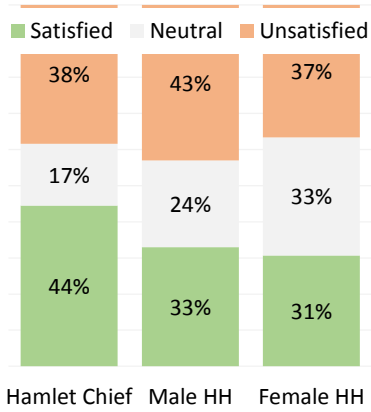
Across the sample, 42 percent of male and female respondents noted that is *difficult* to access a doctor, while 24 percent reported that it is *sometimes easy and sometimes difficult*, while only 34 percent mentioned that it was *easy* to access a doctor.

Figure 44: Ease of Access to Medical Professionals



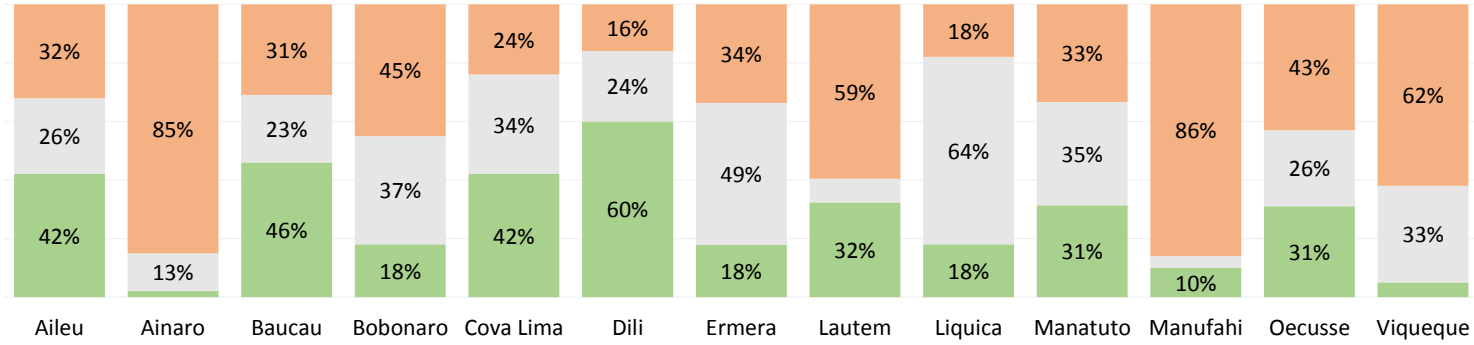
There is substantial regional variation in perceptions of health care, however. Households in *Manufahi* were more likely than those in other districts to report that it was difficult to access a doctor (75 percent), followed by *Ainaro* (60 percent) and *Viqueque* (56 percent). In contrast, respondents in *Cova Lima* were more likely to report that it was easy to access a doctor (53 percent), followed by *Bobonaro* (48 percent) and *Dili* (46 percent).

Figure 45: Satisfaction with Health



Across the sample, 40 percent of male and female household respondents are dissatisfied with the state of health facilities, while only 32 percent are satisfied. Hamlet Chiefs are more likely to report that they are satisfied with of health facilities (44 percent) than are ordinary villagers. There is substantial regional variation in satisfaction with health facilities. Respondents in *Manufahi* (86 percent) and *Ainaro* (85 percent) districts reported the highest levels of dissatisfaction, while respondents in *Dili* (60 percent) and *Cova Lima* (42 percent) were the most likely to report that they are satisfied with existing health facilities.

Figure 46: Satisfaction with Local Health Facilities, by District



For household respondents who stated that health care was of the highest needs for hamlet infrastructure improvements, respondents overwhelmingly prioritized the building of new health centers (87 percent of male respondents and 63 percent of female respondents). Efforts to increase staff attendance at health facilities were a relatively popular priority among women (13 percent), but much less so among men (0 percent). Likewise, the repair of existing facilities found more favor among women (11 percent) than men (6 percent). Other possible measures, such as improving the supply of utilities to health centers (1 percent), better equipping health centers (1 percent), improving health education (2 percent), increase the number of nurses working at health facilities (4 percent), and increasing the number of midwives (0 percent), attracted relatively little support.

6 PUBLIC WORKS PROJECTS

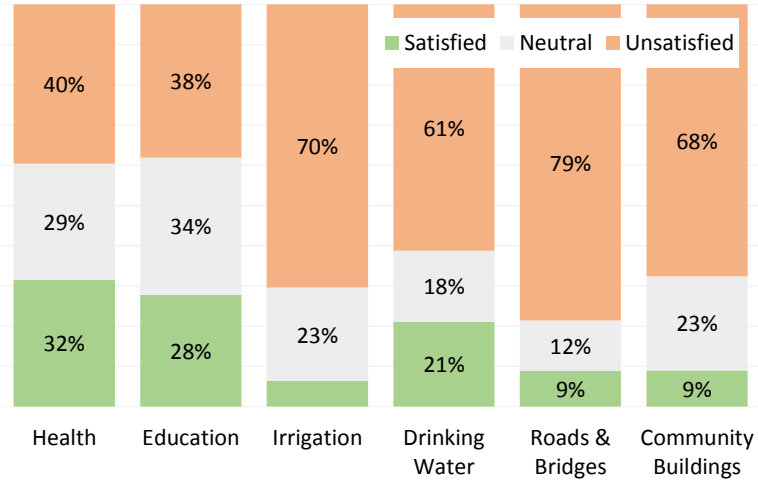
The following section provides information on public works projects, which include facilities such as roads, housing, hospitals and others provided by external actors (government, non-governmental organizations [NGOs], foreign donors etc.) or the community itself.[30] Information is drawn both from NBS household questionnaires administered across 100 villages and from case studies of 60 projects located in the 16 LBS sample villages.[31] Section 0 presents information garnered from NBS household respondents on levels of satisfaction with existing public works facilities (6.1.1) and the views of male and female adults on which facilities should be prioritized for future investment (6.1.2). Section 6.2 draws on the case study of 60 projects to review the involvement of internal and external actors and the broader community in public works projects. Section 6.3 examines how public works projects are selected, including a review of factors that influence project selection. Section 6.4 explores the effectiveness of projects, covering factors that the case studies suggest affect both the success (6.4.1) and failure (6.4.2) of projects and villagers perceptions of which types of projects are the most effective (6.4.3).

6.1 Satisfaction and Priorities

6.1.1 Satisfaction

Across the sample of NBS household respondents,[32] satisfaction with the quality of existing facilities is highest for healthcare (32 percent) and education (28 percent). Dissatisfaction with the quality of existing facilities is highest for roads and bridges (79 percent), irrigation (70 percent), community buildings (68 percent), and drinking water (61 percent).

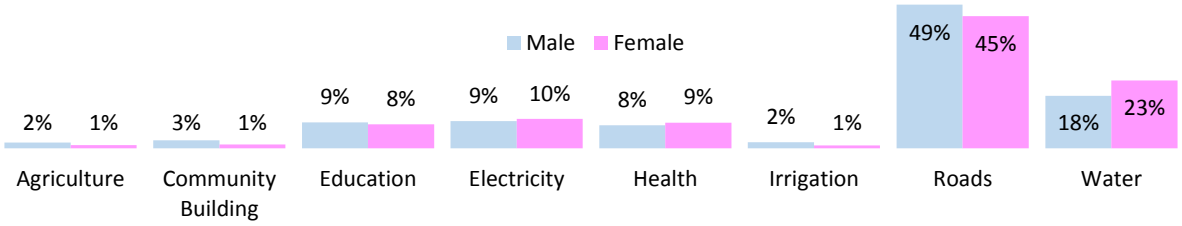
Figure 47: Satisfaction with Existing Facilities



6.1.2 Priorities

Respondents were asked which sectors should be prioritized for public investment. Consistent with the high degree of dissatisfaction with the state of roads, high numbers of both male and female respondents expressed a preference for investments in road infrastructure (49 percent and 45 percent, respectively). Drinking water followed roads as the next highest priority, although was less popular among men (18 percent) than women (23 percent), followed by electricity (10 percent of respondents), education (9 percent), and health (8 percent). Relatively few respondents expressed a preference for public investments in irrigation (1 percent), agriculture (1 percent), or community buildings (2 percent). Project priorities correlate strongly with perceptions of the usefulness of projects with which villagers have experience (see Section 6.4.3). Roads are the most commonly cited priority in every district except Dili.[33] Drinking water is the second most cited priority in all districts except Dili (where it is first) and Liquica where drinking water (19 percent) trails slightly behind electricity (23 percent).

Figure 48: Priorities for Public Investment, by Gender of Household Respondent



[30] In contrast to public goods, these may be rivalrous (e.g. irrigation facilities) and excludable (e.g. Sacred Houses [*Uma Lisan*]); however, their usage extends a household.

[31] Research teams prioritized the review of cases that varied in their type (e.g. water, transportation, and education), sponsor, and operational status (completed vs. not completed). This facilitated the identification of causes for success, variation within project life-cycles, as well as provided an insight into the primary inefficiencies and leakages within public works projects. Furthermore, general processes surrounding public works project provision were also reviewed outside of the 60 cases by evaluating individual components of other project lifecycles.

[32] Proportions represent aggregates of responses from male and female household respondents presented in Section 5.

[33] In Dili, roads (30 percent) are second in priority to drinking water (36 percent).

6.2 Community Involvement

The LBS conducted case studies of 60 existing (i.e., non-PNDS) public works projects located in the 16 LBS sample villages. Across these projects, substantial variation was observed in the extent of local involvement throughout the project cycle. Projects varied in the extent to which they were initiated and managed by internal actors (such as local institutions and individual villagers) and/or by external actors (such as government ministries and agencies, NGOs, construction companies, and external donors). Of 60 projects encountered across the sample of 16 LBS villages,[34] 29 projects featured strong initiative by both internal and external actors, 11 featured strong internal and external initiative, and 20 featured weak internal initiative and strong external initiative. Projects also varied in the extent of community participation, which may include community meetings prior to project implementation, community consultations, community involvement in construction, and processes to receive and rectify complaints and grievances.[35] Of the 60 projects surveyed, 34 had low levels of participation and 26 had high participation. Projects in urban settings were generally less likely to be participatory (22 percent compared to 57 percent).

Table 7: Breakdown of Projects by Level of Initiative and Participation

External Initiative	Internal Initiative: Weak		Internal Initiative: Strong	
	Participatory	Non-Participatory	Participatory	Non-Participatory
Weak	N/A		**Type I** (17 Projects)	**Type II** (12 Projects)
Strong	**Type III** (1 Project)	**Type IV** (19 Projects)	**Type V** (8 Projects)	**Type VI** (3 Projects)

These three dimensions of variation – external initiative, internal initiative, and participation – provides for a typology of projects (see Table 7: B). The characteristics of each of these types of projects are discussed below:

Strong Internal Initiative, Weak External Initiative, and High Participation (Type I): Religious and customary projects, such as local chapels and Sacred Houses (*uma lisan)*, and those linked to such facilities, such as road projects built to facilitate access to Sacred Houses, were observed to exhibit strong internal initiative, weak external initiative, and high levels of community participation. Such projects are requested by villagers, particularly formal and informal community leaders, given widespread beliefs that such facilities are necessary to avoid potential harm, such as bad harvests. Such projects are resourced by the community,[36] with minimal or no assistance from the external institutions, and laborers usually receive payment in food only.[37] Project planning is generally weak, informed mainly by consultations with skilled local workers, and three of the 17 Type I facilities were not operational, primarily due to cost overruns.

Strong Internal Initiative, Weak External Initiative, and Low Participation (Type II): Projects intended for the use of specific group of villagers, such as the construction of a village office (*sede suku*), hamlet office (*sede aldeia*), or other hamlet-specific facilities, such as small bridges and drainage systems, tend to have strong internal initiative, weak external initiative, and low participation. Such projects are usually initiated and managed by a small number of villagers in positions of authority. However, as the wider community is typically excluded from benefiting from the facility, they often refuse to participate in its construction. Community projects in urban areas or in larger villagers also typically conform to this type, given difficulties in disseminating information and inherent limitations on the access of the full community to the facilities. As the cost and complexity of these projects is often low, they are usually resourced by the direct beneficiaries of the project. Three of the 12 Type II facilities encountered were not operational.

Weak Internal Initiative, Strong External Initiative, and High Participation (Type III): Of the 60 projects surveyed, only one – a road rehabilitation project in *Liquica* – exhibited weak internal initiative, strong external initiative, and high participation.

[34] The sample is not nationally representative.
[35] While participation is correlated with internal initiative, participation is focused on the broadness and depth of engagement by the whole community while initiative refers to activities of specific actors.
[36] The construction of a Sacred House, for instance, ordinarily requires resources occasionally exceeding $10,000 in value, which are commonly sourced from extended clan members within and outside of the village.
[37] In some cases, a labor rotation system is introduced by laborers are divided into groups of 10 – 20 workers, with each group working on set days.

This project was relatively complex, funded and managed by a non-governmental organization (NGO), and had significant labor needs. The village leadership was only minimally involved in project selection, with the NGO exercising design decisions unilaterally. Project labor was sourced locally and supervised by an external construction company. Laborers received competitive salaries, regularly attended meetings held by the NGO, and were able to convince the NGO to change the payment structure to a pay-per-task system. The project was completed and is currently in use.

Weak Internal Initiative, Strong External Initiative, and Low Participation (Type IV): Projects with weak internal initiative, strong external initiative, and low participation, which include a youth center and bridge, were relatively common. Such projects are expensive and complex and are typically financed by government or international NGO programs. Although the community may be marginally involved in the project selection (such as by requesting the project), they are typically constructed by external contractors and fully managed by external agencies. Type IV projects exhibit low levels of transparency due to the non-involvement of villagers in operational decisions and there are often no mechanisms of accountability or recourse for villages in the event of project abandonment. In some cases, village leaders may not even know about the project. Labor recruitment practices for such projects also tend to generate mistrust and conflict. Nine of 19 Type IV projects encountered were non-operational.

Strong Internal Initiative, Strong External Initiative, and High Participation (Type V): Projects with strong internal and external initiative and high participation are usually initiated by local leaders, who make requests of sub-district authorities that then tenderize a construction company. Village leaders recruit labor, procure land and materials, while a construction company provides technical expertise. Villagers are ordinarily employed *en masse* in construction and responsible for maintenance following project completion. Type V projects were most commonly found in rural areas. Two of the eight projects Type V projects encountered were not completed.

Strong Internal Initiative, Strong External Initiative, and Low Participation (Type VI): Three of the 60 projects encountered exhibited strong internal and external initiative, but weak participation. Such projects were externally funded and managed. While local leaders recruited labor, recruitment practices were either not transparent or the company was unable to offer competitive and/or timely salaries, which reduced local participation. The design process for such projects was also generally less transparent, being influenced more by leader preferences. In a water tank project in *Viqueque*, the company provided a lump sum to a local technician, who in turn hired his relatives to build the tanks. Two out of three Type VI facilities encountered were not operational, with the operational facility exhibiting numerous deficiencies.

6.3 Project Selection

For the 60 projects studies, decisions on the type and location of projects were affected by a number of factors, which in turn influenced the mode by which the decision to select the project was made. Factors identified as regularly influencing project selection decisions include:[38]

Elite Preferences: The priorities of local formal and informal leaders usually influence and often determine selection outcomes. Given the legitimacy accorded to such leaders, they often request and receive funds from the government or from NGOs. In a village in *Ermera*, a Village Chief identified the need for a central sanitation facility and, without consulting with the wider community, approached an external NGO and received funds for the facility, which was built next to his house. Project construction stalled, however, as villagers refused to participate due to low salaries paid to laborers.

Complexity: Technically complex projects tend to be avoided by local authorities, particularly if skills and/or materials are scarce. Such projects are considered the responsibility of the state. In villages in *Aileu* and *Bobonaro*, villagers refused to participate in the construction of electrical posts on these grounds. In villages with strong formal and informal institutions (particularly in regional centers), complex projects are observed to be initiated with increased frequency.

Conflict Minimization: Given that projects ordinarily serve specific hamlets, decisions on project location and type can potentially create tensions within villages.[39] Decisions on project types and locations may thus be made to reduce the potential for such tensions. For instance, in a village in *Viqueque* where villagers had complained that the village's water tanks are concentrated in the hamlet of the Village Chief, local leaders developed a proposal to build new water tanks in the

[38] This listing is not exhaustive. In some cases, only one of the listed factors affected the decision, while in others all factors had an effect.

[39] For instance, in a village in *Cova Lima* district, respondents were unsatisfied that a remote hamlet – which was affiliated with the sub-district administrator – had an asphalt road, while the rest of the village was only accessible by dirt roads.

most populated hamlets in the village. Local leaders may therefore opt for projects that do not provide services, such as community centers, to avoid aggravating social jealousies between different parts of the village.

Customary Norms: Particularly in rural areas, customary rules can dictate the selection of certain projects, such as religious facilities (e.g. churches, chapels, grottos, etc.) and customary structures (e.g., Sacred Houses). For instance, construction of a Sacred House may be driven by the fear of a curse if it is not built. Similarly, the construction of chapels was justified by a need to honor the Catholic or Protestant faith.

Status: Specific infrastructure (such as administrative buildings, religious facilities, better roads) can be used to signal the administrative centrality of a particular village, which in turn may generate further funding for the village. One such case was observed in a hamlet in *Cova Lima* district, which was to be merged with another hamlet. Hamlet leaders then requested and received $7,500 for the construction of a hamlet office to assert the hamlet's independent status.

Competition: Project selection also is impacted by projects implemented in neighboring hamlets and villages, with local leaders observed to be more likely to select projects implemented in neighboring areas. In a village in *Ermera*, for instance, villagers demanded the creation of a local chapel after observing that a large chapel located in a neighboring village was visited by high-ranking clergy.

Popular Demand: Some projects are also selected due to direct or indirect requests from the village community. For instance, villagers may approach the Village Chief with a request for needed infrastructure, which is then relayed to higher authorities. A Youth Center in *Lautem* district and a water tank and bridge in *Manatuto* were selected in this manner. Alternatively, priorities may be identified by hamlet and village meetings at which villagers' needs are ascertained. A water tank in *Baucau* district was selected in this manner..

6.4 Factors Affecting Project Outcomes

6.4.1 Success

An examination of the relative success rates and characteristics of the 60 projects studied suggests a number of factors that may influence the success of projects. These include:

Internal Initiative: Infrastructure projects that had a higher level of internal initiative were found to be more frequently operational. Of the 20 projects with low internal initiative, 9 were non-operational, compared to 10 of the 40 projects with high internal initiative. Strong external initiative appears to be a poor substitute for internal initiative as it undermines community ownership and thereby removes one source of pressure on implementing agencies to successfully complete projects.

Low Project Complexity: Complex projects – such as roads and bridges, health posts, electricity installation, large chapels, and churches – have larger budgets, require more technical expertise, and are generally initiated and overseen by external actors.[40] While some 84 percent of low complexity projects were observed to be operational, only a third of highly complex projects were operational. Project failure was commonly attributable to problems recruiting specific skills and/or the required number of workers. For instance, in *Dili*, local leaders failed to organize the requisite number of laborers for a road construction project. Financial mismanagement by external actors, such as contractors, is another frequent reason why such projects fail. In a village in *Aileu*, for instance, a government-commissioned project to install electricity poles was abandoned due to the insolvency of the contractor.

Strong Local Governance: Weak local governance capacity also appears to aggravate problems with the implementation of complex projects. In villages with weak governance – which are clustered in mountainous areas – none of the reviewed complex projects were operational. Leaders of such villages tend to experience difficulties in mobilizing the necessary labor and/or other resources for such projects. For instance, the construction of large chapels in *Manatuto* and *Ermera* districts was jeopardized by the failure of local religious leaders to procure community contributions. On the other hand, villages with strong local institutions appear to more successfully manage complex projects. In *Viqueque*, for instance, a local veterans' organization funded the rehabilitation of a village school and similar projects.

Participation: Projects with high levels of community participation were generally successful. While 81 percent of projects with high participation were operational, just 56 percent of projects with low levels of participation were operational. The

[40] Of the 31 projects with strong external initiative, some 29 exhibited medium or high levels of complexity, compared to just 13 of the 29 projects with strong internal initiative.

effects of participation on project success are exemplified by the construction of community centers in two hamlets in *Manatuto*. Whereas one of the hamlets' chief organized regular meetings with the NGO implementing the project and ensured the involvement of a large number of local laborers, community participation was thinner in the other. While both projects were ultimately halted before completion due to a lack of funds, the facility in the hamlet with higher participation was used, while the other was not. The positive correlation between participation and the willingness of community members to contribute resources to a project was further exemplified by a road construction project in *Lautem*, to which villagers contributed more resources than for an externally-initiated pre-school facility.

6.4.2 Inefficiencies and Leakages

On the flip side, a number of factors were identified as being correlated with project failure. These include:

Uncompetitive Wages: Many projects relied on voluntary labor, while others paid salaries below market rates. Such practices reduced workforces and inhibited implementation. In one village in *Viqueque*, an NGO constructing a water distribution facility offered wages of $3 per day, while wages of $8 per day were offered by other local projects. As a result, the quality and quantity of laborers was poor and construction was delayed. In another case, the construction of a cooperative house in a village in *Aileu* ran into difficulties as voluntary labor gradually dried up, leaving local leaders to complete the project themselves. Delays in paying wages also create predictable problems. In a village in *Viqueque*, local-recruited security guards working on a bridge rehabilitation project damaged a storage facility and attacked personnel of the contractor following delays in wage payments, significantly delaying the entire construction process.

Inadequate Budgets of External Actors: A relatively common occurrence across both government and NGO projects is for implementing agencies to exhaust project funds, declare bankruptcy, and abandon the project. Funds for a government-funded village office rehabilitation project in *Ainaro* district dried up midway through construction, with the project only being completed when the Village Chief agreed to transfer excess funds remaining from a bridge project. As noted above, the construction of community centers in *Manatuto* was also abandoned after funds ran out. In one case in *Viqueque*, a government-funded housing project was abandoned when the construction contractor experienced financial difficulties, leaving the work incomplete and local laborers with substantial unpaid wages. Similar scenarios occurred with volleyball court construction in *Ermera* and electricity installation in *Aileu*.

Weak Project Planning and Management of Internal Actors: Planning for projects exhibiting strong internal and weak external initiative is usually *ad hoc* and reliant upon the technical capacity of a limited number of villagers. Basic design faults are thereby often an issue. In *Cova Lima* district, a water tank was constructed to source fresh water from a river that runs dry and hence was unusable during the dry season; a retaining wall in the village also collapsed due to inadequate foundations. In *Viqueque*, a new drainage system was too narrow to effectively absorb rainwater. Management of project labor is another common problem. For instance, in *Manufahi*, 20 – 30 laborers were observed constructing a small housing unit without a clear division of labor and little supervision, delaying the construction process. A common problem for religious and customary projects is unrealistic expectations of community contributions. In *Manufahi*, $15 – 20 was intended to be collected from each household for the construction of a sub-district church, but not all households were able to contribute the necessary funds. A similar cases was observed in *Ermera*, where a local church remained uncompleted for over a decade due to a lack of community contributions.

Poor Spatial Distribution of Projects: Projects are often clustered in particular hamlets, leaving more distant hamlets with limited access to facilities. In *Ermera*, the Village Chief's house was surrounded by an array of facilities, including a school, water tank, village office, two sanitation facilities, and the main village road, while villagers from distant hamlets faced a 40 minute walk to the closest water tank. Such discrepancies in access predictably can create tensions between hamlets in a village.

Uncompensated Expropriation of Land: Failures to compensate – or, in some cases, even consult with – *de facto* landowners can sometimes result in retaliatory actions. In *Lautem*, a landowner dispossessed by a new road set up barriers on the road and destroyed part of the network. In *Viqueque*, a landowner was pressured by local leaders into giving away his land for a health post and is still waiting for compensation. In *Cova Lima*, conflict between the Village Chief and villagers occurred when farm land was expropriated for social housing. Such cases underscore the importance of landowner consent and community consultation prior to project implementation.

Poor Road Conditions: Poor road quality significantly increases project costs. In a village in *Oecusse*, a drainage system and student housing could not be completed due to difficulties in transporting cement, sands and stones across a large river bed to the project sites. Such accessibility problems are aggravated further by the rainy season. Generally, the high cost and

delays associated with procuring materials that are not available locally, such as cement, can also imperil project completion. Construction of a pre-school building in *Lautem* was delayed for this reason.

Lack of Coordination among Local Actors: Weak coordination between local actors often hinders project effectiveness or creates undue complications. In a village in *Viqueque*, conflict arose between the Village Council and the sub-district administrator, with the Village Chief accusing the sub-district authorities of not consulting with him before implementing projects and the sub-district administrator in turn accusing the Village Chief of inactivity. In a village in *Baucau*, a water tank requested by villagers was installed with water sourced from a neighboring village using pipes installed by an external construction company. However, despite the payment by the villagers of one buffalo as compensation to the owner of the land on which the spring was situated, the local clergy decided one month later to re-route the water to a local Catholic mission school, paying the landowner eight buffaloes. The supply to the water tank was then sealed off and the pipes were looted by villagers, resulting in the abandonment of the project.

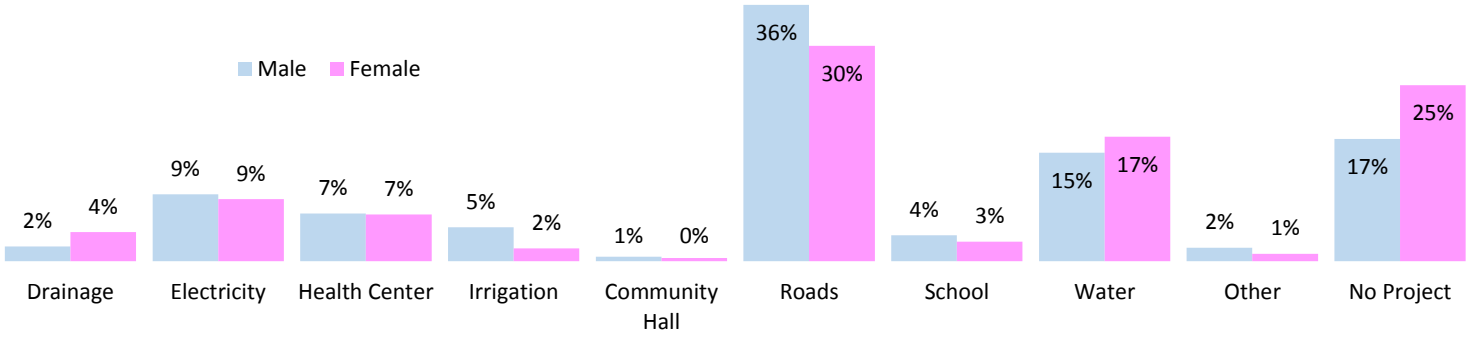
Embezzlement and Looting: Project accounts are ordinarily not kept and, even if they are, are inaccessible to most villagers given low literacy and numeracy. Given the lack of transparency, misconduct is prevalent. Villagers frequently cited cases of local leaders retaining or otherwise misappropriating materials. When project delays occur, the looting of materials or project components by villagers and/or village leaders is also common. For instance, in the case of the incomplete community centers in *Manatuto*, the remaining materials were retained by Village Chiefs for personal use. Various construction companies have also removed crucial infrastructure after completing project construction. During a water system construction in *Manufahi*, the project implementer removed the water pump, effectively making the facility unusable. In *Oecusse*, after receiving a grant for the construction of a drainage facility, the contractor kept all procured machinery. Such cases indicate that there may be an incentive to overestimate the needed funding for the projects given the extent to which implementing agencies can profit from retaining unused material and machinery.

Poor Storage Facilities: Construction materials frequently deteriorate if they are poorly stored. In most projects, materials were kept either outside, where they are susceptible to weather conditions, or in poorly isolated storage facilities. For instance, a community center project implementation in *Manatuto* was significantly delayed as many of the materials were unusable after long-term storage in poor facilities.

6.4.3 Perceptions of Project Effectiveness by Type

The NBS sought information from male and female villagers about which public works projects they believed to have been the most useful for their community. Despite the complexity and external initiation of road and bridge projects, such projects were rated by an overwhelming plurality of villagers as being the most useful of those projects with which they had experience (33 percent). Water projects were the next most frequently identified useful projects (16 percent), followed by electricity (9 percent), and health centers (7 percent).

Figure 49: Past Project Perceived As Most Useful to Community



7 LOCAL GOVERNANCE

The following section provides information on the structure, function, and processes of local governance in Timor-Leste, as discerned by the LBS and NBS. Section 7 contributes a typology of formal and informal governance structures. Section 7.2 describes the structure and function of (7.2.1), participation in (7.2.2), communication by (7.2.3), and financial management of (0) formal local governance structures. Section 7.3 similarly describes the structure and function of (7.3.1), participation in (7.3.2), and financial management by (7.3.3) informal local governance structures. Section 7.4 describes decision-making processes of formal local public institutions (7.4.1), involvement of informal or external institutions in local public decision-making (7.4.2), decision-making processes of informal local public institutions (7.4.3), and cooperation within local institutions and with pan-village institutions (7.4.4). Section 7.5 presents information on the satisfaction of villagers with local governance systems.

7.1 Types of Local Governance Structures

Formally, the Village Council is the pre-eminent authority within the village. However, various customary leaders, such as the Ritual Leader (*Lia Nain*),[41] and Local King (*Liu Rai, Naijuf*)[42] still serve an important role in local decision making. Veterans of the Indonesian resistance also enjoy substantial legitimacy, which is wielded to influence local decision-making. Clergy may also exercise substantial *de facto* authority.

Table 8: Typology of Local Governance

Informal Governance \ Formal Governance	Weak	Strong
Weak	Type A	Type B
Strong	Type C	Type D

While local governance in Timor-Leste is almost always a hybrid of formal and informal institutions, there is great variation across the country in the relative influence of these formal and informal actors and the processes by which villages make decisions. In some villages, Village Chiefs are simultaneously veterans or important customary figures, while in others neither traditional leaders nor veterans hold formal leadership positions, but nonetheless exercise power through proxies in formal positions.[43]

Villages in Timor-Leste can be categorized into a four-part typology (see Table 8) based on the strength of formal institutions (the Village Council and other elected officials and associated rules)[44] and informal institutions (customary structures that include Ritual Leaders, Local Kings and other figures [*Bahen, Dato*], as well as resistance networks, and martial arts groups and associated rules).[45] Across the 16 LBS sample villages, each of these four types exhibited particular characteristics, which are summarized below:[46]

Weak Formal and Informal Institutions (Type A): Villages with small population sizes and low densities and, in particular, those located in mountainous regions and with large distances between constituent hamlets, typically possess weak formal and informal institutions. In villages of this type, interactions between villagers are relatively weak, which constrains participation in decision making and the dissemination of official information. Although customary institutional structures, such as Sacred Houses (*Uma Lisan*), exist, the power of the Ritual Leader is limited to direct members of the Sacred House living in direct proximity of the physical structure. Village Chiefs generally operate individually or cooperate with a small group of relatives and close friends. Decisions on priorities for public works and distributions of subsidies and assistance are often made unilaterally by the Village Chief with minimal consultation with other councilors. Community meetings are also rarely held.

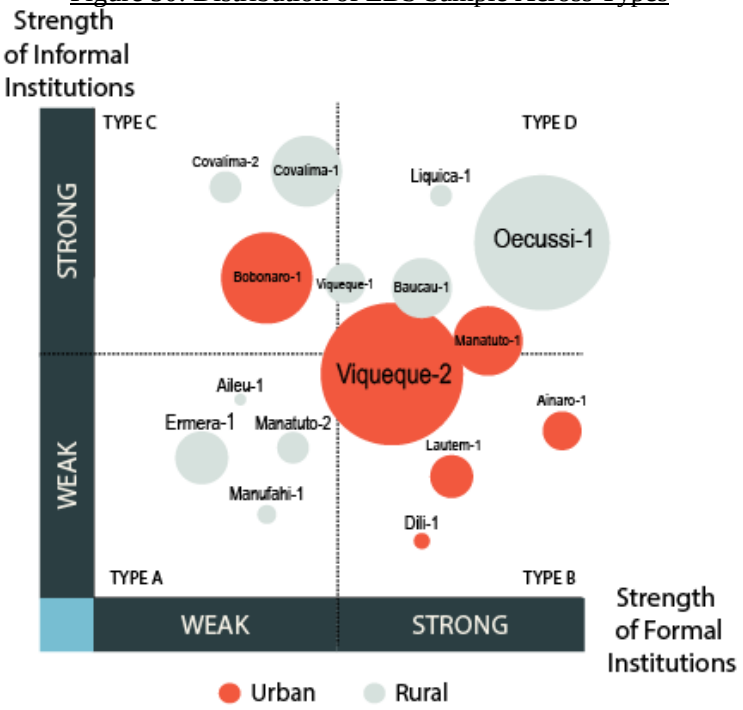
Strong Formal and Weak Informal Institutions (Type B): Customary governance structures in urban areas and others under direct Indonesian occupation were typically destroyed under Indonesian rule. In these areas, formal governance structures

[41] *Lia Nain* translates literally as "owner of the words". *Lia Nain* or 'Ritual Leaders' oversee conflict resolution based on customary rules and norms and lead local rituals. Ritual Leaders are typically a level below the *Liu Rai* in the informal governance system hierarchy.
[42] The *Liu Rai* – or 'Local King' is the highest level of local customary authority. *Naijuf* are similar to *Liu Rai*, but are more common in villages in *Oecusse*.
[43] Local governance structures can be identified by the impact of the institutions' decisions. If decisions made by an institution affect large populations, it is a local governance institution.
[44] The strength of formal institutions is assessed by the level of democratization, decision making processes, frequency of meetings held, observed interactions with higher levels of government, transparency and accountability.
[45] The strength of informal structures is assessed by their influence on the decisions made by the Village Council, major decisions taken, and the role of the respective leadership in the community.
[46] As the 16 LBS villages are not a large and representative sample of Timor-Leste villages, patterns described herein may not be representative of the country as a whole.

have generally filled the power vacuum. Similarly, townships with high numbers of external migrants have generally witnessed a withering of the influence of location-bound customary institutions. Village Councils have generally consolidated power in these areas and are dynamic, with regular meetings. Elected officials participate regularly in governance, have a clear delineation of roles, and commonly are politically affiliated, especially in areas with high numbers of veterans. Village Councils in these areas have often created specialized governance institutions, such as water system maintenance and community policing groups. Adherence to national legislation also tends to be stricter, given the relatively high levels of education among the upper echelons of the village leadership. Nevertheless, within this type, there is high variability in the extent to which Village Councils interact with higher-order governance entities, as those often depend on political affiliations and personal relations.

Weak Formal and Strong Informal Institutions (Type C): In villages with larger populations and which were less affected by the Indonesian occupation, customary governance institutions have retained authority over local public decision-making. In such villages, a Village Council formally exists, but various informal institutions, such as the Local King, control its composition, decision-making and daily activities. In a village in *Bobonaro*, for instance, pre-existing hierarchies among the various Sacred Houses determined the positions in the formal leadership, with members of the Sacred House of the former Local King appointed as Village Chiefs and while lower caste Sacred Houses were appointed as Hamlet Chiefs, women's or youth representatives.[47] The legitimacy of formal positions in this type of villages is thus dependent on affiliation with customary institutions. In general, customary and traditional leaders, such as the Ritual Leader and church representatives, will have more authority than elected officials when positions do not overlap. In such cases, formal leaders must directly consult customary leaders in decision-making.

Figure 50: Distribution of LBS Sample Across Types



Note: The size of the bubble represents the population size of the village. Villages are located according to the extent to which their characteristics conform to a particular type.

Strong Formal and Informal Institutions (Type D): In villages of this type, specific and separate roles of formal and informal institutions have been defined. Generally, the formal leadership is in charge of community development and administrative matters, while informal institutions are responsible for organizing religious and/or traditional ceremonies. Formal leaders may also cooperate with informal structures to disseminate information, mobilize community members, and mediate conflict through invoking customary practices. Formal leaders may be members of informal institutions, but democratic elections are generally competitive and provide turnover in positions. In villages of this type, the Village Council often interacts with NGOs and the government to deliver government projects. As in villages of Type B, the Village Council may create specialized governance institutions. Formal leaders, particularly the Village Chief, also tend to be more experienced and practice inclusive leadership.

7.2 Formal Local Governance Institutions

7.2.1 Structure and Function

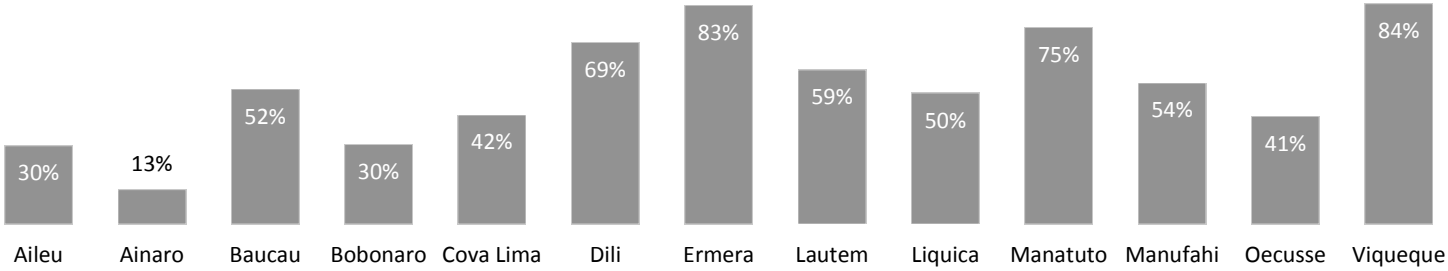
Article 2 of Decree No. 20/II on Community Leadership and Their Election establishes that Village Councils are not an official component of the public administration of Timor-Leste, but should consist of a Village Chief, Hamlet Chiefs, two female representatives, two youth representatives, an elder (*anciao*) and a Ritual Leader appointed by the elected members of the Village Council.[48] This structure was found to be adhered to all in all sample villages.

[47] The allocation rules were reinforced by community beliefs, such as that disease and bad harvest would affect the village in the event that they were not followed.

[48] The process for appointing the Ritual Leader to the Village Council varies from village to village. In a village in *Liquica* the Ritual Leader was appointed by the Village Chief, while in *Manatuto* (1), the Village Council appointed a Ritual Leader

The Village Council election process, however, showed a high degree of variation across the LBS sample. While the voting process largely adhered to what was legally prescribed, the ballots (*pakote*) were formed in three different ways across villages. In the first group of villages, Village Chief candidates invited villagers to run for elections within their ballot. In the second group of villages, political parties selected active members to run for positions on the Village Council. In the third group of villages, the customary leadership selected representatives for pre-determined positions.[49] NBS data indicates the third group makes up a majority of villages, with 55 percent of hamlet and Village Chief positions being effective dynastic. *Manatuto* (88 percent), *Viqueque* (76 percent) and *Ermera* (75 percent) had particularly high levels of inheritance of chief positions, while *Ainaro* (20 percent) and *Aileu* (29 percent) had much lower levels. The history of hereditary leadership may explain these findings. In Type C villages, the familial linkages between Village Chiefs are particularly evident, since members of the same Sacred House usually hold highest-ranking formal governance positions. Also in other village governance types, familial linkages with customary leaders (e.g. Ritual Leaders, Local Kings) and former Village Chiefs, may increase the legitimacy and perceived experience of candidates running in village elections. Village Chiefs in LBS sample villages frequently held their positions for multiple terms.

Figure 51: Proportion of Hamlet and Village Chief Positions Derived through Hereditary Means



There is also variation in the concentration of geographic representation within Village Councils. In a village in *Manufahi*, all councilors, including all Hamlet Chiefs, were drawn from the largest hamlet, while in *Viqueque* (1), a ballot did not participate in village elections due to an assumption that at least one candidate needs to originate from each hamlet, which the leader of the ballot failed to attract. The number of ballots in elections also varied. Villages with strong formal governance structures (Type B and D) more frequently formed multiple ballots, while elections in villages with weak formal governance structures (Type A and Type C) typically had a single ballot of candidates.

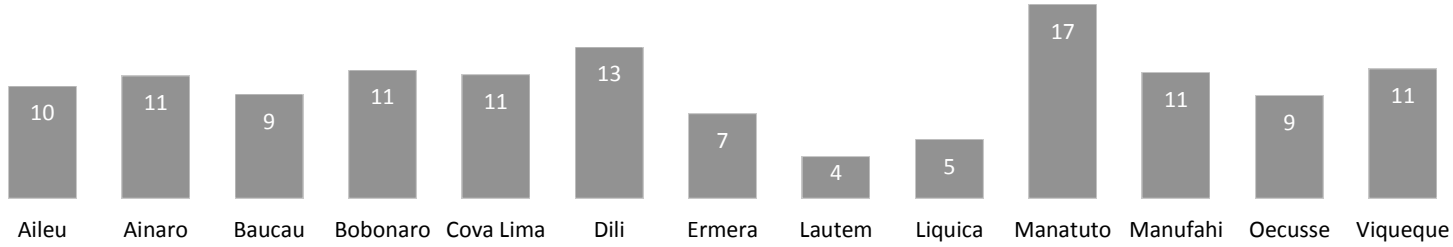
Although the law requires each Village Council member to have a substitute, this is rarely observed. Instead, where vacancies appeared, the Village Chief played a central role in appointing councilors. For instance, following the death of the woman representative in a village in *Manufahi*, the Village Chief unilaterally selected the daughter of the Village Council Ritual Leader to the vacant position. Across the sample, the women representatives were replaced with relative frequency, as a result of marriage-induced migration or death. Cases, however, were observed where the councils operated without specific social group representatives for prolonged periods of time.

Across the LBS sample, there was little variation in the primary day-to-day activities of the Village Council, which included: (i) organizing cleaning activities; (ii) reception of visiting government officials; (iii) resolving village-level conflicts; (iv) organizing meetings to identify priorities for local development; (v) preparing proposals for government assistance (e.g., *Planu Dezenvolvimentu Integradu Distrital* [PDID, Integrated District Development Plan]); (vi) facilitating trainings provided by government institutions and civil society; (vii) organizing religious and cultural festivities; (viii) mobilizing villagers for construction projects and disbursing assistance; (ix) distributing public-sector subsidies; (x) keeping a village census; and (xi) responding to villager requests, such as following natural disasters.[50]

On average, Village Councils hold 10 meetings a year. However, there is large regional variation, with the mean number of annual meetings ranging from a low as four meetings in *Lautem* to 18 meetings in *Manatuto*.

[50] In villages with weak informal and formal governance structures (Type A), activities of the Village Council are typically limited to: the reception of visiting government officials (ii); resolving village-level activities (iii); facilitating trainings (vi); mobilizing villagers for projects and disbursing assistance (viii); distributing public-sector subsidies (ix), and keeping a village census (x).

Figure 52: Mean Number of Village Council Meetings Held in Past 12 Months



Village Council activities are constrained by multiple inefficiencies that reduce their impact. For instance, although village cleaning activities are required to be carried out on a weekly basis, limited participation of villagers ordinarily precludes this. In addition, while the Village Council often develops proposals, it often lacks the financial resources to follow up on proposals at the sub-district and district level. Sub-district level institutions are also slow to respond to requests. There is also very little accountability in managing government subsidies. Reports of missing funds and material subsidies were regularly encountered, as were complaints from villagers that subsidies had been directed to those with close personal relationships with senior Village Council representatives.

Councilors generally have specialized responsibilities. Hamlet Chiefs are generally in charge of informing residents of their hamlet about Village Council meetings and decisions; distributing assistance and subsidies to villagers in their hamlet; and, in conjunction with the Ritual Leader and elderly representatives, in resolving conflicts. Youth representatives organize sports activities, while women's representatives respond to the needs of female villagers and prepare food for Village Council meetings.

7.2.2 Participation

In general, the broader community is not extensively involved in formal decision-making. Meetings are generally attended by a small group of village elites, including veterans, educated or experienced community members, religious representatives, and customary leaders, although there are higher levels of participation during meetings that set village priorities. In villages with weak formal and informal governance structures (Type A), decision-making is limited to the Village Chief and his inner circle, excluding even other councilors. In villages with weak formal and strong informal structures (Type C), there is generally high participation among councilors, as well as by informal leaders. In villages with strong formal governance structures (Type B and D), the Village Council leadership tends to invite educated members of the community, such as teachers, health post personnel and others to participate in the work of the Village Council.[51]

Distance and a lack of information about community meetings are among the main constraints for villagers to be more involved in meetings, particularly in cases where the Village Office is not centrally located. In *Bobonaro*, villagers from more remote hamlets must travel several hours to reach the Village Council's office and hence often choose not to attend meetings. Large opportunity costs of attending meetings also restrict attendance. For example, in *Viqueque* (1), a female subsistence farmer noted that she does not have time for community meetings, as she needs to farm to provide food for her family. Even among councilors, participation is often sporadic.[52] Non-participation by Hamlet Chiefs is particularly detrimental as it prevents the Village Council from factoring in the priorities of specific hamlets and constrains the flow of information to villagers.

Women's participation in local decision-making is generally weak. The Village Council is mandated to have at least three female representatives, but meeting discussion is ordinarily dominated by men, with female representatives assigned the role of preparing food and coffee for meetings. Underscoring their peripheral role, female representatives often had difficulties in describing the functions of the Village Council when interviewed. Across 94 Village Chiefs interviewed by the NBS, only two Village Chiefs (in *Aileu* and *Bobonaro* districts) are women, while only five of 200 Hamlet Chiefs (one each in *Ermera* and *Manufahi* and three in *Dili*).[53] The participation of female villagers in local public decision-making is often exacerbated by practices of Hamlet Chiefs discussing matters only with the male household head.

[52] To encourage attendance, several villages penalized non-attendance by withholding the government-allocated subsidy.

[53] In none of the LBS sample villages were there a female village or Hamlet Chief. The highest position observed to be held by women was that of Village Secretary (PAAS), which occurred in just two LBS villages.

7.2.3 Communication

Information on local public affairs – such as the dates and outcomes of Village Council meetings, trainings, visits of public officials, planned infrastructure projects, required contributions for public facilities or ceremonies, community rules, and available subsidies – is distributed via a number of media, which include:[54]

Public Meetings: Public forums may be convened to discuss and/or disseminate information. However, attendance at such forums is often restricted to those villagers residing in the direct vicinity of the meeting site as *ex-ante* preparations appear to be relatively rare.

Household Visits: Household visits by Hamlet Chiefs are a common cited means of disseminating information on local public affairs. Nevertheless, reports indicate that, in some villages, Hamlet Chiefs simply walk through the hamlet repeatedly shouting the message and do not approaching anyone directly.[55] Some villagers inhabiting remote areas or large peri-urban villages indicated that their Hamlet Chief had not visited them during the past year.[56] In some cases (e.g. Viqueque-1) Hamlet Chiefs do not distribute information if a male household head is not present.

Focal Point Messaging: Information may be provided to a specific audience, which is tasked to deliver it to other members of the community, with multiple rounds where necessary. Such practices, which are frequently used by informal institutions but also utilized by formal leaders, contribute to rumor mongering and irregularities in coverage.

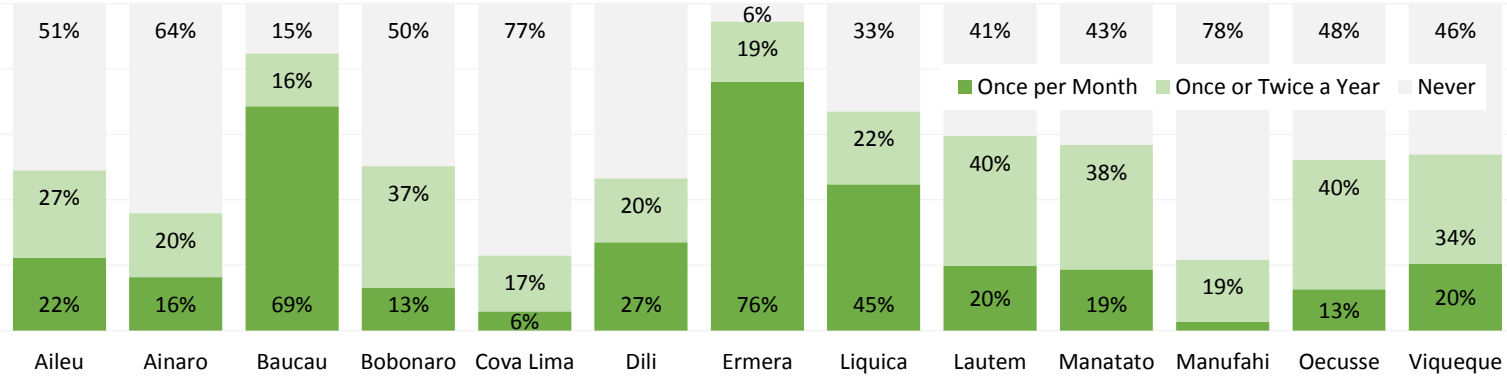
Central-Point Messaging: Loudspeakers are sometimes used in community informational campaigns by formal leaders. Villagers residing directly next to locations visited by the loudspeakers obtain information, while more remote villagers are excluded. Such practices were particularly common in urban villages.

Community Radio: In rare instances in urban areas, local public information is distributed by a community radio station.

Public Messaging Boards: Although public messaging boards exist in most villages, high variation exists in their usage. When in use, boards typically display messages from the government and NGOs, list the Village Council structure, and include notices on upcoming events and ceremonies.

The collective effectiveness of these communication strategies appears to be weak, however. Villagers generally assert little knowledge about Village Council meetings and activities, such as trainings or subsidy distribution.[57] While village secretaries occasionally produce minutes of Village Council meetings, these are ordinarily for the consumption of higher-level authorities and are not disseminated to villagers. Inadequate flows of information can be particularly problematic during Village Council elections, where rumors can have a great impact on electoral outcomes.

Figure 53: Frequency of Dissemination of Information on Local Government Activities, by District



Data from the NBS indicates that there is some regional variation in information disseminations, but confirm the overall low levels of participation. With the exception of *Baucau* and *Ermera*, less than 50 percent of NBS household respondents

[54] According to data collected by the NBS, the vast majority of villagers see the Hamlet Chief as the primary source of information (76 percent). The Village Chief (43 percent), hamlet meetings (20 percent), television (19 percent), village meetings (14 percent), friends and family (12 percent), newspapers (9 percent), and the district and sub-district administrators (1 percent) are other sources of information cited by villagers.

[55] Such reports were received in *Viqueque* (1) and *Oecusse* .

[56] Such reports were received in *Manufahi* and *Ermera*.

[57] In *Baucau*, for instance, villagers had little knowledge about how laborers for a public infrastructure project were recruited.

in all districts claimed that there were informed on a monthly basis about local government activities. A significantly greater proportion of men (34 percent) reported receiving monthly updates on government activities in their area than women (24 percent), while close to half (49 percent) of women reported never hearing of government activities in their area, compared to 39 percent of male respondents. In *Ainaro* (64 percent), *Manufahi* (78 percent), and *Cova Lima* (77 percent), large majorities of respondents claimed that they are never informed about government activities in the area.

7.2.4 Financial Management

Operational funds for the Village Council are generally limited to the government subsidy of $100 per month, which are often used by the Village Chiefs for motorcycle maintenance and to purchase food for meetings. Financial planning processes almost never include budgeting and price comparisons are not common. Funds are generally handled by Village Chiefs, his/her inner circle, and/or village secretary, with the Village Council sometimes not even apprised of the existence of operational funds. While receipts are officially required to be provided, Village Councils do not retain them and it is unclear to what extent this practice is followed. Similarly, while the village secretary is required to prepare reports on expenditures, these are almost never shared with other councilors. Where villagers donate funds, local leaders asserted that accounts are provided by the Hamlet Chiefs, although villagers claimed that this was very rare. As a result, some villagers claim that they have stopped contributing to such projects.

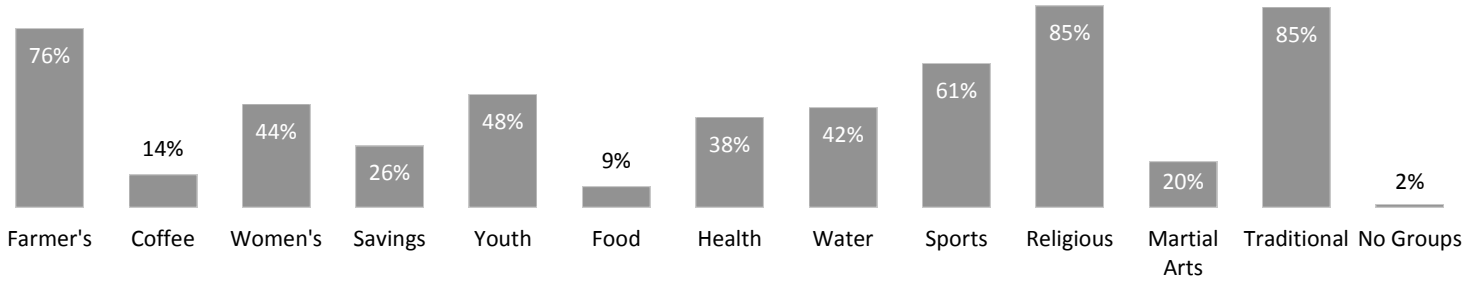
Village Councils often procure additional funds through subsidies, donor or government programs. Mishandling of these funds was reported in almost all LBS villages, with numerous accounts of embezzlement of subsidies and unfair distribution of allocated resources. In *Viqueque* (Viqueque-1), *Manatuto* (Manatuto-1), and *Ainaro*, the government allocated $10,000 to Village Councils to procure cattle for a livestock development project, but at least some funds were apparently misappropriated, with respondents in *Ainaro* claiming that no procurements were made. In *Baucau*, villagers claimed that the local leadership had embezzled money intended for participants of a water maintenance training, while in *Ermera*, it was alleged that a youth representative absconded with funds for a volleyball court. In several villages, government support was allegedly allocated to villagers either related or connected to senior councilors. In *Manufahi*, government-provided solar panels were allegedly redistributed to members of a specific political party.

7.3 Informal Local Governance Institutions

7.3.1 Structure and Function

Informal governance institutions and community-based organizations (CBOs) have a long-standing historical presence in Timor-Leste.[58] Across the sample 85 percent of hamlets host religious groups (which may be customary [*lisan*], Catholic or Protestant) and an equal proportion host traditional or cultural groups. Other groups that are relatively common include farmers' cooperatives (76 percent), sports groups (61 percent), youth groups (48 percent), women's groups (44 percent), water committees (42 percent), and health groups (38 percent). Only 1.5 percent of Hamlet Chiefs report that no groups are present.

Figure 54: Presence of Informal Groups in Hamlets



Informal institutions and CBOs are generally unregulated and tend to be undemocratic. Leaders in customary systems inherit positions of authority, those in religious organizations are appointed by church hierarchies, and community-based organizations (CBOs) are ordinarily led by active or otherwise powerful members and are rarely subjected to electoral

[58] Informal governance structures are based on unwritten community norms, which lead to localized interpretations of roles and responsibilities. Different ethno-linguistic groups utilize different terminology to refer to potentially the same institution. For instance, in a village in *Viqueque* (2) respondents utilized terms such as *bahen*, *lia nain* and *dato* interchangeably, while ascribing similar roles to each. The terms *uma lisan* and *uma lulik* are also used in a similar manner.

checks. Nonetheless, such leaders command substantial authority by virtue of their control of relatively larger amounts of financial and material resources and professional experience and are regularly invited to meetings of the Village Council and other local decision-making bodies. The structure and function of the main informal local governance institutions is provided below:

Lineage-Based Structures: Adherence to the Customary System (*Lisan*)[59] is almost universal through Timor-Leste, with 98 percent of households surveyed by the NBS adhering to the practice. Customary structures are associated with Sacred Houses connected to a specific location and a genealogical bloodline, with each villager normally belong to a specific Sacred House. Each Sacred House is headed by a Ritual Leader that holds the position throughout his lifetime and is responsible for mediating clan conflicts, [60] organizing traditional or religious rites such as the Harvest Festival (*Sau Batar*), the construction and maintenance of the Sacred House, and negotiating bride prices with Ritual Leaders from other Sacred Houses.[61] In many instances, tens of households belong to the same Sacred House, bestowing significant influence of the Ritual Leader. As most villages have multiple Sacred Houses, Ritual Leaders often cooperate in organizing traditional practices, resolving major conflicts, or interpreting customary laws.[62] However, there is often a hierarchy among the various houses, with the Ritual Leader from the Sacred House with the longest historic connection to the land has the highest 'rank'. As such but also subject to discussions among local Ritual Leaders, a single Ritual Leader is often preeminent within a given hamlet or village.[63] In each village, one of the Ritual Leaders is appointed as a formal member of the Village Council.

Church-Based Structures: The Catholic Church is represented in villages by a church-appointed catechist (*katekista*) that are in charge of organizing church groups, collecting donations to the church, performing religious activities, organizing marriages, and advocating Christian values to households. In larger villages, there are often multiple catechists. Catechists often exert extensive influence. In a village in *Ermera*, the catechist single-handedly selected focal points for an NGO community development program during a village meeting, while in *Manufahi*, the catechist enforced the collection of large donations ($15 per household) for church construction.

Veterans Networks: Veterans' networks are aligned with formal political parties, which result in higher levels of political party activity in areas with high veteran populations. Veterans' networks often have a hierarchical management structure led by a party secretary and are often well financed, due to the payment of veterans pensions. Although the Village Law prohibits political party members from running for village elections, this norm is not followed in practice. In a village in *Viqueque* (1), while members of a political party claimed to active only during the national election period, other villagers reported being intimidated by the party prior to village elections and the party secured all leadership roles in the Village Council. Martial arts and ritual groups, with foundations in the resistance, have a large membership base and also can play a role in local governance. Due to the ban on these groups, however, the inner workings of these groups and their impact on local governance is difficult to discern.

Community-Based Organizations (CBOs): CBOs are frequently present in villages. The number of CBOs per village varies from under five to over twenty, depending on village size and social cohesion. CBOs are created by three primary reasons. First, CBOs emerge to obtain government or donor funding, and are frequently terminated once funding is obtained. Second, external institutions send delegates to villages to create local franchises,[64] which tend to be more sustainable, better defined, and have larger financial resources than other CBOs. Third CBOs emerge as a means of improving economic outcomes for

[59] *Lisan* – or the Customary System - is broad term that encompasses customary law and norms, rituals and a system of community leadership and governance based on these norms.

[60] In none of the 16 LBS villages was there a female Ritual Leader.

[61] Leadership transitions are ordinarily organized by the elders of the Sacred House or the departing Ritual Leader. Other spiritual Leaders, such as Local Kings, are selected from within the direct family of the departing leader. In such cases involvement of Ritual Leaders from other Sacred Houses is rare. In *Oecusse*, the traditional leader could not be replaced by anyone else except a direct family member.

[62] Hamlet Chiefs were asked in the NBS to outline the responsibilities of the Ritual Leader in their respective hamlet. Across the sample, 77 percent stated that main purpose of the Ritual Leader was to head the sacred or religious house and were responsible for organizing traditional and religious practices; 29 percent noted that the Ritual Leader serves a more political role, aiding in local governance, 18 percent stated that the Ritual Leader acts as gatekeeper to the hamlet; 5 percent felt that the Sacred House primary responsibilities lay in welcoming newcomers; and 4 percent ascribed other responsibilities to the Sacred House.

[63] In some cases, though, there are spiritual leadership figures that transcend the Sacred Houses, such as *Dato* in *Viqueque* and *Naijuf* in *Oecusse*, which exist alongside with the village-level Ritual Leader. In a village in *Oecusse*, the village Local King was believed to have the power to change weather.

[64] For example, a foreign aid agency created local agricultural groups in *Manufahi* and Belun, a Dili-based NGO, has established conflict monitoring CBOs in *Oecusse*

members through increased cooperation.[65] An overview of the most common CBOs is provided in Appendix C. The organizational structure of CBOs varies significantly based, but typically groups are fluid, weakly institutionalized with concentrated authority,[66] and hold meetings irregularly.[67] However, groups created by the government or larger NGOs have more structured leadership, typically consisting of a president, treasurer, and a secretary, and formal or informal processes for selecting and rotating leadership positions.[68]

7.3.2 Participation

Lineage-Based Structures: The customary governance system allows for high levels of participation in its activities and, to a certain extent, allows villagers to influence decision-making. Familial relations within a particular Sacred House reduce power distances to customary leaders. Customary rules regulate interactions between households, assign specific responsibilities to members under penalty of retribution, and thereby ensure cohesion.[69] However, decision-making authority is commonly concentrated in the Ritual Leader (or equivalent). In villages with strong informal governance institutions (Type C and D), thus, local public decision-making can appear somewhat autocratic. Moreover, women are often excluded from several lisan activities.[70].Participation in the customary system is also constrained by the distance between members and the physical location of the Sacred House. Accordingly, internal migration has weakened the capacity of customary leaders to mobilize constituencies for activities and decision-making processes.[71]

Church Groups: Although church groups have a core membership overseen by the catechist, church groups generally involve large numbers of villagers in their activities. Through various communication strategies, such as Sunday mass, church groups regularly interact with the wider community and ensure high levels of participation in religious festivities and construction projects and high levels of donations.

CBOs: Participation in decision-making and activities of CBOs are conditioned by the level of institutional development, perceived benefits of the organization, regularity of group meetings, and leadership structure. While groups with more formalized internal processes typically have high levels of internal participation, such processes are relatively rare. Commonly participation is strongly influenced by the provision of material goods (such as tractors, irrigation, and construction materials) and participation generally dwindles when such goods are no longer provided. Villagers external to the CBOs – which include elderly, disabled, and extremely poor villagers - are effectively excluded from participation.

7.3.3 Financial Management

Lineage-Based Structures: The customary system derives funding from contributions from affiliated households, with contributions generally codified by community rules that vary across villages. Local norms may, for instance, demand equal contributions from all households or may differentiate contributions by income levels. Generated resources are typically used for organizing customary rituals, constructing or maintaining the Sacred Houses, and for ceremonies such as marriages and funerals. Owing to the high levels of contributions, the Customary System is well resourced, but strains household finances given the frequency of ceremonies and projects.[72] Ordinarily, procurements and fundraising can iteratively, with funding shortfalls triggering further rounds of fundraising. While receipts are, in principle, required to be produced by the

[65] For example, in *Ermera*, farmers organized cooperatives to assist each other during the harvest season and provide labor to non-members and in coffee producing regions, farmers commonly join together to have higher bargaining power with large coffee producers
[66] In cases where the group was established by a narrow number of community members, founders typically automatically assume positions of power and maintain this throughout the life-cycle of the CBO. In *Ermera*, agricultural groups never convene meetings without the extension worker, who was the only person to speak throughout an hour-long gathering.
[67] For example, in *Viqueque* (1), members of the Community Policing Commission (KPK) were simultaneously involved in agricultural CBOs and made decisions for this group during a KPK meeting.
[68] CBOs rarely have written statutes. In *Ermera*, members had lost the written statutes years ago and instead relied on unwritten norms.
[69] In *Viqueque* (1), villagers participated *en masse* in the construction of a new Sacred House out of fear that a failure to do so could result in bad harvests and the wrath of their ancestors.
[70] In community ceremonies, for instance, women are typically assigned the responsibility of food preparation, while men carry out other responsibilities. One exception is the *Bunak* ethnic group which inhabits western Timor-Leste, which allows for greater participation of women on account of its matrilineal structure.
[71] For instance, in *Bobonaro*, all Sacred Houses and their leadership are located in a distant hamlet, while the population is now concentrated in the urban center of the village. Given the high costs of transportation, villagers now do not regularly participate in traditional activities organized by the Ritual Leaders and contribute relatively little to the decision-making processes.
[72] In excess of $15,000 was collected, for instance, for a Sacred House construction in *Bobonaro*. Resources were collected by individual visits to households. Members residing outside the village were also contacted.

responsible individual during procurement, records do not appear to be kept. Generally, communal funds of the clan are stored at the house of the Ritual Leader, who serves as the *de facto* accountant.

Church Groups: Church groups collect large quantities of resources, which are typically directly provided to church officials. As with the customary governance system, requested contributions are commonly higher for public servants and other community members with regular income.

CBOs: CBOs are normally dependent upon material support from external organizations, rather than member contributions. Where external funding is provided, accounts are regulated by the organization. Microfinance groups typically have an established internal mechanism for financial management.[73] The majority of CBOs, however, operate without monetary funds and thus do not have financial management mechanisms.

7.4 Decision-Making Processes and Cooperation

7.4.1 Formal Institutions

Local public decisions are generally made by Village Councils according to one of four modes:

Unilateral Decision-Making: Under this mode, leaders make unilateral decisions on the matter at hand with little or no consultation with others. This is the most common decision-making process in villages with weak formal and informal governance structures (Type A), but was also observed across the LBS sample.

Perceived Consensus: Perceived consensus exists where villagers engage in an open discussion dominated by influential people and where a final decision is reached based on the consideration of inputs from the last speaker. This mode of decision-making was by far the most common form of decision-making process observed across the 16 LBS sample villages.

Paralelizmo: Introduced by the Ministry of State Administration to organize infrastructure project prioritization, this form of decision-making is similar to perceived consensus, but has higher community involvement. Proposed infrastructure projects are assessed by each hamlet, with villagers voting formally or informally on their priorities. Priorities with the highest support are brought to a village meeting, at which proposed projects are again voted on informally or formally. The list of selected projects is then handed over to the village secretary, who sends a proposal to the sub-district institutions. While formal voting processes occur, they appear to be rare. As such, the mode represents a hybrid between formal voting and consensus building.

Formal Voting: This form of decision-making was observed in very few cases (e.g. *Aileu*, *Lautem*), where Village Council members decide upon a matter by a show of hands.

7.4.2 External Influences on Formal Decision-Making

Informal leaders – such as veterans, political party affiliates, intellectuals, catechists, and various customary leaders – regularly participate in local public decision-making, including meetings of Village Councils. Given the widespread use of perceived consensus in decision-making across all institutions and the legitimacy commanded by such individuals, informal leaders are able to exercise substantial authority over local public decisions by the Village Council and other decision-making bodies.[74] Through lobbying by the catechist and other religious leaders, Village Councils were persuaded to collect high contributions (upwards to $30) from villagers to finance church infrastructure. In many cases, the authority of informal leaders appears to be enhanced by familial linkages between particularly influential informal leaders and the leadership of Village Councils.[75] Marginalized community members, such as women, elderly, people with disabilities, and extremely poor villagers, are much more constrained in their ability to influence local public decisions.

[73] In *Ermera*, for instance, a microfinance group had set the weekly member contribution to $1. This was collected during the meeting. If any of the members failed to provide these resources, they needed to pay a $0.25 penalty. The allocation of loans was determined during a regular community meeting and an individual interest rate was applied to each recipient that typically were members themselves. Similar practices were also observed in a village in *Liquica*.

[74] In a village in *Ermera*, the catechist selected focal points for an external NGO.

[75] While familial linkages exist between most of the population in small villages, such linkages were also observed in more urban villages with population sizes over a few thousand.

7.4.3 Informal Institutions

Decision-making in informal institutions is generally less democratic and primarily relies on unilateral decision-making and consensus building. In some cases, however, decision-making by CBOs may encompass formal voting, particularly where the CBO is institutionalized and led by educated individuals.

7.4.4 Inter-Structure Cooperation

Cooperation between Village Councils and sub-district and district authorities tends to be externally driven. Villages typically benefit from government programs, such *Pakote Dezenvolvimentu Desentrilizadu* (PDD, Decentralized Development Package). In order to receive grants, Village Chiefs are requested to participate in regular meetings of the sub-district development commission to decide and coordinate on local and regional priorities. Village Chiefs may also participate in infrastructure planning meetings held by the church and NGOs. Meanwhile, regular participation of the sub-district authorities and upper level clergy and NGO representatives in Village Council meetings was rarely observed (e.g. *Manufahi)*.

Differences in cooperation between local institutions and with regional bodies may be accounted for by three factors:

Population Density: The level of cooperation that exists between local formal and local informal institutions and with regional government agencies is often constrained by population densities and transportation difficulties, with large distances between hamlets and to sub-district offices not only imposing both financial and opportunity costs on efforts to build cooperation.

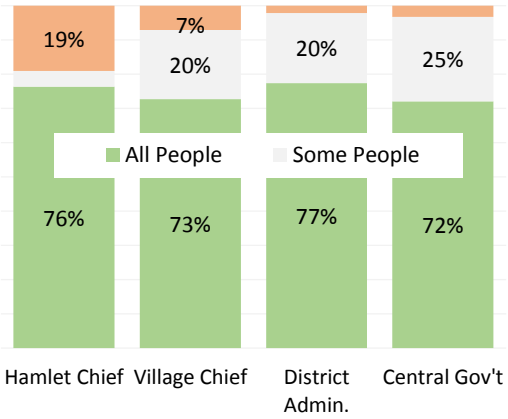
Local Governance Structure: Leadership style and modes of decision-making also affects cooperation. In villages with weak formal and informal institutions (Type A), decisions are often made unilaterally and cooperation between the Village Council and CBOs is relatively rare.

Co-Membership in Informal Networks: Cooperation between institutions is also commonly affected by co-membership in informal networks. For instance, differences in cooperation of two Village Councils in *Viqueque* with the district administration correlate with variation in shared membership of the veterans' network between Village Chiefs and the district authorities.[76] Similarly, cooperation between Village Councils and CBOs are generally enhanced if a group member simultaneously holds a formal leadership position. Pan-village customary governance systems are particularly cohesive and are often used as an effective tool for advocacy and generating contributions.[77]

7.5 Satisfaction

Across male adult, female adult, youth and elderly NBS respondents, 76 percent believe that the work of their respective Hamlet Chief benefits all constituents, 73 percent believe the work of the Village Chief benefits all, 77 percent believe the work of the district administrator benefits all, while 72 percent believes the work of the central government benefits all. Villagers were, however, relatively likely to single out Hamlet Chiefs as working for their own benefit (19 percent). Much fewer proportions identified their respective Village Chiefs (7 percent), district administration (2 percent), or the central government (3 percent) as engaged in purely self-interested behavior. Seven percent of respondents claimed no knowledge of the activities of district or central governments, as compared to just one percent for hamlet and Village Chiefs.

Figure 55: Beneficiaries of Leader Actions



Note: Data covers combined responses from MHQ, FHQ, and YEQ components of NBS. Respondents who couldn't or refused to answer are excluded (7 percent).

Respondents were also asked if they had disagreed with a decision made by their local leaders (in the past 12 months). Across the sample, 76 percent of male respondents and 81 percent of female respondents reported that they had never disagreed with a decision made by the local

[76] A Village Chief in *Viqueque* (1) was an elderly veteran and regularly went to meetings with the district administration. On the other hand, the Village Chief of another village in *Viqueque* (2) was not considered a veteran and was in conflict with the district administration over a large-scale infrastructure project that had been developed without prior consultation with the Village Council.

[77] For instance, in *Bobonaro*, the *Ritual Leaders* were able to raise over $10,000 from members of the clan across the country for the construction of a new *Sacred House*.

leaders, while 15 percent had disagreed with a decision, and 6 percent were unaware of the decisions made by local the leaders. Of the 15 percent who had disagreed with a decision made by their local leaders, most did not pursue voicing their concern as they felt that the issue was too small or unimportant.

Persons interviewed by the NBS overwhelmingly prefer a decentralized form of government, in which decisions were made at the district level. A total of 78 percent of household respondents prefer a decentralized decision making process, while 22 percent expressed a preference for a system where power is vested in Dili-based authorities. Hamlet Chiefs (88 percent) and Village Chiefs (95 percent) were even more likely to prefer a decentralized system.

8 CONFLICT AND SOCIAL CAPITAL

The following section provides information on conflict and social capital across the sample. Section 8.1 presents information on conflict, including incidence (8.1.1), common types of conflict (8.1.2), and the incidence of crimes such as theft (8.1.3). Section 8.2 discusses social customs, including customary codes (8.2.1) and other community rules (8.2.2). Section 8.3 reviews conflict mediation practices, including the involvement of different actors (8.3.1) and processes (8.3.2).

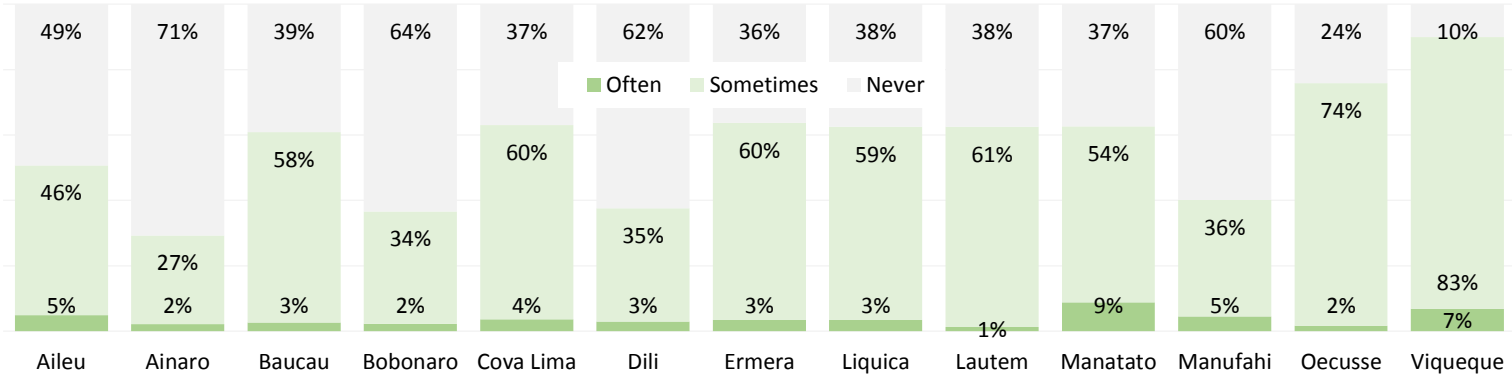
8.1 Conflict

8.1.1 Incidence

Across the baseline sample, 40 percent of Hamlet Chiefs reported that disputes in their hamlet sometime become violent, while 3 percent reported that disputes always become violent. 50 percent of Hamlet Chiefs in *Ainaro* (71 percent), *Bobonaro* (64 percent), *Dili* (62 percent), and *Manufahi* (60 percent) reported that violent conflicts in their hamlet never become violent. Violent disputes were more common in hamlets in *Baucau* (39 percent), *Ermera* (36 percent), *Liquica* (38 percent), *Lautem* (38 percent), *Manatuto* (37 percent), *Oecusse* (24 percent), *Cova Lima* (37 percent) and *Viqueque* (10 percent).

However, violence associated with disputes, either within hamlets, Village Chiefs reported that violence associated with disputes with families in other hamlets, or inter-hamlet violence, experience a 59 percent incidence rate.

Figure 56: Frequency of Conflict, by District

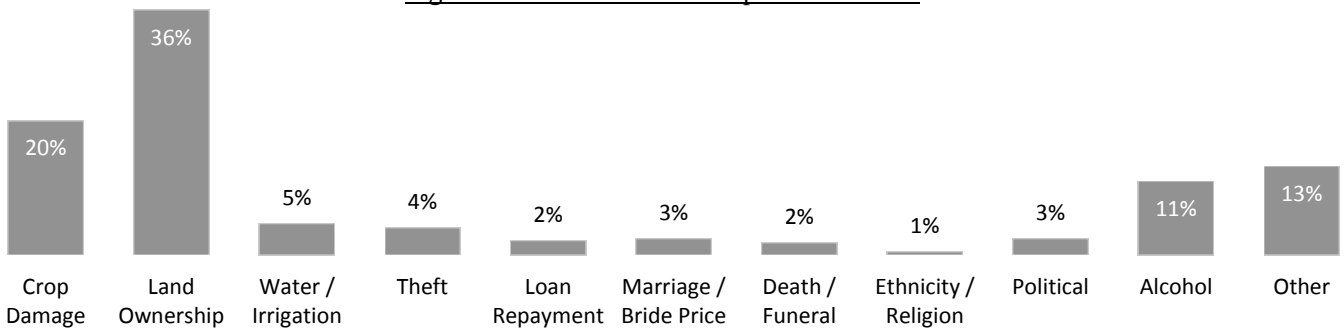


The perceived incidence of conflict across Timor-Leste is declining, with 81 percent of households reporting that the level of conflict had decreased in the last year and just 5 percent reporting an increasing in conflict over the past year. The incidence of localized conflict seems to have particularly declined, with 94 percent of Hamlet Chiefs reporting that conflict levels had decreased within their respective hamlet and just 1 percent reporting an increase in conflict.

8.1.2 Types

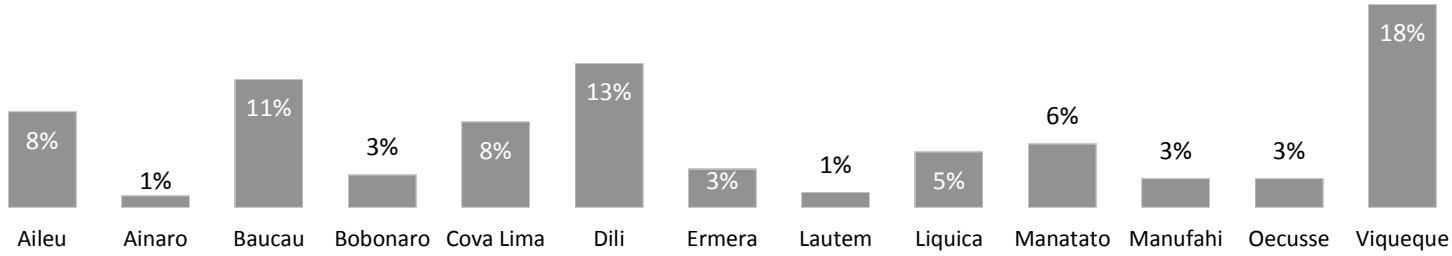
Hamlet Chiefs reported that disputes over land ownership are the most common types of disputes (36 percent), followed by crop damage (20 percent), and alcohol (11 percent).

Figure 57: Most Common Disputes in Hamlet



However, disputes over land ownership are still relatively rare. Villagers living in areas with higher population densities, such as Dili (13 percent) and *Baucau* (11 percent), were more likely to report that they had been involved in a land dispute.[78] In addition, villagers residing in *Viqueque*, which historically has been more prone to conflict, were more likely to report being engaged in conflicts over land ownership (18 percent). In the other ten districts, less than 10 percent of households reported being involved in a land dispute.

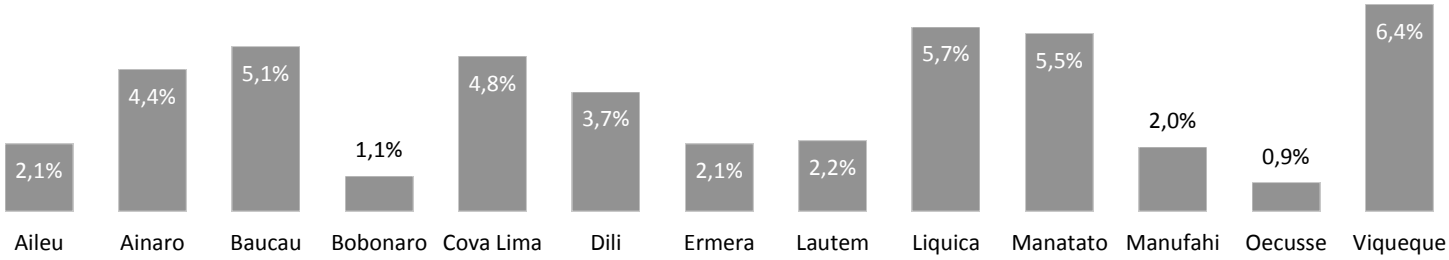
Figure 58: Households Reporting Involvement in Past Six Months in Land Dispute, by District



8.1.3 Crime Incidence

The incidence of crimes such as theft and assault are relatively low. Data from Hamlet Chiefs indicates that, on average, there were 0.4 thefts in hamlets over the six months prior to the baseline survey. 3.5 percent of households in the sample reported a burglary or property theft in the six months before the implementation of the survey. Households in *Viqueque* were more likely than those in other districts to report that their home had been burglarized or property stolen in the past 6 months (6.4 percent), followed by *Liquica* (5.7 percent), *Manatuto* (5.5 percent), and *Baucau* (5.1 percent). Assaults, shootings, and stabbings were even less common, with an average of 0.3 incidents per hamlet over the past six months.

Figure 59: Households Reporting Incidence of Burglary of Theft in Past Six Months, by District



8.2 Social Customs

8.2.1 Customary Codes

The presence of the state in rural areas is low, with only 8 percent of hamlets surveyed by the NBS having a police station. To ensure social order in the absence of strong state institutions, communities have developed an intricate set of rules that have been passed down over generations. Such rules continue to be accorded high levels of legitimacy throughout Timor-Leste, but vary substantially across villages.[79]

In many LBS villages, Customary Codes (*Tara Bandu*) regulate inter-personal relations, as well as interactions with animals and the environment. Customary Codes are often enforced by formal village leaders and prescribe the sanctioning of offenders with monetary penalties paid to village authorities or mandatory contributions of livestock for community ceremonies. Codes frequently prohibit the cutting down of trees and slash-and burn practices, regulate animal grazing areas, and prescribe organized waste management practices within the village.[80] However, there is wide variation between villages in the nature of Codes and it can often be difficult to determine certain practices originate in Customary Codes or have been

[78] The respective question asked, "In the past 6 months have you or a member of your household had a dispute about land ownership?"
[79] In addition to the high levels of variation, the understanding of customary rules and practices is often difficult due to widespread beliefs that disclosing such information to outsiders could result in sickness or death.
[80] In *Lautem*, Customary Codes are used to prohibit agricultural activities in specific areas of the village; while in *Ainaro* Codes codify conflict resolution mechanisms.

introduced by other means.[81] In particular, none of LBS sample villages were able to present Customary Codes in a written form, allowing broad interpretation by Ritual Leaders and other mediators.

Interestingly, state institutions or other external actors have encouraged the proliferation of Customary Codes to areas in which they were not previously practiced. For instance, in *Manufahi*, villagers reported that Customary Codes had been introduced by the sub-district administrator, who announced them during a monthly visit. Villagers in *Oecusse* reported that Codes were determined by customary and formal leadership during a community meeting organized by an external NGO. Externally-imposed Codes tend to have weaker legitimacy compared to those villages where Customary Codes date back to the colonial period or even pre-colonial times.[82]

8.2.2 Other Community Rules

In addition to Customary Codes, other community rules – such as those which determine the amount of contributions households must provide for ceremonies – are enforced by local beliefs, such as fears of sickness, bad luck, and death arising from malpractice (e.g. not giving contributions to ceremonies).[83] Marriage customs (*feto sa'a – uma ne'e*) are also common. While local variation exists, such customs ordinarily prescribe the payment of a bride price and that the bride must move in with groom's family after marriage.[84] There is wide variation, however, in the level and form of the bride price. In most cases, prices are paid in livestock, although payments in cash and material contributions to the marriage ceremony also occur. There are villages in which bride price payments are rare, however.[85]. In addition to marriage, divorce is also commonly customarily regulated, with payments and custody arrangements prescribed.[86]

Villages in some parts of Timor-Leste also adhere to the Harvest Festival (*Sau Batar*) practice, which prohibits villagers from consuming their crops prior to the ceremony. The codes of the Harvest Festival further prescribe the payment of material contributions, such as crops or livestock, to the ceremony. Local customs also applied prescribe certain ceremonies, to which households must contribute, prior to the initiation of infrastructure projects.[87] Most villages also have various sacred (*lulik*) areas around their village, to which outsiders are not permitted to visit under penalty of ancestral retribution. In certain cases, agricultural processes are prohibited in these areas, while in others specific actions are required to be administered before the area can be used.[88]

8.3 Conflict Mediation

8.3.1 Participants

Conflicts are mediated by both formal and informal village leaders, including the Village Chief, Hamlet Chief, elders (*anciao)*, and the Village Council Ritual Leader. Informal leaders, such as Ritual Leaders from local village and hamlets also participate, as do higher-level customary leaders, such as Local King, where they exist. External organizations, such as religious institutions, veterans' networks and, on rare occasions, women's groups, may also participate. The multitude of actors that assist in mediating conflicts create high variation in mediation process and outcomes.

---

[81] There were also various community rules regarding the killing of animals. In *Manufahi*, the owner of the land has the right to slaughter any animal consuming his/her crops. In *Viqueque* (2), on the other hand, villagers which kill an animal owned by another villager must compensate the owner with two animals. If the perpetrator comes from a different ethno-linguistic group, the penalty is four animals. In *Oecusse*, there were also specific rules that prescribed penalties for not keeping animals behind fences. In *Viqueque* (2), for instance, villagers practice special customs (termed *dada-liman dada-ain*) that prescribes that the perpetrator of any conflict needs to pay $150 and a pig to the victim.

[82] In a village in *Liquica* and *Oecusse* for instance, Customary Codes were practiced during the Portuguese period, and accordingly, command higher legitimacy in the village.

[83] In *Bobonaro*, villagers adhered to a practice called *Lia Mutin* and *Lia Metan,* which determined the amount of financial and monetary resources members of particular Sacred Houses need to provide for marriages, funerals and construction of a new Sacred House.

[84] Such variation was observed across two different ethno-linguistic groups in *Bobonaro*. One group is more matrilineal and prescribes that the groom should move in with the bride's family, while the other group has a patrilineal structure and follows conventional customs.

[85] For instance, in *Liquica*, all members of the community are considered as members of highest-ranking Sacred House and bride prices are not common.

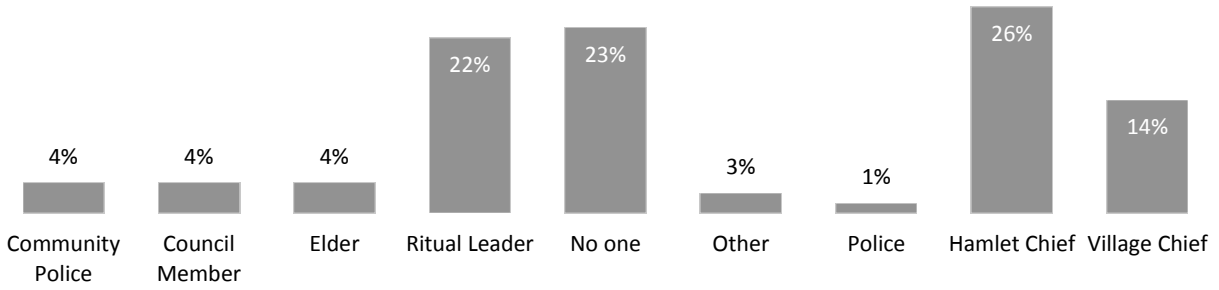
[86] In *Viqueque* (2), respondents claimed that in cases where either husband or wife want to divorce, their family must provide livestock or money to the other party. The amount is determined by the Ritual Leader of both parties, while the children often stay with the male.

[87] In *Liquica* and *Viqueque* (1), villagers practiced a custom (*Halo Tuir*) whereby, prior to construction, a ceremony was held to ask for the ancestral permission and to which households are expected to contribute livestock and crops.

[88] In a village in Dili, villagers were requested to clean their buckets before harvesting water from a well that was considered to be sacred.

According to 26 percent of NBS household respondents, the Hamlet Chief is the most important individual in settling disputes; 22 percent identified the Ritual Leader, and 14 percent cited the Village Chief. Only 1 percent of respondents reported that the police serve a preeminent role in resolving dispute, while 23 percent reported that no external parties assisted in dispute resolution. Of those who participated in a conflict mediation, 89 percent were satisfied with the resolution.

Figure 60: Most Important Person in Settling Dispute



Information garnered from the LBS sample indicates that the involvement of actors depends on the type of conflict. For instance, hamlet-based Ritual Leaders are more involved in resolution of domestic violence cases, marriage issues, and other conflicts that involve a perceived violation of customary rules. Formal leaders, on the other hand, are more active in resolving disputes relating to agricultural issues, such as those over land and animal trespassing. The national police are invoked when conflicts turn violent or involve weapons. Nonetheless, the involvement often depends on the preferences of the victim,[89] although most prefer to use customary processes.

8.3.2 Process

Mediation processes follow a similar structure across different geographical areas. Affected parties and their families are usually invited by the mediator to a meeting, at which both parties are asked to describe the incident and the primary reasons for the conflict. If accounts differ, the mediator involves witnesses that provide testimonies of events. After hearing the case of both parties, the mediator either unilaterally makes a decision or involves family members to agree on a penalty. If both parties agree to the proposed resolution, the conflict is considered resolved and the perpetrator is asked to contribute to a traditional celebration attended by the wider community. If either party does not agree to the proposed resolution, formal community leaders may review the case, but generally demand fees of the party that wishes to appeal. The process the proceeds in the same manner as the first instance, but with a larger number of formal and informal leaders involved. If the case cannot be resolved at this level, then formal legal institutions may be involved.[90]

[89] In *Viqueque* (2), for instance, the Ritual Leader claimed that in cases where the victim had suffered injuries, involved parties were given a choice between resolving the conflict using customary norms and involving families, or using the formal legal process.

[90] The experience and legitimacy of the mediator are the main factors that contribute to success of the conflict resolution process. Nevertheless, gender-based violence cases often remained unresolved regardless of what conflict resolution avenue was taken and were often likely to repeat.

9 CONCLUSIONS

The following section reviews implications of the LNBSR for PNDS. Section 9.1 suggests investigations of specific issues of concern highlighted by the report, including: the relatively low rate prioritization of transportation projects despite the high preference villagers exhibit toward such investments (9.1.1); the specific nature of drinking water projects, which may differ from those preferred by villagers (9.1.2); opportunities for coordination with health and education ministries (9.1.3); and the importance of building local capacity in the management of complex projects (9.1.4). Section 9.2 reviews potential future applications of the LBS and NBS data, including its use in assessing impacts of PNDS (9.2.1) and better understanding how villager preferences affect project selection (9.2.2). Section 9.3 explores a number of potential evaluations of design variations suggested by the LNBSR, including identifying the most effective means of increasing villager participation in PNDS meetings and processes (9.3.1), training village representatives (9.3.2), and implementing multi-year prioritization (9.3.3).

9.1 Suggested Investigations and Engagements

According to preferences of villagers ascertained by the NBS, the top priorities for local public investments are: (i) transportation (47 percent); (ii) water (21 percent); and (iii) health and education (9 and 8 percent, respectively). The frequency by which these types of projects have been selected for PNDS funding suggests a number of areas for future investigation and engagement, including the reasons why transportation projects are not selected more frequently (9.1.1), the specific nature of water projects implemented by PNDS (9.1.2), whether PNDS can help better align investments of line ministries with local priorities (9.1.3), and in building local capacity to manage complex projects (9.1.4).

9.1.1 Prioritization of Transportation Projects

Across the NBS sample, only 19 percent of roads connecting hamlets with village centers are asphalt or concrete. The remaining 81 percent of roads are vulnerable to rain and, accordingly, 51 percent of hamlets were reported to be inaccessible even to four-wheel drive at some point during the past 12 months. Instances of inaccessibility had a significant impact on the availability of vital commodities, such as rice. Among those respondents who expressed a preference for road improvements, 58 percent opined that roads between hamlets and village centers should be prioritized, 17 percent suggested that roads connecting villages and sub-district centers should be prioritized, and 11 percent expressed the view that roads connecting sub-district centers to district centers are the most important investments. However, as detailed further in Section 5.4 of Part II, roads appear to be relatively infrequently selected as PNDS projects (10 percent). An examination of the PNDS project prioritization process and the determinants of selection outcomes is warranted.

9.1.2 Nature of Drinking Water Projects

Among NBS sample households, 61 percent expressed dissatisfaction with drinking water facilities. Among those respondents which expressed the view that investments in drinking water facilities should be prioritized, 63 percent specifically suggested the laying of additional pipelines to connect to existing taps, while 21 percent called for the installation of new public taps. As detailed further in Section 5.4 of Part II, drinking water projects have been selected as PNDS projects with relative frequency, accounting for 28 percent of Phase 1 and 2 projects. However, it is unclear from existing to what extent those villages and hamlets which preferred drinking water projects actually received them and to what extent the specific nature of drinking water projects corresponded with villager preferences for the laying of pipelines to existing taps.

9.1.3 Potential Coordination with Health and Education Ministries

While PNDS does not allow for the building of schools or health centers, the currently unmet needs for improved education and health facilities suggests that there may be value in PNDS exploring avenues for collaboration with education and health ministries.[91] Specifically, PNDS hamlet and village prioritization processes ascertain community priorities across Timor-Leste, which in turn provides information that may be useful for the education and health ministries to identify where needs for improved education and health facilities are particularly acute.

[91] The POM specifically disallows funding of "[c]onstruction of new schools, new clinics, or medical facilities, which would require National Ministry provision of staff and equipment" (Programa Nasional Dezenvolvimentu Suku [2013], p. 22)

9.1.4 Building Local Capacity

As discussed in Section 6.4, relatively complex projects are generally perceived to be the domain of the state and tend to fail with undue frequency due to the lack of local initiative and participation in the management and implementation of such projects. As a result, participants in hamlet and village prioritization processes may be unwilling to select such projects for PNDS funding, even when villagers identify a preeminent deficiency in the corresponding service. If this indeed found to be the case, PNDS may consider investing in training programs to build the capacity of communities to manage more complex projects and, in addition, explicating to villagers that PNDS funds may be used for such projects.

9.1.5 Other Gaps Identified by Baseline Data

The high prevalence of open defecation (46 percent), high literacy rates differentials between males and females, and other characteristics reveal that the provision of basic infrastructure (e.g. sanitation facilities) may not suffice in order to achieve improvements in development outcomes. As such, measures to induce behavioral change may need to be included in future interventions in order to improve their effectiveness. One means by which this might come about is through integrating PNDS with other government programs (e.g. relevant Ministry of Health sanitation projects) or building the capacity of PNDS facilitators to influence local behavioral patterns. Alternative program designs might also need to be explored to enhance the usage of public works projects.

9.2 Applications of Baseline Survey Data

In isolation, baseline survey data is of limited usefulness, other than to corroborate existing data on the characteristics of the population targeted by the intervention. However, analyses of baseline survey data in conjunction with data collected after the start of program implementation can provide policy-makers with information to guide course corrections designed to enhance program effectiveness.

9.2.1 Assessing Impacts of PNDS

The combination of baseline and follow-up survey data are commonly used to assess the impact of interventions, such as PNDS. However, given the extent to which key outcomes of interest change over the lifecycle of the intervention as a result of factors external to the intervention (such as weather, other government policies, economic developments and so forth), inferences over the impact of an intervention are often erroneous in the absence of a means of understanding what would have happened in the absence of the intervention. In cases where there is variation in where and when an intervention is implemented (i.e., some communities receive the program and some don't), constructing such a counter-factual is ordinarily plausible, although the nature of the variation determines the reliability of the resulting estimates of impact.

PNDS, however, was rolled out to 442 villages in Timor-Leste during the first year of operations. As such, there is no possibility of constructing a counterfactual to enable the identification of which changes in key outcomes of interest are due to PNDS and which are due to external factors. Any comparisons between baseline and follow-up surveys yield only an understanding of how conditions in villages and hamlets have changed over time, without any feasible means of distinguishing whether such changes are due to PNDS or due to external factors.[92] In most cases, key outcomes of interest – particularly socioeconomic outcomes – can be reasonably expected to be affected by a broad range of external factors, rendering the change in such outcomes of time meaningless for understanding the impacts of PNDS. However, there are a few cases – such as for access to public services – where the range of plausible external factors is much narrower and where inferences may be feasible.

Indicators that gauge development outcomes – such as travel times, distances to the nearest school or health facility, the adequacy of irrigation, and the proximity to improved drinking water facilities – are affected predominantly by the quality of infrastructure. Using household and local leader surveys, it is relatively easy to track changes in such infrastructure arising from public investments and, as a result, to identify the sources of changes in such development outcomes. Given that the NBS survey instruments count for all local infrastructure projects (including government projects, NGO projects, and PNDS projects) and measure development outcomes, the baseline and follow-up surveys should thus be able to provide the basis

[92] For example, the baseline survey estimated that average income of sample households is $880 per year. If the follow-up survey finds that income has increased to $980 per year, it is not possible to attribute this $100 increase to PNDS. The reason for this is that there are numerous other plausible explanations why household income may have increased over the period (improved harvests, higher subsidies, better business environment, improved infrastructure etc.). The exercises of identifying which factors are responsible for such changes in a reliable manner is essentially impossible.

for reasonable conclusions about how PNDS is affecting those development outcomes that can be directly linked to infrastructure investments.[93]

9.2.2 Effect of Preferences on Project Selection

Among the key findings of the report is of the limited extent to which PNDS projects reflect village priorities. This analysis was provided by comparing preferences of villagers residing in Phase III villages and actual projects selected in Phase I and II villages. Once Monitoring and Information System (MIS) data on Phase III villages becomes available, it will be feasible to undertake a more systematic analysis of the extent to which villagers' preferences in specific villages correlate with selection outcomes in those same villages, which will provide a more definitive assessment of the extent to which PNDS prioritization processes are articulating the preferences of villagers.[94] In particular, regression analyses can be conducted on the NBS and MIS data to test hypotheses suggested by the PNDS-REP qualitative process monitoring on how underlying and process characteristics affect the efficacy of PNDS prioritization. The results of this analysis may then help PNDS improve the prioritization process to ensure it is fully representative of villagers' preferences.

9.3 Potential Design Variations

One of the integral aspects of the PNDS-REP is the Evaluations of Design Variations (EDV) component, which pilot tests innovations in program design to determine whether they enhance the program's impact. If such variations are found to be successful, they may then be scaled up across PNDS, thereby providing a cost-effective means of systematically enhancing the program. To ensure EDVs create value for PNDS, it is important that variations are developed conjointly by the PNDS Secretariat and the PNDS-REP team. Ideal candidates for EDVs are policy options for which the PNDS Secretariat lacks a clear choice or where there is a desire to test a potential innovation. EDVs are then implemented across a small sample of villages, with design variations randomly assigned across the sample.[95]

The LNBSR and subsequent process monitoring suggests a number of issues that design variations could potentially address:

9.3.1 Advertising

Process monitoring indicates that a range of methods were employed by local leaders to advertise and invite villagers to socialization, election, and prioritization meetings, including word of mouth, loudspeaker, and voice announcements. As the efficacy of PNDS processes depends on the level of participation and participation may be affected by the method of invitation, identifying and deploying the most effective method is important. This could be achieved simply by inducing structural variation in the methods of advertising across a sample of villagers and then measuring how participation in such events correlates with meeting participation. Moreover, such an EDV could isolate the cost efficacy of different methods through estimating the increase in the number of participants for each dollar spent on different advertising methods.

9.3.2 Training Village Representatives

Data collected by the LBS indicates that the capacity and experience of villagers in managing and planning projects is low, which may lower the success rate of PNDS projects. As a further result, villagers may be more willing to select less complex projects. In order to counter this, PNDS might deploy a range of training programs to improve project design, management, and monitoring and build the confidence of communities to select more complex projects. These can be piloted and tested to determine how well they improve the alignment of projects selected with community priorities as well as whether they improve project success rate.

9.3.3 Multi-Year Prioritization

Data from the LBS also indicates that social jealousy tends to steer project selection towards projects whose impacts are shared, even though they may be lower in levels (such as community halls). One means by which PNDS could encourage hamlets to worry less about whether they will receive projects and focus more on welfare-enhancement is to allow multi-year prioritization that will allow for hamlets to form longer term compromises. By permitting a sequenced and carefully planned implementation of projects, local decision-makers may then abstain from selecting compromise facilities (such as

[93] Where necessary, regression analysis may provide estimates of what proportion of changes in access can be attributed to PNDS.
[94] See Labonne and Chase (2009) and Beath, Christia & Enikolopov (2013) for similar analysis.
[95] Random assignment ensures that any differences in outcomes between villages assigned to different designs arise from the designs and not due to external factors.

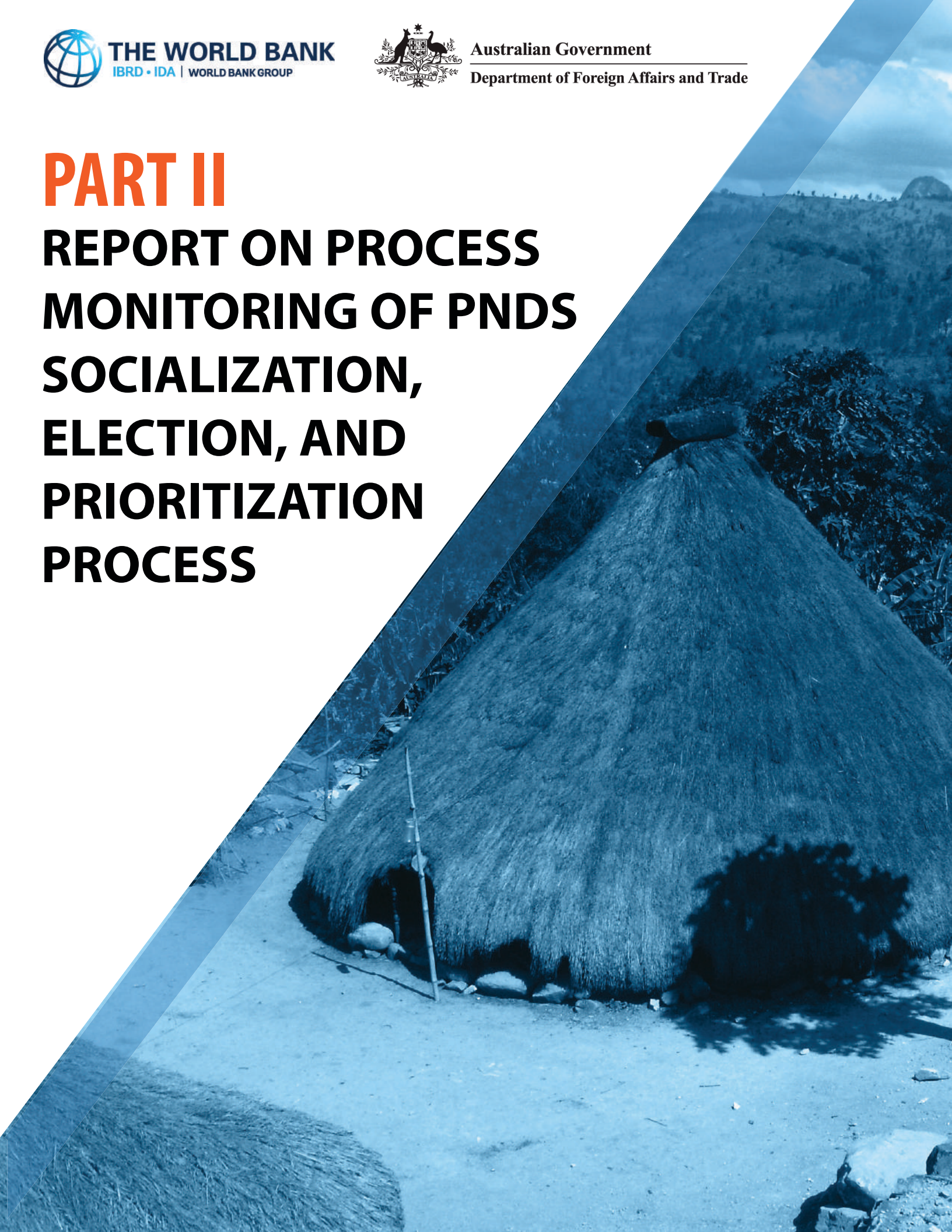
community centers), and select more urgently needed infrastructure projects, such as roads. Such mechanisms may also help alleviate conflicts that stem from selecting specific projects that benefit a particular hamlet.

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Australian Government
Department of Foreign Affairs and Trade

PART II

REPORT ON PROCESS MONITORING OF PNDS SOCIALIZATION, ELECTION, AND PRIORITIZATION PROCESS



EXECUTIVE SUMMARY

Background

Implementation of PNDS at the village-level commences with 'socialization,' during which villagers are informed of the objectives, principles, and procedures of PNDS and of their role in supporting the planning and implementation of PNDS projects. After this, villagers – with guidance from the Village Council and PNDS Facilitators – select Community Management Teams (CMT), which are charged with planning, implementing, and maintaining PNDS projects. The election process for the CMT is intended to be free and fair, with hamlet meetings used to select representatives to represent each hamlet on the CMT and secret ballot voting by hamlet representatives used to select executive officers for the CMT. After the socialization and election process and after each village receives operational funds, a project prioritization process facilitates the selection by villagers of projects ideas that can be developed into detailed plans for project proposals for PNDS funding.

Methodology

Socialization, election, and prioritization activities were monitored from August 2014 through January 2015 in a sub-sample of villages and hamlets that form the LBS sample. Socialization and election activities were monitored from August to September 2014 in 14 villages and 28 hamlets and prioritization activities were monitored from October 2014 to January 2015 in 13 villages and 26 hamlets. Monitoring was undertaken by a team of ten local researchers which visited sample villages to conduct observations of related meetings and administer semi-structured interviews with villagers and local leaders about the meetings and PNDS processes in general.

Findings

The main findings of the LPM include:

Socialization

Attendance: The Hamlet Chief was primarily responsible for announcing and organizing hamlet-level socialization meetings. To inform villagers about hamlet meetings, Hamlet Chiefs relied on household visits and central-point messaging. As a result of this communication strategy, a number of villagers missed the announcement and were not aware of the meetings. Attendance at hamlet socialization meetings was generally low, with the number of attendees ranging from 10 to 83 and only 8 percent of the hamlet population in attendance on average. In addition to the communication strategy, work and family obligations kept villagers from attending meetings. To ensure higher levels of participation in PNDS meetings and events, more inclusive communication strategies should be developed, such as announcements at group meetings and religious services and focal-point messaging. In additions, PNDS facilitators might hold separate socialization activities for persons living in remote areas, women, youth, or elderly persons.

Participation by Marginalized Groups: Women were less likely to attend hamlet socialization meetings than men. The number of women in attendance at meetings ranged from 0 percent to 48 percent of the total female hamlet populations, with a mean of 27 percent. Overall, while the number of male attendees ranged from 8 to 62, the number of female attendees ranged from 0 to 24.Women that attended meetings were primarily occupied with preparing food and drinks and rarely actively participated. Even in meetings where there was time set aside for women to ask questions or voice concerns, it was noted that they were reluctant to speak. Persons with disabilities were also less likely to attend meetings and a degree of confusion existed as to how people with disabilities could participate in PNDS.

Efficacy: Villagers who attended meetings generally exhibited solid understanding of PNDS principles and processes. Villagers primarily see their role in PNDS implementation in relation to providing labor, while local leaders see themselves as responsible for overseeing PNDS implementation.

Selection of Hamlet Representatives: Villagers emphasized good character, education and literacy, money management experience, and public speaking skills as important characteristics for hamlet representatives. However, wide variation existed in the method of selection of hamlet CMT representatives. In more than half of the hamlets, the selection of hamlet representatives occurred prior to the official socialization meeting and in only two hamlets did PNDS facilitators ask attendees to approve a list of representatives proposed by the Hamlet Chief. The selection of representatives prior to the official meeting raises concerns that informal meetings or otherwise closed processes are being used to make decisions related to PNDS. Such processes are likely to exclude certain individuals and groups from the decision-making process.

Accordingly, there may be a need to insist that decisions relating to PNDS are made in a public meeting attended by a PNDS facilitator and according to PNDS guidelines.

Elections

Procedures: Election meetings were open to all villagers, but not widely attended. Elections were administered according to the guidelines established in the POM, with hamlet representatives electing the CMT executive council occurred through secret ballot. Local leaders generally complied with the PNDS guidelines, although, in a handful of cases, unsuccessfully attempted to change or substitute hamlet representatives, overturn the disqualification of nominees who did not show up to the election, and prevent the enforcement of gender quotas. In one instance, some Hamlet Chiefs refused to include women on the list of hamlet representatives because they argued that no women from their hamlet were qualified.

Election Results: In line with PNDS guidelines, no Village Chiefs were elected to serve as head of project planning committees. However, seven of the nine male candidates elected as to this position were members of the Village Council and, of these, five currently serve as Hamlet Chief. All gender quotas for CMT positions were met, although only three women were elected as the head of planning committees.

Prioritization

Participation by Marginalized Groups: The attendance and participation of women, persons with disabilities, and those living far from meeting places was limited during prioritization meetings. In cases where women attended meetings, their role was usually limited to preparation of food and drinks. Despite PNDS mandating that women must make up 40 percent of attendees, women represented 32 percent of attendees at hamlet meetings and 36 percent at village meetings. No persons with disabilities attended observed meetings. In addition, those who lived too far from the meeting venue generally were not aware of the meeting and did not attend.

Adherence to Protocol: Contrary to the socialization and elections process where the required procedures were generally followed, the required prioritization protocols were not often followed. In particular, the required voting protocol was followed only 14 percent and 17 percent of the time during observed hamlet and village meetings, respectively. The required separate women's meeting only took place in 43 percent of the hamlet meetings observed and in none of the village meetings observed. Where separate women's meetings did occur, the required voting procedure amongst women only took place 17 percent of the time.

Project Implementation: Meeting attendees and interview respondents noted that wages for work on PNDS projects were lower than salaries offered by other projects and/or below market rates. This raised the concern that villagers may not want to work on PNDS projects and that PNDS may be unsuccessful as a result. Concerns were also raised that land ownership issues may project implementation and specific projects that may be affected by such issues were avoid in prioritization. In addition, complex projects that require specific technical expertise and/or materials were also avoided.

PNDS Facilitators: The presence of PNDS staff members was observed to be important in preventing undue elite influence over project selection and ensuring the transmission of correct information about the program. In particular, PNDS facilitators were not present in those cases where unclear or incorrect information was presented during meetings and/or where there were any significant conflicts during meetings.

Project Preferences: Projects selected during prioritization appear to only partially reflect the actual preferences of communities. During prioritization meetings, it was observed that water and road projects appeared to be the top priorities. However, the complexity of these types of projects coupled with land tenure issues dissuaded villagers from selecting them. Instead, villagers selected what they considered to be more practical projects like community halls.

1 INTRODUCTION

This report presents findings of qualitative process monitoring activities conducted during village- and hamlet-level socialization (Section 3), election activities (Section 4) and prioritization activities (Section 5) of PNDS.

1.1 Qualitative Process Monitoring

The Qualitative Baseline Survey (LBS) and Quantitative Baseline Survey (NBS) collected data across sample villages before PNDS implementation in order to support analysis of the level of and variation in program impacts, qualitative process monitoring (LPM) directly observes PNDS implementation and interactions thereof with villagers. LPM is specifically designed to qualitatively gauge how PNDS processes are conditioned by and dynamically interact with local institutional and social conditions and how villagers are receiving PNDS processes and the extent to which such processes conform to those prescribed by the program.

The LPM is structured to provide real-time feedback to the PNDS Secretariat and other stakeholders on the efficacy of prescribed PNDS modalities. In particular, the LPM focuses on identifying design elements or implementation practices which – whether generally or in interaction with specific economic, institutional, or social features – constrain the equity, efficiency, and/or overall impact of the PNDS. LPM data will also be used to formulate recommendations of how the equity, efficiency, and impacts of PNDS may be enhanced. If applicable, such recommendations will be rigorously tested through Evaluations of Design Variations and, if found to be more effective than existing modalities, rolled out during the next PNDS implementation cycle.

While there are 12 steps in the PNDS cycle, qualitative process monitoring (LPM) activities focused on just three: socialization, election, and prioritization. LPM data collection took place from August 2014 through January 2015 in a selection of the sample of villages and hamlets that were previously surveyed by the LBS. Process monitoring was administered by a team of 10 local researchers who visited sample villages to: conduct direct observations of PNDS-related events and administer semi-structured interviews with villagers and local leaders about the events and PNDS processes in general.

1.2 Socialization

Socialization is the process whereby all members of the community are informed of PNDS objectives, principles, and procedures and of their roles in supporting their community to exercise rights and responsibilities in planning and implementing PNDS activities.

1.3 Elections

Immediately following socialization, the PNDS election process begins, which invites villagers, with guidance from the Village Council and assistance from PNDS Facilitators, to elect Community Management Teams (CMT). CMTs consist of four entities: (i) Planning and Accountability Committee (KPA); (ii) Village Facilitators (SF); a (iii) Community Implementation Team (EIP); and an (iv) Operations and Maintenance Team (EOM). CMT elections are intended to be democratic, transparent, and open to the entire community.

After the socialization and election phase, each community opens a PNDS-related bank account, to which operational funds for planning meetings, operations management, community monitoring, and training of PNDS elected officials are disbursed. The trainings begin immediately but continue throughout the entire PNDS process and are designed to ensure that CMT officials possess the necessary administrative and technical skills to manage PNDS activities.

1.4 Prioritization

Following the disbursement of operational funds, the prioritization phase commences. The objective of prioritization is to facilitate a community-wide deliberation on potential project ideas that can be developed into detailed plans for project proposals. Following this stage, project proposals are drafted for the first three project ideas identified from the village priority list. PNDS sub-district facilitators then check that the top 3 project ideas have been properly selected and meet the conditions for PNDS projects, after which a detailed plan for the projects is drafted, which includes a technical survey, project design, budget, work plan, list of community contributions, and an operation and maintenance plan. Finally, the proposed project(s) is checked and endorsed by the PNDS Secretariat.

.

2 METHODOLOGY

The following sections provide details of the LPM methodology, including research questions (2.1); sample and timeline (2.2); and data collection and management procedures (2.3); while also detailing challenges encountered during the research and data limitations (2.4).

2.1 Research Questions

Table 9 below lists the main research questions for the two activities covered by the LPM.

Table 9: Research Questions

Cross-Cutting Research Questions
1. How do pre-existing economic, geographic, institutional, and social characteristics interact with PNDS implementation? 2. Do CMT members and SFs possess the necessary skills, experience, and training to effectively carry out their roles? 3. Is the division of institutional accountability for execution of PNDS well-defined? To what extent do overlapping mandates between local actors and/or failures in coordination between local and regional actors obfuscate accountability and undermine program effectiveness? 4. How could PNDS processes be refined to improve the equity, efficiency, and overall impact of the program?
Socialization
1. Are local governance actors enhancing or hindering the dissemination of information on PNDS socialization and/or election processes? 2. What is the level and nature of participation by villagers in socialization events? 3. Do marginalized groups participate in socialization events or otherwise receive information about PNDS principles and processes? 4. Do socialization events provide villagers with a clear understanding of PNDS principles and processes? Do villagers harbor any concerns about PNDS projects or processes? What expectations do villagers harbor about PNDS?
Elections
1. What is the level and nature of participation by villagers in elections? Who administered the elections? 2. Did any conflicts emerge during the elections and how were they managed? 3. Were elections administered in accordance with principles of fairness and transparency? 4. How and to what extent do local elites exert influence over the conduct of elections? 5. Do election outcomes reflect the preferences of villagers generally and/or marginalized groups specifically? 6. What specific factors and/or practices undermine the responsiveness of elections and prioritization processes to community and group preferences?
Prioritization
1. How are technical and coordination considerations incorporated into the prioritization process in a manner that is both consistent with participatory values? 2. To what extent are individuals participating in prioritization meetings? Who administers the meetings? 3. Do outcomes of the prioritization process reflect the preferences of individuals generally and/or marginalized groups specifically? 4. Did any conflicts emerge during the prioritization process and how were they managed 5. What specific factors and/or practices undermine the responsiveness of the prioritization process to village and group preferences? 6. Was the prioritization process administered in accordance with principles of fairness and transparency?

2.2 Sample and Timeline

2.2.1 Sampling Criteria for Villages and Hamlets

The LPM employed the same sample of villages and hamlets as covered by the LBS, which enables an examination of correlations between pre-existing village characteristics and the effectiveness of PNDS processes. Socialization and election activities were monitored from August to September 2014 in 11 village-level meetings and 22 hamlets. Prioritization

activities were monitored from October 2014 to January 2015 in 13 villages and 26 hamlets. In total, 26 prioritization meetings were observed (12 village-level meetings and 14 hamlets-level meetings). A number of villages and hamlets in the LBS sample were unable to be monitored as a result of late scheduling notices whereby researchers missed the opportunity to conduct any direct observations in these locations. Retrospective interviews were conducted in locations where at least one other village or hamlet meeting was observed in the area, but in others it was determined that data would be uneconomical and so were dropped from the sample.

2.2.2 Sampling Criteria for Respondents

In each village and hamlet, researchers interviewed approximately 13 to 15 respondents purposively sampled based on their role in the PNDS implementation. The sample included villagers who did and did not participate in events and related meetings; *de facto* or *de jure* local leaders; and elected CMT officials. Separate instruments and sampling criteria were designed for each group. As it was important to interview people from different groups, researchers were also instructed to stratify amongst gender and age groups. For non-participants, researchers were also told to interview respondents who lived both near and far from the meeting locations.

2.3 Data Collection

A team of 10 local researchers – 8 of whom administered the LBS – conducted the field visits.[96] Field visits typically lasted 3 to 5 days and included both direct observations of one village-level and two hamlet-level meetings and semi-structured interviews administered to up to 6 respondents per meeting.[97]

2.3.1 Direct Observation

Researchers arrived at meeting venues approximately half an hour before scheduled meeting times and recorded a narrative account of the meeting events from the time they arrived until the meeting finished and participants left.

2.3.2 Semi-Structured Interviews and Prioritization Instruments

Following meeting observations, researchers conducted a series of interviews with villagers who both did and did not participate in the respective event or meetings, as well as with *de facto* or *de jure* local leaders; and elected CMT officials. Interviews were semi-structured, with researchers using the instruments as a guide but also exercising flexibility in adapting the questions to the local context and into respondent experiences with PNDS. Interviews supplemented direct observations by facilitating an understanding of processes that researchers were unable to observe during meetings.

2.3.3 Data Compilation

For both direct observations and interviews, researchers compiled field notes. Upon returning to the office from field visits, researchers transcribed the notes to develop a narrative account of prioritization in each of the communities.

2.4 Research Challenges and Data Limitations

2.4.1 Linguistic Barriers

Although the field research team consisted of local field researchers from various parts of Timor-Leste with different language skills, data collection in certain communities were constrained by linguistic barriers. In some cases, respondents had a very basic comprehension of Tetum, which limited their interaction with researchers.[98]

2.4.2 Access to PNDS Schedules

While the PNDS Secretariat in Dili provided a time period over which activities were expected to occur, the Secretariat did maintain a record of specific dates during which events were expected to occur in specific villages. Thus, to ascertain schedules of events to be monitored, LPM researchers coordinated with district, sub-district, and village-level actors. While such actors were generally cooperative, researchers found that schedules were not always available far enough in advance for researchers to arrange transport to the respective village. In addition, schedules were subject to changes in the lead-up

[96] Wherever possible, researchers were assigned to monitor the same villages visited during the LBS.
[97] In the event that researchers missed a meeting, interviews were admini0stered to local villagers.
[98] This was also an issue for PNDS implementation. In some cases, meetings were conducted in Tetum, but attendees were only familiar with the local dialect and missed out on some or all the information.

to and throughout the LPM data collection process. In some villages, activities (especially prioritization meetings) commenced weeks and even months prior to the time period designated by the national office.

2.4.3 Hawthorne Effects

The presence of researchers during PNDS activities may have induced changes in the behavior of facilitators and other local actors, both on the day of the monitoring and throughout the implementation cycle.[99] As a result, LPM data may be unrepresentative of other communities. To mitigate the likelihood of such Hawthorne effects, the list of sample villages was not divulged to persons outside of the PNDS-REP team. For instance, researchers requested event schedules for all villages in the area and did not confirm which, if any, villages would be visited. Furthermore, researchers were instructed to make every effort to blend in and to not address anyone in any official capacity. They were also instructed not to interfere in any way with meetings, even if they observed deviation from procedures discussed in the Program Operations Manual (POM).

[99] Such behavioral changes may occur, for instance, because actors face an increased risk of malevolent actions being detected.

3 SOCIALIZATION

The goal of socialization is to introduce the PNDS program to villagers and encourage their participation in PNDS implementation, while also facilitating "identification and nomination of [hamlet] candidates for Community Management Teams and [Village] Facilitators" (*Programa Nasional Dezenvolvimentu Suku*, 2013, p. 75). The following sections report the findings of the LPM of socialization events, covering the structure of socialization meetings (3.1); attendance at socialization meetings (3.2); proceedings of socialization meetings (3.3); the efficacy of socialization meetings (3.4); the process for selecting hamlet representatives (3.5); and recommendations on how to improve the socialization process (3.6).

3.1 Structure of Meetings

Per the POM, socialization meetings should be held at the hamlet- and village-level. However, in monitored villages, socialization meetings were ordinarily not held at the village level, but rather exclusively at the hamlet-level. The only exception to this was in Dili, where village-level socialization meetings were held, followed by hamlet-level meetings. In 11 of the 22 hamlet meetings observed, villagers from more than one hamlet attended the meeting, with between two and six hamlets represented.[100] Meetings provided information to villagers about: (i) the function and structure of PNDS; (ii) rights and responsibilities of villagers during implementation; (iii) role of the sub-district facilitators; and (iv) the composition and responsibilities of the CMT. Generally, hamlet-level meetings were all completed within one week and organized by Hamlet Chiefs.

3.2 Attendance

One of the main purposes of hamlet meetings is to ensure that all villagers, including those from marginalized groups, are provided an opportunity to participate in and benefit from PNDS. In particular, the POM instructs PNDS sub-district social facilitators to work to "ensure gender equality and social inclusion of women, the disabled, the marginalized at each step of the program cycle" (*Programa Nasional Dezenvolvimentu Suku*, 2013, p. 43). However, unlike village-level meetings, for which Village Chiefs must provide both oral and written invitations to villagers, no formal invitation process to hamlet-level meetings is outlined in the POM. The POM specifies that an attendance sheet should be kept and indicates one of the key performance indicators for the PNDS to have a minimum of 40 percent of participants be women during socialization.

3.2.1 Level of Attendance

Obtaining an accurate count of attendees at hamlet socialization meetings was complicated by three factors. First, because hamlets combine socialization meetings, it is not always possible to know to which hamlet attendees belong. Second, the amorphous nature of meeting spaces often renders it difficult to obtain an accurate count. Third, attendees tended to come and go during the meeting. This was particularly true of women, who prepare food in other buildings during the meeting

Table 10 lists the approximate number of attendees of hamlet socialization meetings observed by the LPM, with population figures provided by the 2010 Census are also included for each hamlet. Taking into consideration the factors that might inflate attendance numbers; attendance at hamlet socialization meetings was generally low in comparison with both hamlet population numbers and the number of households in the village. In over half the meetings observed, more than one hamlet participated in the meeting. This means that the number of attendees for that hamlet is even less than the figures reported.

The difficulties in attaining satisfactory levels of community attendance at PNDS meetings appears, in some cases, to be motivating certain local actors to behave in perverse ways. In one village, for instance, researchers reported that PNDS representatives asked people to write down their family members and other villagers (who were not present), as well as themselves, on the sign-in sheets are kept at every socialization and election meeting. Researchers also observed three meetings in which Village Chiefs issued threats to either villagers or the respective Hamlet Chief. In one hamlet at which the socialization meeting was rescheduled for market day due to low attendance, the Village Chief warned villagers told the Hamlet Chief, "*I will give you a black cable to hit people if they showed up in the market instead of here. If people do not come here, I will hit you with the cable instead even if you are a women*". At another meeting, the Village Chief threatened to withhold the Hamlet Chief salaries for the year.

[100] The POM neither endorses nor forbids this practice. Combining hamlet meetings could allow PNDS representatives to be present at a greater number of meetings, thus ensuring that the information regarding PNDS implementation is presented according to the guidelines specified in the POM. Although no respondents reported this as an issue, the practice may also discourage attendance if the location is more convenient for one hamlet over another.

Table 10: Hamlet Meeting Attendance

Village	Hamlet	Attendance			Hamlet Population		
		Male	Female	Hamlets	Male	Female	Households
1	A	30	18	2	226	224	96
1	B	50	12	2	343	305	127
2	A	21	9	1	422	390	134
2	B	20	3	1	289	259	91
4	A	62	22	1	396	358	139
4	B	8	2	2	573	608	213
5	A	11	10	1	65	54	23
5	B	17	15	1	174	201	83
6	A	23	16	1	297	265	100
6	B	18	7	2	225	186	69
7	A	26	14	5	68	78	28
7	B	37	24	5	317	357	122
8	A	11	0	2	147	162	75
8	B	18	3	6	103	109	52
9	A	23	15	1	306	328	157
9	B	45	6	1	1076	1149	530
10	A			3	160	154	53
10	B			3	161	154	60
12	A	21	2	1	1130	1022	341
12	B	9	3	1	168	192	69
14	A	13	4	2	159	137	49
14	B	13	4	2	343	297	97
Min		8	0	1			
Max		62	24	6			
Mean		24	10	2			

3.2.2 Attendance by Persons with Disabilities

Persons living with disabilities in Timor-Leste often face social stigma based on cultural beliefs that the disability is a result of norm violation, which contributes to the exclusion of villagers from participation in village activities (United Nations Integrated Mission in Timor-Leste, 2013, p. 13). PNDS, however, calls specifically for the inclusion of persons with disabilities in implementation. In particular, persons with disabilities have the right to work and measures should be taken to accommodate their needs and all projects are supposed to take into consideration access by persons with disabilities.

Of hamlet meetings observed by researchers, persons with disabilities attended only two of these meetings. At each of these meetings, only one person with disabilities attended. At least one respondent perceived that disabled persons had been excluded from the meeting, while one woman with disabilities reported that, while she would have liked to participate in PNDS, she was not informed of the socialization or election events. Researchers observed that many meeting spaces are not easily accessible to persons with disabilities.[101]

Despite the physical barriers that hinder involvement of persons living with disabilities, local leaders appear to understand that persons living with disabilities should be included in PNDS. In particular, PNDS staff were observed emphasizing that persons with disabilities are to be included in PNDS implementation. Interviews also indicated that villagers and local leaders are aware that PNDS procedures call for the inclusion of persons with disabilities both in meetings and in project construction. However, there is less of an understanding about the specific ways in which persons living with disabilities might be included. Questions were raised in some meetings concerning how exactly persons with disabilities could work on PNDS projects.[102]

[101] For instance, one villager living with vision impairment reported to researchers that while he is able to get to the meeting, other persons living with disabilities in the village face difficulties, explaining that "*there are drainages and stairs we have to pass to get to the meeting place. Therefore, the [persons with disabilities] are scared to pass those drainage and stairs to go to the meeting*".

[102] For example, the same villager who noted the problems he faced attending meetings also told researchers that even though he attended the meeting, no one talked about the ways that he can participate. Furthermore, he did not want to ask questions during the meeting because he believes that his disability excludes him from working on PNDS projects.

3.2.3 Reasons for Low Attendance

The most common communication strategy used to inform villagers about PNDS meetings was household visits by the Hamlet Chief. Although there were no reports of community leaders explicitly telling villagers that they were not allowed to attend, Hamlet Chiefs sometimes were found not to have issued invitations to all villagers. For instance, villagers in 11 hamlets reported that they did not attend meetings because they did not receive information about the meetings. Women, in particular, were less likely to know of the meetings. Consistent with LBS findings, a number of women in different villages reported to researchers that only their husbands were invited.

The failure of villagers to learn of the meetings appears to be a function in many cases of the communication strategy. In at least 5 hamlets, respondents informed that the Hamlet Chief informed villagers the meeting by making a public announcement, such as by walking or driving along the main road with a loudspeaker or simply calling people from the meeting location. Villagers living in more remote areas or persons not near to the road at the time the message may often not learn of the meeting as a result.[103]

Villagers with work-related commitments were less likely to be able to attend meetings held during the day. Meetings organized by PNDS facilitators ordinarily begin between 8 a.m. and 9 a.m. a time when many villagers leave to work in the fields or are busy with household activities, such as preparing breakfast, cleaning, and preparing children for school.[104] In two villages, villagers told researchers that attendance was reduced by the coincidence of the meeting with harvesting. In urban areas, on the other hand, people are more likely to have jobs in the formal economy that they are unable to leave during the day.

Women, who typically assume household responsibilities such as cooking and childcare, often not attend meetings even when they are invited. One female community member, a 41-year-old housewife, explained that even though the Hamlet Chief came to her house and invited her she stayed home to care for her baby. Her husband attended the meeting instead, but did not share information about PNDS with her. Another woman reported that even though it was held at her house, she did not attend the meeting at which she was selected to be the hamlet representative because she was in kitchen preparing food.

3.3 Meeting Proceedings

3.3.1 Modes of Presentation

Facilitators are provided with pre-printed materials, such as flipcharts, for use during meeting presentations which ensure that all necessary topics are covered and ensure a degree of standardization. The flipcharts cover topics that familiarize villagers with the following information is provided to villagers, such as: (i) PNDS objectives and procedures; (ii) rights and responsibilities of the village; (iii) village grant amounts and menu options; (iv) the planning and implementation cycle; (v) complaints handling; (vi) tasks, accountabilities, and selection methods of key actors; and (vii) evaluations of processes, works, and actor performance (*Programa Nasional Dezenvolvimentu Suku*, 2013, p. 74).

In all meetings observed by researchers, PNDS facilitators presented the information prescribed by the PNDS POM. Facilitators generally used materials according to the guidelines established in PNDS manuals. In all but one of the observed meetings, facilitators used the flip chart to present information to the communities.[105] Meetings were generally conducted in Tetum, although three meetings were conducted in the predominant local language or dialect.

3.3.2 General Participation

Hamlet socialization meetings provide villagers, particularly women and other marginalized groups, with the chance to engage with PNDS facilitators about the program and to select hamlet representatives for the KPA and nominate people for CMT executive positions. Facilitator training manuals emphasize active participation by villagers as a goal during meetings.

[103] For instance, one respondent recalled that the Hamlet Chief made a general announcement in the hamlet center, which he could not hear from his house or rice field. A community member in a different village told researchers that when the Hamlet Chief made the announcement about the socialization, she was cooking in the kitchen so the announcement was not clear.

[104] In rural areas of Timor-Leste, farmland is not always adjacent to villagers' houses and it is not unusual for villagers to walk 1-2 hours each way to reach their fields.

[105] The reason being, however, that the meeting was held in the yard in front of a community house and there was nothing to hang materials on.

Active participation may include: (i) asking questions; (ii) addressing villagers; (iii) making ideas and suggestions; (iv) selecting hamlet representatives; and (v) being nominated for a hamlet representative.

Villagers and local leaders participate in different ways. The Village Chief and Hamlet Chief open the meetings, usually giving short speeches emphasizing the importance of PNDS and the need for community participation. Other members of the Village Council sometimes also addressed attendees at the start of the meetings. In the socialization meetings in which researchers conducted observations, PNDS facilitators gave villagers a chance to ask questions and discuss concerns regarding PNDS implementation. In all cases, villagers used the time that was provided, though male villagers generally asked more questions than female villagers. In all cases, the PNDS facilitators answered questions posed by villagers and addressed their concerns.

3.3.3 Villager Concerns

Concerns posed by villagers generally fell into three main categories: (i) labor incentives and organization; (ii) grant amounts; and (iii) project planning. Regarding labor incentives, questions were raised regarding the wages that would be provided to persons working on PNDS projects. Some villagers worried that the incentive would not be enough and that people would not want to work.[106] Villagers also wanted to know more about how labor would be divided among hamlets and whether they would still be eligible to work on projects implemented in other hamlets. Some participants raised concerns concerning the amount of the grant, with local leaders in two hamlet meetings arguing that data used to calculate the grant was from 2010 and did not reflect the current population. Additionally, some villagers wanted to know how discrepancies between project costs and grant amounts would be resolved and what would happen in the event that projects did not exhaust all funds. Finally, participants asked when construction would begin, raised concerns about whether the village had capacity to implement the project, and emphasized the need for training and capacity building.

3.3.4 Inclusion of Marginalized Groups

Cultural norms discourage women from speaking in public meetings. Additionally, women often have less formal education than their male counterparts, which can also discourage them from expressing their thoughts publicly. Female participation in socialization meetings reflected these norms. Researchers observed that women were "quiet", "shy", or "passive" during meetings. In all observed meetings, women did not actively participate or to ask questions. In at least two meetings, facilitators set aside time only for women to speak and to ask questions, but women did not speak even during this period. A 31 year old female villager who attended a socialization meeting noted that she wanted to "*say something during the meeting this morning, but I just did not do it because I was sh*y" as she does "*not like to speak when there [are] a lot of people*".

Duties assigned to women during PNDS meetings also reinforce traditional gender roles. In at least six hamlet meetings, women were observed preparing and serving food during the meetings. For example, researchers observed, "*during the meeting, a majority of [the women] sat quietly and just listened to what people explained and discussed. Some of [the women], especially the Hamlet Chief's wife were busy with preparing the snack in the kitchen*". A female Village Council representative also noted that she was unable to participate fully in the meeting and missed the PNDS presentation because she was preparing snacks, which is part of her responsibility as the women's representative to the Village Council. Such activities preclude women from learning about PNDS and actively participating in the meeting.

Persons who cannot read also face potential barriers to participating fully in PNDS implementation. Observation of socialization and election meetings demonstrated that presentations rely heavily on written materials. Additionally, methods for selecting representatives that require persons to write the names of candidates hinder the participation of illiterate persons given the assistance that they require. Furthermore, illiterate persons are generally excluded from serving on the CMT given the emphasis placed at least some formal education.[107] For example, a 46-year-old woman explained to researchers that even though members of her community wanted her to serve on the CMT, she does not read and write well and advised them to choose people who have graduated from secondary school.

[106] Concern over the labor incentive is consistent with findings from the LBS, which found that some sample villages have experienced issues relating to incentives that affected labor recruitment.

[107] In some villages, education confers social standing within the community. For example, illiterate persons are typically not included in village decision-making processes, nor do they usually serve in leadership positions in community groups. Because literacy and education serve as social identity markers that define the social position of persons within a given community, these barriers not only hinder participation, but may eventually discourage attendance as well.

3.4 Efficacy of Socialization

Villagers who had attended meetings exhibited a general understanding of PNDS. In interviews following meetings, meeting participants noted that PNDS is a vehicle by which the government provides for money for local development projects. As one villager described, PNDS funds are for "*building irrigation, adding more room to schools, and fixing roads. They [the facilitators] said [that] PNDS is just for small projects, not big [ones] and we as community will decide on what we want to do*". Villagers also noted the role of the community in PNDS. For instance, one villager explained that "*…we have to [meet] to decide what we want to do, based on what we still do not have in this village and hamlet yet*" and that "*[we] will work in groups and these groups will be in charge to manage the entire project in the village*".

Villagers, however, appear to perceive their roles in PNDS in terms of providing labor to project construction. Many villagers expressed particular interest in labor incentives,[108] but also noted the importance of working together with other villagers. For instance, a 32-year-old university student explained that unlike NGO projects, the village manages PNDS projects and that he will "*work together with [the] other villagers to support [PNDS] activities and this program by [using] the skills and the capacity that I have*". Villagers also stressed the community ownership of PNDS projects, with the same villager noting that the village community "*should look after the construction materials so somebody cannot [steal] [or] destroy the materials for project construction*". Local leaders, such as Village Chiefs and Hamlet Chiefs, on the other hand, see their role as supervisory. As one Village Chief explained that his role is to "*monitor [and] coordinate between village structures, PNDS facilitators, PNDS CMT, and communities*".

While it seems to be generally understood that women are to be included in PNDS, women are more likely to perceive their own contributions in terms of traditional roles rather than taking on new roles such as project planning or construction. In particular, women told researchers in interviews that they would "*contribute and [be] involved in the PNDS project [by] preparing foods and coffee breaks for the skill[ed] builders and … workers*" or by "*contributing money to buying water for the workers*."

3.5 Selection of Hamlet Representatives

3.5.1 Selection Processes

In order to ensure that every hamlet has at least one representative on the CMT, each hamlet is supposed to nominate CMT representatives, who may then compete with other nominees in a village-wide election for executive positions. The POM, however, does not explicitly describe a method for the selection of hamlet representatives and, as a result, selection methods varied substantially across sample hamlets. While three broad selection processes were identified ([i] selection at meeting; [ii] selection at other community meetings; and [iii] selection by the Hamlet Chief), the Hamlet Chief was observed to be heavily involved in the selection of hamlet representatives in almost all cases.

In hamlets where the selection of representatives occurred during the meeting, the most common selection methods involved either secret ballot voting or a discussion among attendees, although Hamlet Chiefs usually nominated candidates under both procedures. In approximately half of the sample hamlets, representatives were selected prior to the socialization meeting either through separate meetings or through another means. In some cases, Hamlet Chiefs held separate pre-socialization meetings to select nominees. For example, one female village facilitator explained to researchers that she was selected at a short meeting led by the Village Chief and Hamlet Chief attended by 30 villagers. In other cases, however, the Hamlet Chief came to the meeting with a list of hamlet representatives and did not clarify how the selection was made. Villagers noted that they believed that the Hamlet Chief made the decision unilaterally.

There were no reports that villagers challenged the Hamlet Chief or expressed dissatisfaction with the selected representatives or the selection process. PNDS staff also did not require that the selection occurred at the meeting. In only two of the meetings at which the Hamlet Chief was observed to have arrived at the meeting with a list of nominees did the facilitators ask the villagers to approve the list before it was submitted. In both cases, villagers did not challenge the list.

3.5.2 Desired Characteristics of Representatives

The does not impose any experience or education requirements on hamlet representatives, but encourages villagers to consider nominees who have experience or knowledge relevant to the role that they will fulfill. Interviews with villagers

[108] For instance, a 21 year old farmer explained that even though he did not attend the PNDS socialization meetings, he had heard about PNDS through television announcements and that he would like to *"get involved [in] working … to get some money through the PNDS project*".

indicate that, among representatives, qualifications particularly valued include the ability to speak publicly, education, the ability to manage money, and good character.[109] On education, villagers generally opined that candidates should have completed secondary school and, at a minimum, should be able to read and write.[110] Previous occupational and/or related experiences were also mentioned as an important qualification.[111] As PNDS grants are managed by the CMT, money management skills are considered an important qualification for hamlet representatives, particularly by local leaders and PNDS staff.[112] The character of the nominee was also emphasized in the selection process, with Hamlet Chiefs commonly advising against those who gamble or are prone to drunkenness.[113]

3.5.3 Declined Nominations

Although most persons selected to serve as hamlet representatives accepted the nomination, there were some instances in which individuals declined to serve. Although the POM encourages the nomination of persons who work on other community projects, there were instances where individuals with other responsibilities declined due to concerns about whether they could fulfill the responsibilities imposed by PNDS. Students also declined for similar reasons. At one meeting, a woman declined to serve after a male attendee questioned if she could fulfill her role and suggested two other possible female candidates. Of these, one woman could not ask her husband because he was working in Korea at the time and the other had a newborn child. As no other female nominee could be identified, the hamlet submitted three nominees for the election rather than the prescribed four.

3.6 Recommendations

3.6.1 Increasing Attendance

In order to increase attendance at PNDS meetings, it is necessary to improve villagers' awareness of such meetings and their access to information about PNDS generally. In sample hamlets, the dominant communication strategies used by the Hamlet Chief to announce socialization meetings were household visits and central-point messaging. Such strategies give the Hamlet Chief substantial discretion over who receives the announcement.

It is thus important that PNDS institutions, such as the KPA, be encouraged to utilize more robust communication strategies. For instance, the KPA may announce PNDS meetings and activities at public meetings and could also ask religious leaders and other group leaders to make announcements during services and other meetings. Communication strategies should also engage other publicly accessible spaces. Information regarding PNDS implementation activities can be announced through community radio stations, where available. Public message boards should also be used. In particular, the KPA should consider installing message boards in places frequented by villagers, such as local kiosks, public market places, and schools. Other communication strategies, such as focal point messaging, might take advantage of social networks. For instance, villagers might be encouraged to share information with their friends, family members, and neighbors.

3.6.2 Measuring Participation

Attendance sheets are an important gauge of participation. However, because both community leaders and PNDS facilitators benefit from demonstrating high levels of attendance, there is an incentive for these actors to inflate attendance numbers. To discourage such practices, clear guidelines should be established in the POM and in facilitator field guides indicating

---

[109] A 64-year-old man who works as a catechist described an individual that he nominated, "*I wanted him to be part of the team because he behaves well in the community. He does not get involve [d] in gambling, alcohol, women, or anything like that. He also finished high school so he knows how to read and write, which is one of the requirements to become member of the CMT*". In a conversation overheard by researchers at a hamlet meeting, one attendee asserted that the nominees should be able to speak in public so that they can "*represent the hamlet's interest against the two bigger hamlet*".

[110] PNDS facilitators also often emphasized education during socialization presentations. During socialization, facilitators sometimes emphasized that persons holding executive positions on the CMT would need to be able to read and write because they would be responsible for reports.

[111] According to one community member the hamlet representatives were selected because "*…they have lots of the experience of organizing the community [and] with NGO's. [They] finished their study at senior high school [and] can write and read*."

[112] A Hamlet Chief explained that when considering nominations, he considered those who "*understand about expenditure [and] how the cash is supposed to be spent*". Similarly, at an election meeting, a community police officer argued that "*we cannot choose people who have borrowed money and have failed in paying back the money*".

[113] As one Chief explained to the community before voting, "*you have to be careful when choosing people for the positions. Do not choose people [who gamble] and [are] drunks …because the money is the public or government money. It is not our private money. Choose carefully. All of us belong to the village [and] we [are] all human beings, but we have different characters. If we don't manage the money well we will not be trusted by other people and, thus, in the future we will not get any money from the government*".

that only persons present at meetings can place their names on the list. It is also important that monitoring efforts do not rely solely on attendance lists. To the fullest extent possible, monitoring efforts should increase both direct observation of meetings and communication directly with villagers.

3.6.3 Inclusion of Marginalized Groups

To further engage marginalized groups villagers, PNDS facilitators could increase the scope of activities during socialization. This could include holding separate socialization activities for persons living in remote areas, women, youth or elderly persons. Women's group meetings are a particularly important vehicle for communication as they provide a time and space to address women in which they are comfortable speaking.

Additionally, information campaigns accompanying PNDS implementation should emphasize the importance of including all villagers in decision-making processes. In particular, it should be made clear that villagers do not need an invitation to attend meetings. In addition, the socialization process would benefit from further discussion of the roles that persons living with disabilities may serve in PNDS. While such persons might be excluded from physical labor, they are still able to take on book keeping or administrative roles and/or contribute ideas and make decisions on the selection of projects.

3.6.4 Encouraging Active Participation

Active participation by villagers in PNDS meetings should be further encouraged. This is particularly important for women, as cultural norms discourage women from asking questions or voicing opinions during meetings. PNDS facilitators should continue to provide time during meetings for marginalized groups of villagers, such as women, to speak. However, they should also be aware that villagers could still be reluctant to voice concerns. One way to address this reluctance is to provide villagers the opportunity during meetings to submit questions or comments anonymously. This could be done following the presentation of information by setting aside 15 minutes at either the mid-point or at the end of the meeting. After villagers have submitted their questions and / or concerns, the PNDS facilitators or CMT members can read these aloud for discussion.

To improve the participation of illiterate persons who are in attendance, facilitators should continue to use visual aids that incorporate pictures during presentations. As illiterate persons cannot rely on written visual aids, facilitators should make every effort to speak in plain, clear language. During elections and nominations, facilitators should encourage discussion about ways in which illiterate persons can serve on the CMT. In addition, KPA members should take literacy into consideration when designing and implementing communication strategies.

3.6.5 Informal Meetings

An important finding of the socialization LPM is that important decisions regarding PNDS implementation are being made outside of the public meetings organized by PNDS staff. As these meetings are not organized by PNDS, they are difficult to monitor. Marginalized villagers or those living in remote locations will be unlikely to attend or even know that the meetings took place. Without the presence of PNDS facilitators or monitors, there is no way to know for sure if the decision-making process follows PNDS guidelines or if the process was participatory.

Holding meetings separate from those organized and attended by PNDS increases the likelihood that important decisions will be made without following the guidelines established by PNDS. Village elites may use these meetings as a means to control the decision-making processes. In doing so, certain groups of villagers or even the majority of villagers may be excluded from the decision making process. Additionally, side meetings that are not inclusive of the community as a whole will also potentially discourage feelings of community ownership towards PNDS projects. While it would be difficult to preclude such meetings, PNDS facilitators must insist that they are present at meetings at which PNDS-related decisions are made

4 ELECTIONS

Elections are held for CMT executive positions, which assume leadership roles in PNDS planning, oversight, and implementation at the village-level. The following sections report the findings of the LPM of these elections, covering election procedures (4.1); attendance and participation during election meetings (4.2); and the election results (4.3).

4.1 Election Procedures

4.1.1 Description of Voting Process

Executive positions for the KPA, EOM, and EIP and two Village Facilitators are selected by local elections. Candidates for these positions are the individuals selected during the socialization phase (see Section 3) to represent their hamlet. According to PNDS guidelines, voting should occur through secret ballot. Although the meeting is open to the public, the POM restricts voting to KPA members.[114] Nominees cannot be elected if they are not present at the meeting and the list of nominees cannot be changed at the elections.[115] KPA members cast their votes by writing the preferred candidates name on a piece of paper and placing it in a ballot box.

There are three executive positions elected for the KPA, EOM, and EIP. For the KPA, participants elect a President, a Vice-President, and a Secretary. After participants vote, the person with the highest number of votes becomes President, the person with the second highest number of votes becomes Vice-President, and the person with the third highest number of votes becomes Secretary.[116] The POM establishes guidelines to ensure the representation of women. First, each person must vote for a male candidate and a female candidate. During voting, a list of male nominees and a list of female nominees are placed on the wall and two boxes are placed on a table in front of the lists. Each voter writes down one name from each list and places the vote in the corresponding box. This makes it impossible for women to receive zero votes, as could occur if the male and female lists were combined. Second, to ensure gender balance on the KPA, the Vice-President must be the opposite gender of the President.

Following the election of KPA executives, Village Facilitators are elected. Voters select two Village Facilitators, one male and one female. For both the EOM and the EIP, participants elect a Head, a Secretary, and a Treasurer. The candidates for these positions are taken from the list of nominees that remain after the Village Facilitators are selected. The names of the Village Facilitators are crossed off the list and three boxes are placed on the table. Because the EOM focuses on monitoring, while the EIP organizes implementation, the Head and Secretary positions for each of these are voted separately to ensure that nominees are qualified. The candidate with the highest vote in the EOM box becomes Head and the person with the second highest number of votes becomes Secretary. The same process decides the EIP election. The gender requirement for the EIP and the EOM is that each must have one female member. If no female wins the vote, then the female candidate with the highest number of votes becomes the third member of the team.

4.1.2 Fairness of Elections

Village elections appear to have been administered fairly and in accordance with PNDS procedures. In all 11 elections, voting occurred through secret ballot. While in one village, the Village Chief proposed that positions be filled through a consensus-based procedure, the selection proceeded via secret ballot following a 30 minute discussion. In all 11 villages, votes were counted in front of attendees and PNDS facilitators directly oversaw vote counting. In seven elections, PNDS facilitators participated in vote counting, with villagers and/or nominees assisted PNDS facilitators in counting votes in 3 of these elections. In the remaining 4 villages, villagers and/or nominees counted the votes alone.

As PNDS election procedures state that voters write the name of the candidates on a piece of paper, voters who cannot read or write required assistance. Researchers observed that voters required assistance in seven out of 11 village elections. PNDS staff provided this assistance in two of these elections and family or other villagers provided assistance in four other elections. In one election, the Hamlet Chief provided assistance. In two of the 11 elections, researchers observed participants

[114] The KPA is comprised of the members of the Village Council and one representative from each of the hamlets.

[115] Requiring that nominees are present at the elections encourages the attendance and participation of nominees and ensures that nominees are not simply selected by elites. Ensuring that the list of nominees cannot be changed after the hamlet meeting helps to make sure that the preferences of villagers are represented in the village election.

[116] All members of the Village Council are automatically members of the KPA, although the Village Chief cannot serve as President. This ensures that the Village Council and the KPA are not led by the same individual.

standing near the voting area and telling voters who to vote for. However, there were no reports that village elite interfered directly in the voting process.

Importantly, PNDS facilitators enforced PNDS election guidelines even when challenged. In particular, attempts were observed by local leaders to change or substitute hamlet representatives; to overturn disqualification of nominees who did not show up to the election; and to not enforce gender quotas. In one village, for instance, a Village Council member "*wanted to take out [a candidate] from KPA list to put in the list on nominees for FS, EIP and EOM, so that she can be elected for the treasurer of EIP because she has a lot of experience on managing the money*". The PNDS facilitator rebuffed this request by stating that only those selected by villagers at the hamlet-level were eligible. In another village, researchers observed PNDS facilitators enforcing the inclusion of female candidates after a Hamlet Chief claimed that "*during [his] 17 years as Hamlet Chief there is not a woman that [is] capable that I can nominate*" and so proposed a men as a replacement.

Although PNDS facilitators were successful in enforcing the rule that candidates must be present at the time of the election and that they could not be replaced with another candidate after the village election, there are no clear guidelines regarding replacing these nominees. In all instances, the persons were disqualified but no substitutes were selected. This ensures that the Hamlet Chief cannot autonomously select nominees. However, this also resulted in some hamlets being denied equal opportunity for representation in CMT executive positions.

4.1.3 Inclusion of Women

Although PNDS staff successfully ensured that women were able to assume the required leadership positions, there were occasional cases of open discrimination against women at meetings. In one sample village, three hamlets failed to submit a list of female nominees and, at the meeting, the Hamlet Chief and attendees argued against including women as nominees, maintaining that no women in their hamlet were qualified to serve. The election of women to the technical sub-committees was particularly controversial. At this same meeting, one woman elected to serve as Head of the EOM resigned her position to a man, stating that she was not qualified. Following another meeting, a male villager overheard telling his friends that "*they have [made] a mistake as the EOM positions are all occupied by females…if something [is] broken or destroyed, [then] the females will not go and do anything to fix it*." The emphasis placed on public speaking is also thought to have discouraged women, given that women are traditionally discouraged from speaking in public or from challenging male counterparts.

4.2 Attendance and Participation

Village election meetings generally were not widely attended by villagers. Local notables, such as police officers, church representatives, and community development officers (CDO), would sometimes attend and, when in attendance, were often invited to address the participants on the importance of elections, necessary criteria for electing candidates, and importance of cooperation amongst villagers in implementing PNDS implementation. The catechist further opened and closed the meeting with a prayer. Village leaders were active participants in election meetings. The Village Chief is always given the opportunity to address the community at the opening of every meeting and often spoke of the importance of particular qualifications. Village Secretaries sometimes organized the attendance sheet or assisted with voting for persons who cannot write.

Although there were no reports that villagers challenged Village Chiefs or Hamlet Chiefs, there was an instance in which other community leaders held a Hamlet Chief accountable to PNDS procedures. In this case, the Hamlet Chief refused to list females as hamlet representatives, stating that "*As far as I know there is no woman in my hamlet who can write [or has the] ability [for the] important post [of] EIP and EOP, therefore, I do not want to waste my time to nominate the women....*". The Village Secretary and a local teacher told the Hamlet Chief that he was discriminating against women in his hamlet and that he was not using his role as an important person in the community to nominate women.

4.3 Election Results

No Village Chiefs were elected to serve as the KPA President and there were no reports that PNDS had to enforce this rule. However, seven of the 11 male candidates elected as KPA President were members of the Village Council. Of these, five were also Hamlet Chiefs. Of the women who were elected, one had served previously as a member of the Village Council in another village and the other had previously served as the women's representative.

The gender quotas established by PNDS were fulfilled as specified in all sample villages. Participants generally complied with the PNDS gender quota requirements, with the exception of one instance in which one attendee told the PNDS staff that they should only facilitate the program, not decide who the community nominates. The PNDS staff remained

professional in this instance, reviewing the rules and enforcing the gender requirement. Of the 11 villages in which observations were completed, only three villages elected women to be President of the KPA. In six of the 11 villages, women were elected as Secretary.

Women were more likely to be elected to the positions of secretary and treasurer than as head of the EOM or EIP. Only two women were elected as head of the EOM, while no women were elected head of the EIP. However, of the 11 villages in which direct observations were conducted, nine EOM treasurers were women and seven EIP treasurers were women. Six women were elected as EIP secretary and seven women were elected as EOM secretary.[117]

4.4 Recommendations

4.4.1 Increasing Attendance

Observation of village election meetings indicated low levels of villager attendance. To increase villager attendance at KPA meetings, villagers must be informed about meeting schedules and understand that they have the right to attend meetings. All information campaigns should emphasize that villagers are allowed to attend meetings and that formal invitations are not necessary. PNDS facilitators should also check to ensure that all villagers have access to information regarding their rights.

4.4.2 Incomplete Lists of Nominees

The POM does not currently provide guidelines regarding cases of incomplete lists of nominees. In the meetings observed, elections proceeded as planned even when the nominee lists were incomplete. When a hamlet does not submit a complete list of nominees or if any of these nominees are disqualified, this hamlet does not have an equal opportunity for representation on the CMT. The POM should establish clear guidelines for facilitators and participants. These guidelines could include not allowing elections to take place until every hamlet submits a complete list of nominees or the selection of alternates in cases where a nominee is disqualified.

4.4.3 Inclusion of Women

Although all gender quotas were enforced, women still faced discrimination in certain instances. First, facilitators should be encouraged to take an active role in addressing discrimination, should they encounter it during meetings. Second, during elections, facilitators should be sure to emphasize to participants that women are equally capable to serve in all roles of the CMT. Third, information campaigns can be implemented that explicitly addresses the importance of including women in PNDS implementation.

[117] One potential explanation is that voters could be linking money management with women with roles that they perform in the community. In at least one sample village, women are traditionally responsible for managing both household and community money. Additionally, micro-finance programs actively work in the districts providing loans to rural women. Women who are seen as successful in managing these loans may be seen as qualified to serve in CMT positions that work directly with money. However, the number of women elected to this position might also be related to the order in which the ballots were counted. Because women must be appointed to the EOM and EIP if the male candidates are elected to fill the Head and Secretary positions, the number of women elected to the Treasurer positions might be due to counting the votes for this position last.

5 PRIORITIZATION

Prioritization aims to facilitate community discussion on project ideas that can be developed into detailed plans for project proposals and is the fifth step in a 12-step PNDS implementation cycle.[118] The following sections detail the findings of monitoring of PNDS prioritization processes, with a particular focus on differences between procedures prescribed by the POM and those observed. Section 5.1 outlines the structure or prioritization per the POM; Section 5.2 details issues around the scheduling of prioritization meetings and the occurrence of informal meetings prior to official prioritization events; Section 5.3 presents observations and findings from monitoring of prioritization events, including levels of attendance and participation, points of discussion, and the structure of various meetings held throughout the process; and Section 5.4 compares outcomes of prioritization processes in Phases I and II of PNDS with villager priorities identified by the Baseline Survey. Section 5.5 provides recommendations for how the efficacy and equity of the PNDS prioritization process could be improved.

5.1 *De Jure* Structure of Prioritization

According to the POM, prioritization meetings are required first take place at the hamlet-level, whereby all members of the community are allowed to attend and vote on a list of projects that represent priorities for the respective hamlets. In addition to a joint hamlet-level meeting with men and women, a separate women's meeting and priority settings is required to take place. Thus, at the end of the hamlet-level meeting, two-project priority lists are produced: (i) a list of priorities from the separate women's meeting; and (ii) a list of priorities from the joint meeting.

Following the hamlet-level meetings, a village-level meeting takes place. Only KPA members and identified representatives from each hamlet are required to attend the village meetings. At the village meeting, all hamlet projects within the village are further evaluated and prioritized. Like hamlet meetings, both a separate women's meeting and joint women and men's meeting takes place. However, only one priority list is produced in the end, with at least one project from the women's list required to be on the final priority list. At this point, the prioritization process concludes. The next steps in the PNDS process involve project proposals being written up for the first three project ideas from the village priority list and those proposals being sent off to the PNDS District team for further review, verification, and approval.

5.2 Activities Prior to Prioritization Meetings

5.2.1 Scheduling

Scheduling for prioritization events appeared to be done on an *ad hoc* basis. Typically, the LPM teams learned of prioritization meetings a few days before they were scheduled to occur. In some cases, meetings were cancelled or the LPM team learned about the meetings after they had occurred. As a result, only 14 of the 26 hamlet meetings and 12 of the 13 village meetings were directly observed.[119] Specific problems encountered relating to the scheduling of meetings included:

Lack of Coordination with PNDS Secretariat: None of the sample villages coordinated prioritization meeting schedules with the PNDS Secretariat. As a result, scheduling information was only available by routinely calling the villages concerned. At times, the LPM team were either unsuccessful in obtaining the information or received it too late or after-the-fact and so missed the opportunity to attend and directly observe the meeting(s).

Acceleration of Schedules: Several villages accelerated the prioritization process and conducted meetings before receiving the necessary operational funds. Village authorities claimed that this was done due to concerns that the forthcoming rainy season would interfere with the PNDS process and reduce attendance. Thus, instead of waiting for the operational funds, villages borrowed money from Village Councils in order to proceed with activities.

Cancellation of Meetings: Two hamlets cancelled their respective prioritization meetings because of a lack of attendance and, as a result, were not represented at the respective village meeting.[120]

[118] The cycle steps before prioritization include: (i) socialization for district and sub-district key stakeholders; (ii) socialization for hamlets and villages and elections for the CMT members; (iii) opening of village bank accounts and disbursement of the operational funds; and (iv) training for CMT members and village facilitators. At the time LPM data was collected on the prioritization process, all sample villages had gone through the socialization process, but not all had received operational funds.

[119] See Appendix E for a complete listing.

[120] In one of the cases, it was also noted that there were heavy rains the day of the meeting.

5.2.2 Informal Meetings

In two villages, villagers indicated that the Village Council had held an informal meeting to prioritize projects prior to the official scheduled meeting. Only the Village Council members attended the meetings and that no PNDS staff were present. Respondents indicated that during the informal meeting, councilors discussed how to get members of the community more involved in the PNDS process and which projects should be prioritized. One respondent indicated that councilors decided which specific project would be selected.

5.3 Prioritization Meetings

5.3.1 Organization

The start times, location, duration, and promptness of meetings varied across both hamlet- and village-level prioritization meetings. Villagers identified the following issues with the ways in which meetings were organized or conducted:

Distance to Meeting(s): Some meeting participants and non-participants alike complained that the location of the meeting was too far from their home. In the case of non-participants, this resulted in people being unable or unwilling to attend the meeting(s).

Start Time: Some meeting participants and non-participants alike also complained that the meeting started too late (i.e. late morning or early afternoon). In particular, some villagers had other jobs or obligation to attend and experienced difficulties in rearranging their schedule to attend the prioritization meeting.

Location: Participants often complained that meetings were held at a Hamlet Chief's or Village Chief's house. The issue was not with the Chief's home per se, but with the lack of any community center conducive to hosting a large number of people. In these cases, people would often discuss and/or prioritize the need for a community center during the prioritization meeting.

5.3.2 Attendance and Participation

Villagers interviewed who did not attend prioritization meetings stated that they did not attend either because they did not know about the meeting(s) or could not go because they had work or family obligations or because the distance to the meeting was too far.[121] More than half of such non-participants knew of PNDS and/or said that they or a member of their family was invited to a prioritization meeting, primarily by the Hamlet Chief.[122]. For those non-participants that knew of PNDS, some commented that they would like to be involved in PNDS by attending future meetings and/or donating materials to the project or cooking food for the project workers. Most had a positive impression of PNDS. Where non-participants raised concerns, these usually pertained to whether the right project would be selected for the community and whether operational funds for projects would be provided. Project priorities of non-participants were found to almost always match the priorities chosen at the hamlet-level prioritization meeting.[123]

Nearly all interviewed participants said they were invited to attend the prioritization meeting by the Hamlet Chief and/or a member of the CMT. Furthermore, they said they had attended specifically because the Chief invited them, but most indicated that they wanted to and thought it was important to go to the meeting. Some women commented that they were encouraged to go because they knew women's participation was required. All participants could provide a clear description of what PNDS is and what it does. However, some participants incorrectly identified the World Bank as the funder of the PNDS and not the government. A majority of participants said they would continue to help in the process after prioritization by working on the project(s), donating materials to the project(s), and/or preparing food for the project workers.

[121] Female non-participants were typically those that did not attend meetings because they were caring for their children or a sick relative. Male non-participants typically did not attend meetings because they had work obligations.

[122] It is not clear through the respondent interview data whether individuals were invited to hamlet- or village-level meetings, but based on general observations it is inferred that non-elite individuals were mainly invited only to hamlet-level meetings. Local leaders typically only attended village meetings. Furthermore, upon the conclusion of several hamlet meetings, participants were told that they did not need to go to the village-level meeting and that a team of nominated individuals would take part and represent the hamlet on their behalf.

[123] The main exceptions were in instances where the non-participant indicated a project that was not an allowable project by the PNDS (i.e. large-scale projects, such as new health clinic and/or new school).

Nearly all local leaders interviewed acknowledged that, while they were not only required to participate in the prioritization meetings, it was their responsibility to mobilize other individuals and participate in the process. Like the participants, all community leaders could give a clear description of what PNDS is and what it does.

Table 11 below lists the number of individuals who attended each hamlet prioritization meeting and each village prioritization meeting observed by the LPM team. In all but one case, there were more men in attendance at the meetings than women. On average, 68 percent of attendees were men and 32 percent were women. Village prioritization meetings include members of the KPA and representatives from each hamlet. In all cases, there were more men in attendance at the meetings than women. On average, 64 percent of attendees were men and 36 percent were women.

Table 11: Attendance at Hamlet Prioritization Meetings

		Hamlet Meetings		Village Meetings	
		Male	**Female**	**Male**	**Female**
Village 1	Hamlet A	Not Observed		30	27
	Hamlet B	Not Observed			
Village 2	Hamlet A	9	7	16	12
	Hamlet B	Data Not Collected			
Village 3	Hamlet A	46	16	16	4
	Hamlet B*	28	11		
Village 4	Hamlet A	Not Observed		17	10
	Hamlet B	Not Observed			
Village 5	Hamlet A	20	10	Data Not Collected	
	Hamlet B	38	12		
Village 6	Hamlet A	13	5	19	15
	Hamlet B	Cancelled Due to Low Attendance			
Village 7	Hamlet A	20	13	17	10
	Hamlet B	11	23		
Village 8	Hamlet A	4	2	Data Not Collected	
	Hamlet B	34	18		
Village 9	Hamlet A	Not Observed			
	Hamlet B				
Village 10	Hamlet A	Cancelled Due to Low Attendance		15	8
	Hamlet B	11	3		
Village 11	Hamlet A*	21	6	21	6
	Hamlet B*				
Village 12	Hamlet A	Not Observed		15	7
	Hamlet B	Not Observed			
Village 13	Hamlet A	Not Observed		27	11
	Hamlet B	Not Observed			
Village 14	Hamlet A	Not Observed			
	Hamlet B				
Average		**21**	**10**	**13**	**7**

*Combined with one other hamlet meeting

5.3.3 Points of Discussion

Hamlet and village prioritization meetings usually started with a welcome message, a prayer, and short speeches and presentations by one or more community leaders and the facilitators. Issues that arose during the meetings included the following:

Project Should Be Small-Scale*:* While the list of acceptable projects was often read aloud, PNDS facilitators would reiterate that that the PNDS grant would only cover small-scale projects. Thus, attendees were told to consider the rehabilitation of infrastructure projects and not to choose new projects.

Attendees Were Told Not To Be Disappointed: Chiefs and facilitators almost always told attendees not to be disappointed if their preferred project was not chosen. As PNDS is an 8-year program, projects that are not selected this year, may still be selected next year.

Verification Process: Facilitators informed attendees that selected projects will need to go through a verification process to make sure the survey, design, and budget for the project is feasible. Attendees expressed concern over the verification process because they have seen other projects (non-PNDS related) fail, particularly during the verification process, during project construction, or during implementation. Attendees wondered skeptically what would prevent PNDS from failing in a similar manner. Facilitators explained that PNDS is different because projects are owned by the community, but this did not allay such concerns.

Land Rights: Attendees also expressed concerns over land ownership issues and questioned whether they could obtain the proper land-use rights and/or if the grant could cover land purchases. Sometimes projects were not chosen or even considered due to the perceived intractability of land rights issues.

Technical Complexity: Projects that might otherwise have been preferred were also not selected or considered due to perceptions that the project would be too complex or otherwise impractical given available technical skills and material. As a result, community halls were often chosen by communities over higher priority projects like water or road projects because they were deemed easier to implement given available skills and materials.

Projects Being Implemented by Other Agencies: Facilitators would often tell attendees to not consider projects that are planned by other government departments or NGOs. The communities complied, but some discussed duplicating a project on the grounds that they would have a better chance of project success if in case one of the two projects failed.

Women's Priority Project: In some cases, facilitators emphasized that a separate women's meeting would take place and at least one project selected by the women must be on the final priority list for the village. Some participants noted that this was the first time that women were able to have a separate meeting and be involved in the decision-making process. However, there were many instances where the women's meeting did not take place.

Community Centers: Facilitators would often remind villagers that community centers do not reduce poverty and note that PNDS has a rule whereby only one community center, which should by multi-functional, can be built in a village every four years. However, in two villages, this message was misunderstood and attendees believed that community centers could not be built at all with PNDS funds. In one of these villages, no PNDS staff members were present at the meeting, which may explain the misunderstanding.

Toilets: Facilitators noted that the PNDS does not build stand-alone or private toilets and will only fund toilets which are part of other public facilities (e.g., in a clinic, community center, or school). People, especially women, would sometimes challenge this rule and make a recommendation to the PNDS to allow stand-alone or private toiles. Women were often dissatisfied with the limitations on where a toilet could be built.

Incentives for PNDS Work: While incentives were not usually presented at prioritization meetings, attendees would often raise and discuss the pay scale and incentives to work on PNDS projects. Many attendees commented that the pay for PNDS projects was much lower than other projects (and market value) and/or not large enough to incentivize people to participate. Attendees further expressed concerns that PNDS projects would fail because of the inability to recruit and retain skilled workers.

PNDS Grants and Number of Projects: In each meeting observed, facilitators explained the amount of funds the village would receive. Facilitators would typically indicate that up to three projects per village could be built, but attendees were generally confused by this as the prioritization process entailed making lists of up to six projects in a hamlet. By the end of the meetings, most attendees indicated that they understood, although post-meeting interviews indicated that some confusion remained, with villagers unclear if three projects were going to be implemented in each hamlet or in the whole village.

Health and Education Projects: Individuals from almost every single village (during interviews and/or meetings) commented on or discussed the need for a new health center and the need for more funds to build such a facility. People, especially women, also commented on the need for schools facilities, but the request for schools came out more during the interviews rather than during the prioritization meetings. While these larger-scale projects were discussed and deemed important by the communities, water, road, and community hall projects often superseded them as the priorities.

Mapping Exercise: After the introduction and the presentation of information, each hamlet is supposed to undertake a situational analysis and mapping exercise. This activity drafts a map of the hamlet showing the existing infrastructure and infrastructure needed. The mapping exercise took place in seven of the 14 of the hamlet prioritization meetings that were observed.

5.3.4 *Structure of Women's Only Meeting*

At both hamlet and village prioritization meetings, women are supposed to have a separate meeting and vote on a list of priority projects.[124] However, separate women's meetings took place in only six of the 14 of the observed hamlet meetings and in none of the 12 observed village meetings.[125] Even when women's meetings occurred, such meetings usually took place within a corner of the meeting room or just outside the meeting hall and in close proximity to male villagers. On several occasions, men listened to the discussion and even interjected with their own opinions. Although women never complained about the lack of privacy or the intrusions, the arrangements may nonetheless have changed the nature of the discussions and decisions.

During the meeting, women were supposed to vote on a list of priority projects using the seed's method.[126] In the six hamlet meetings where women's meetings took place, in only one was this process followed. In the other five meetings, women reached an outcome though discussion and or by a show of hands. Researchers did not report any disagreements or major issues during the women's meeting other than a need for clarification of what types of projects could or could not be approved. On the latter women were, most notably, reminded that private or standalone toilets could not be built or approved with the PNDS funds, but constructing toilets in existing public buildings was permitted.

5.3.5 *Structure of Joint Women and Men's Hamlet Prioritization Meetings*

A joint women and men's meeting takes place at both the hamlet-level following the women's only meeting. At the start of the joint meeting at the hamlet-level, a woman who took part in the women's meeting is supposed to present the top three priorities from the meeting and describe the reasons why the projects were chosen. Thereafter, an open group discussion is supposed to take place, where both the men and women discuss and nominate a list of at least six priority projects in addition to the projects nominated by the women's meeting. After the discussion, the group is supposed to rank and vote on the list of priority projects using the seed method. Using the outcome of the vote, two lists are supposed to be prepared and sent off for the village prioritization meeting. The first list is supposed be the list of the top three priorities from the women's meeting, while the second list is supposed be the list of the top three priorities from the joint meeting.

In 14 meetings where group discussions were observed, only two followed the correct voting process. In the other 12 meetings, the group either reached a consensus through discussion and or voted by a show of hands. Moreover, as women's meetings were not always conducted before the joint meeting and the correct voting process was not always conducted in either meeting, it was difficult to determine if women's projects were being represented correctly and the correct number and type of projects all together were being chosen.

Nonetheless, there appeared to be no major disagreements or concerns beyond the issues those noted in Section 5.3.3. Interview respondents generally reported that they were pleased with the process and outcome. A few respondents noted that women's participation could be improved throughout the whole prioritization process. Only a small sample of women actively participated in the meeting, while the rest just sat and listened and/or helped prepare and serve coffee and snacks.

5.3.6 *Structure of Joint Village Prioritization Meetings*

At the start of the joint women and men's meeting at the village-level, a female KPA member is supposed to present the top three priorities from the women's village meeting, including the reasons why the projects were chosen. After this, an open group discussion allows attendees to nominate six priority projects from among those nominated by hamlets. At least one of the priorities selected by women should be included in the final village list of priority projects. After the discussion, the group is supposed to rank and vote on the list of priority projects using the seed method.

In the 12 village meetings directly observed, only two followed the voting process. In the other ten meetings, the group either made a decision through discussion or by a show of hands. While the village meetings mirrored the hamlet meetings in relation to women's participation, issues discussed, and processes followed, village meetings were attended by representatives of hamlets in the village, who were responsible for presenting and defending projects chosen by their

[124] At the hamlet meeting, the women's meeting takes place after the mapping exercise. At the village meeting, because no mapping exercise (is supposed to) take place, the women's meeting takes place after the introduction and presentation of information.
[125] See Appendix E for a complete listing.
[126] The required 'seeds method' worked by writing all the names of the nominated priority projects on an envelope. Then, each participant was given three seeds to place in the envelopes, which represented a project, of their choice. After everyone had voted, the envelopes were emptied one at a time and the seeds were counted out-loud in front of everyone.

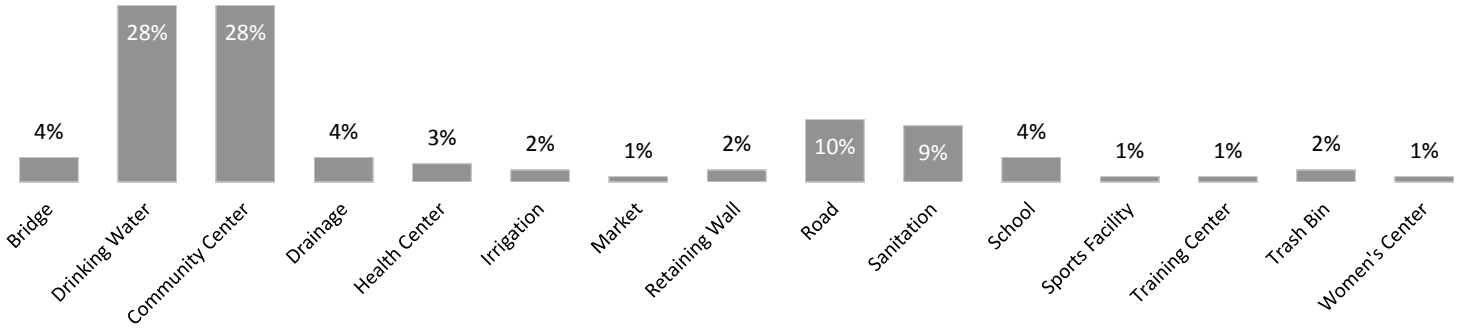
respective hamlets. As such, the village meetings entailed a discussion of which hamlet(s) should benefit and receive a project. Typically, the hamlet(s) most in need or most rural were chosen.

Except for two villages, attendees were generally pleased with the outcome of the meeting. In one village, however, no PNDS staff members attended the meeting and, as a result of this and a lack of leadership in the village, attendees lacked adequate information on PNDS, which led to confusion and arguments on the types of project that could be built and who should benefit. In another village, villagers indicated that they did not like that the decision was made and, furthermore, in this meeting, CMT members were not allowed to vote. Both villagers and CMT members expressed a preference for a more formal voting process, although attendees were generally pleased with the projects that were selected.

5.4 Comparison of Prioritization Outcomes with Villager Priorities

Among the principal goals of PNDS are that the selected infrastructure projects reflect the priorities of the communities and positively impact their welfare. A *prima facie* assessment of the extent to which PNDS project selection procedures are facilitating the achievement of these two goals can be gleaned by comparing data on villagers' on project preferences and assessments of the usefulness of different project types (presented in Section 6.1 of Part I) with the types of projects actually selected for funding through PNDS processes. In villages mobilized by PNDS under Phases I and II,[127] community centers (28 percent) and drinking water (28 percent) projects were most commonly selected, followed by roads (10 percent), sanitation projects (9 percent), schools (4 percent), and bridges (4 percent).

Figure 61: Projectes Selected by Phase I and II Villages



Projects selected by PNDS in Phases I and II accord partially with community preferences. Drinking water was the second most commonly identified priority among villagers (21 percent) and was also among the two most frequently selected projects (28 percent). However, while roads and bridges were the most frequently identified priority among villagers (47 percent), the selection of road and/or bridge projects for PNDS funding was comparatively rare (14 percent). At the other end of the spectrum, while very villagers identified community centers as a priority for public investment (2 percent) or as the most successful public project (1 percent), community centers were the most frequently selected project in Phase I and II villages (28 percent).

A number of reasons why community centers are selected over those projects more frequently preferred by households are suggested in Section 6.3 in Part I. In particular, community centers may be selected by local authorities due to: their own preferences; due to their limited complexity relative to road and bridge projects; to minimize conflict that might otherwise arise from decisions over the location of rivalrous projects; by a desire to assert the status of a hamlet or village or to compete with other hamlets or villages.

5.5 Recommendations

5.5.1 Limited Participation of Marginalized Groups

The attendance and participation of women, persons with disabilities, and those living far from meeting place was often limited. During prioritization meetings, men dominated discussions, with women's roles usually limited to food and coffee preparations. Whereas PNDS mandates at least 40 percent female attendance, women consisted, on average, of 32 percent

[127] As villages were randomly assigned to Phases I, II or III, project preferences ascertained during the baseline survey (administered in Phase III villages) are representative of project preferences in villages assigned to Phase I and II. Likewise, absent a change in PNDS selection procedures, the type of projects selected by villages mobilized under Phases I and II can be expected to be replicated in villages mobilized under Phase III.

of the attendees at hamlet meetings and 36 percent at village meetings. Furthermore, no participation by people with disabilities was observed despite meeting venues consistently meeting standards of handicap accessibility. Other groups who did not typically attend meetings included those who lived too far from the meeting venue and/or did not hear about the meeting. It is accordingly recommended that new ways are explored in to increase the attendance and participation of marginalized groups. Particular attention needs to be given to women, persons with disabilities, and those living far from the meeting place.

5.5.2 Lack of Adherence to PNDS Protocols

The required prioritization process is not always followed, particularly with respect to the voting protocol and the holding of separate women's meetings. In particular, the required voting protocol was followed only 14 percent and 17 percent of the time during observed hamlet and village prioritization meetings, respectively. The required separate women's meeting only took place in 43 percent of the hamlet meetings observed and in none of the village meetings observed. Where separate women's meetings did occur, the correct voting procedure amongst women only took place 17 percent of the time. The lack of adherence to protocols could create confusion, social division, distrust, and unfairness. Accordingly, current PNDS protocols should be enforced or otherwise modified. In particular, incentives to follow protocols and/or repercussions for not following protocols might be considered.

5.5.3 Uncompetitive Incentives

Attendees of the meeting and interview respondents noted that PNDS incentives were lower than those offered by other projects and salaries offered were below the overall market rate. In this case, people were concerned that no one would want to work on PNDS projects and the program would be unsuccessful. PNDS may thus wish to further evaluate the extent to which issues of workforce recruitment and/or retention contribute to project failures and, on the basis of this, consider offering competitive incentives and/or finding innovative ways to motivate people to work on PNDS projects.

5.5.4 Land Tenure Issues

Meeting attendees and interview respondents expressed concerns over land ownership issues. In some cases, otherwise preferred projects were not chosen or even considered because of concerns with land tenure. To accommodate such concerns, landownership consent should be sought prior to project implementation and any related issues should be addressed immediately. PNDS may further wish to develop a land tenure policy and assist villages in resolving related issues.

5.5.5 Absence of PNDS Staff

Without the attendance of PNDS staff, meetings (both informal and formal) can lead to elite domination and the transmission of inaccurate information. In particular, no PNDS staff members were present in those cases where informal meetings took place and decisions were made only by elites; where unclear or incorrect information was presented; and/or where there were any significant conflicts. Thus, it is apparent that the PNDS processes need to be monitored and assisted by well-trained, knowledgeable staff. In particular, it should be mandated that a PNDS staff member is present at all PNDS meetings. Furthermore, to the greatest extent possible, communities should be advised against conducting any structured informal meetings. If such meetings are necessary under special circumstance, a PNDS staff member should be required to attend and all information delivered should be documented and shared with the whole community.

5.5.6 Realizing Community Preferences

Among the principal goals of PNDS are that the selected infrastructure projects reflect the priorities of the communities and maximize welfare impacts. LPM data indicates that water and road projects are the main priorities for villagers, but that the complexity of these project types and land tenure issues often worked against their selection. Instead, villages selected what they considered to be more practical projects, such as community halls. Thus, projects selected for PNDS funding appear to only partially reflect community preferences. To address this, PNDS may wish to explore providing villagers with enough training and technical and financial support to feel empowered and capable of proceeding with projects that are both a priority and complex.

COMMON END MATTER

Australian Government
Department of Foreign Affairs and Trade

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

REFERENCES

Beath, A., Christia, F., & Enikopolov, R. (2015). "Direct Democracy and Resource Allocation: Experimental Evidence from Afghanistan". Mimeo: Massachusetts Institute of Technology.

Cummins, D. (2014). *Local Governance in Timor-Leste: Lessons in Postcolonial State-Building.* Routledge: London.

Government of Timor-Leste. (2010, October 22). Retrieved from 2010 Census Results: Timor-Leste's population grows slower than projected: http://timor-leste.gov.tl/?p=4144&lang=en

Hägerdal, H. (2012). *Lords of the Land, Loards of the Sea; Conflict and Adaptation in Early Colonial Timor, 1600-1800.* Leiden: Royal Neatherlands Institute of Southeast Asian and Caribbean Studies.

Labonne, J., & Chase, R. S. (2009). "Who is at the Wheel When Communities Drive Development? Evidence from the Philippines". *World Development* , p. 219-231.

McWilliam, A. (2005). Houses of Resistance in East Timor, Structuring Sociality in the New Nation. *Anthropological Forum: A Journal of Social Anthropology and Comparative Sociology* , 27-44.

National Statistics Directorate [Timor-Leste], Ministry of Finance [Timor-Leste], and ICF Macro (2010). *Timor-Leste Demographic and Health Survey 2009-10*. Dili, Timor-Leste: NSD [Timor-Leste] and ICF Macro

National Statistics Directorate [Timor-Leste] and United Nations Population Fund (2011). *Population and Housing Census of Timor-Leste, 2010*. Dili, Timor-Leste: NSD [Timor-Leste].

Ospina, S., & Hohe, T. (2002). *Traditional Power Structures and Local Governance in East Timor: A Case Study of the Community Empowerment Project (CEP).* Geneva: Graduate Institute of Development Studies.

Programa Nasional Dezenvolvimentu Suku (2013). *PNDS Programs Operations Manual.* Dili.

Tilman, M. (2012). Customary social order and authority in the contemporary East Timorese village: persistence and transformation. *Local-Global Journal, volume 11* , 192-205.

World Bank. (2014). *Project Concept Note - Programa Nasional Dezenvolvimentu Suku (PNDS) Research and Evaluation Program.* Dili: REP.

World Bank. (2012). *World DataBank*. Retrieved from World Development Indicators: http://databank.worldbank.org/data/views/variableselection/selectvariables.aspx?source=world-development-indicators#c_t

United Nations Integrated Mission in Timor-Leste (2012). *Report on the Rights of Persons with Disabilities in Timor-Leste*. Dili: Timor-Leste.

APPENDIX A GLOSSARY OF TERMS

Aldeia (Hamlet)	Smallest administrative entity of Timor-Leste. Typically a number of hamlets form a village.
Anciao (Elder)	An elected elder representative in the Village Council
Bahen	See *Lia Nain*
Katekista (Catechist)	Church representative on a village or hamlet level
Konsellu Polísia Komunitária – KPK (Community Policing Commission)	A community-based institution with representatives from local leaders and police to monitor and discuss issues relating to village-level conflict
CBO	Community-Based Organization
CDD	Community-Driven Development
Conselho de Suku (Village Council)	Elected council comprised of a cross-section of the village, consisting of the *Xefe Suku*, *Xefe Aldeia*, two women representatives, male and female youth representatives, elder, and an appointed *Lia Nain*.
CMT	Community Management Team (KPA, EIP, and EOM - of PNDS)
Dada-Liman Dada-Ain (Extend Hand Extend Foot)	A customary norm in certain areas of Timor-Leste that prescribes a set penalty to a perpetuator of a physical attack that needs to be paid to the victim
Dato	Term used for different types of informal governance positions. The village or Hamlet Chiefs during the Portuguese Administration period prior to 1974
District	Largest administrative entity of Timor-Leste. Each of the 13 administrative districts is comprised of a number of sub-districts
EIP	Community Implementation Team (Village-Level - of PNDS)
EOM	Operations and Management Team (Village-Level - of PNDS)
Estensionista (extension worker)	Agricultural extension worker that operates on a village level and facilitates the implementation of Ministry of Agriculture and Fisheries programs
FALANTIL (*Forças Armadas de Libertação Nacional de Timor Leste***)**	Military arm of the Timorese resistance during the Indonesian invasion from 1974 till 1999
Feto Sa'a Umane (Wife Giver and Wife-Taker)	Refers to the arrangement that brings two families together through marriage, and defines the flows of exchange and reciprocity between the two families for important events and ceremonies (e.g. births, marriages, funerals)
Grupu Maneja Fasilidade – GMF (Water Management Group)	Consists of community representatives charged with maintaining the village water facilities
Halo Tuir	Traditional ritual held prior and post public works project completion to ask for a blessing from ancestors
KDD	District Development Committee (pre-existing)
KPA	PNDS Planning & Accountability Commission (Village-Level)
LBS	Qualitative Baseline Survey
Lia Nain (Owner of the Words)	Ritual leader or customary authority in charge of conflict resolution based on customary rules and norms and leader of rituals. Typically sits a level below the *Liu Rai* in the informal governance system hierarchy.
Lisan	A broad term that encompasses customary law and norms, rituals and a system of community leadership and governance based on these norms

Liu Rai (King of the Land)	Highest level of local customary political authority
Local Governance Actors	Persons who have official roles in state-based governance structures that are active at the village-level. This refers specifically to members of the Village Council, including: the Village Chief, Hamlet Chief, PAAS Secretary, women's representatives, youth representatives, and the PAAS Secretary.
Lulik (Sacred)	Tetum equivalent of *Adat*
Martial Arts Groups	A network that mirrors to some extent transnational gangs, with membership spanning from local community level up through to international level. Groups operate in a highly decentralized manner, and are engaged in martial arts practices.
Mikrolet	Minibus, used as public transport throughout Timor-Leste
Mobile Mothers Program	A multilaterally funded program that seeks to connect mothers with health providers by using mobile phones in order to improve the likelihood of a healthy pregnancy and birth
Naijuf (Local King)	Similar to *Liu Rai*. Historically held executive authority, particularly within villages of *Oecusse* district. In contemporary Timor-Leste, decides on customary laws and has a strong symbolic significance
NBS	Quantitative Baseline Survey
Pessoal Apoio Administrasaun Suku - PAAS	Village Secretary employed from the village by the Ministry of State Administration to provide administrative assistance to the Village Council (e.g. keeping minutes, grant applications, etc.)
Pakote (Ballot)	List of candidates for each of the Village Council positions that are formed prior to Village Council elections
Paralelizmo	A public works prioritization process established by the Ministry of State Administration, mandating broad community participation
Pakote Dezenvolvimentu Desentrilizadu / PDD	Decentralized Development Program. A government program aimed to increase the involvement of local construction companies in the delivery of small scale public works projects by providing grants to these entities
Phase III	Village included in 3rd phase of PNDS roll-out, covers 199 villages, began in September 2014
Programa Dezenvolvimentu Lokal / PDL	Provides grants to Local Assemblies for the implementation of public works projects on a village level. In contrast to PDD, PDL is designed to have higher degree of community participation.
Planu Dezenvolvimentu Integradu Distrital / PDID	Integrated District Development Planning. A government policy aimed to integrate PDD and PDL through sub-district and district level Development Commissions
Programa Nasional Dezenvolvimentu Suku / PNDS	National Village Development Program - Timor-Leste's nationwide community-driven development (CDD) program and will provide annual grants of $50 - $75,000 to 442 villages to fund small-scale infrastructure projects, emphasizing gender and social inclusion
POM	PNDS Program Operations Manual
Resistance Networks	Formal and informal institutional frameworks populated by mainly veterans, formed during the armed resistance
Sau Batar	Harvest Ceremony
Sede (Headquarters)	Office of the village or hamlet authorities
Sub-District	Administrative unit of Timor-Leste consisting of villages. 65 sub-districts form the 13 districts of Timor-Leste

Suku (Village)	Second smallest administrative entity in Timor-Leste comprised of a number of hamlets
Suplente (Substitute)	Deputies to Village Council leaders, usually *Xefe Suku* and *Xefe Aldeia*. They assume the position if the previous councilor resigns or dies
Tara bandu	Customary Codes - a communal agreement on local law, social norms and morality that reduce or prevent community conflict, crime, and protect and manage the environment, and natural resources
Tetum	One of the official languages in Timor-Leste
Uma Lisan	Sacred House
Veterans	Members of armed or clandestine resistance during the Indonesian invasion that receive government pensions or are recognized in other forms
Village Council	Elected council in charge of village administration comprised of a cross-section of the village, consisting of Xefe Suku, Xefe Aldeia, two women representatives, male and female youth representatives, elder, and an appointed lia nain.
Village Elite	Persons in the village who have influence over other community members in terms of decision making power or social standing. This includes members of formal governance structures but also veterans, educated or experienced community members (intellectuals), religious representatives and leaders from the *lisan* system.
Xefe Aldeia (Hamlet Chief)	Elected head of the hamlet, also member of the Village Council
Xefe Suku (Village Chief)	Elected head of the village. Presides over Village Council meetings

APPENDIX B HISTORICAL OVERVIEW OF LOCAL GOVERNANCE STRUCTURES

Prior to the arrival of the Portuguese in 1511, extensive political systems already existed across Timor. These consisted of autonomous kingdoms each ruled by a Local King (*liu rai*). Initially, Portuguese colonial rule in Timor-Leste focused on the harvesting and trade of local sandalwood and the Catholic mission, leaving political systems relatively untouched. In 1702, the Portuguese established the first formal post in *Lifao* (*Oecusse*), while the Dutch secured western Timor by taking the kingdom of *Wehale* (Hägerdal, 2012, 25).

As Portugal allocated very little attention and resources to the operation, they were unable to directly conquer the entire island of Timor. Instead, they operated via indirect rule, in which vassal agreements between the Portuguese monarchy and Local Kings were formed. These in turn created genealogical linkages with other smaller kingdoms across the territory, which helped Portugal to gradually increase their colonial control over the country. Formal alliances with Local Kings were created by allocating military titles (Ospina & Hohe, 40). Nevertheless, due to low presence and resources, the authority of the Portuguese remained weak vis-à-vis traditional mechanisms until the beginning of the Timorese coffee industry required greater control over the territory in order to facilitate labor-intensive agriculture.

Decades of struggle between rebellious Local Kings and a repressive colonial government eventually led to the co-optation of Local Kings by the Portuguese as administrators of the colonial administration by the early 20th century. The result of this arrangement was a dual legal system from 1914 till 1974 in which Timorese were separated into unassimilated indigenous people and assimilated people. The majority of the population belonged to the unassimilated group and were ruled by Local Kings through customary law. The assimilated population was comprised of European, Mestizo, Chinese and assimilated Timorese. The group was subject to Portuguese law, as they were considered citizens of Portugal. Meanwhile the colony received very little in infrastructure development, and most of the population did not have basic infrastructure.

After a period of war and occupation by the Japanese, the post-war period was marked by the provision of greater autonomy to Timor-Leste. This included the creation of districts and sub-districts, as well as further regulation of villages and hamlets. In 1964, the Legislative Council was set up, which resulted in the inclusion of Timorese in the direct governance of territory. Under this arrangement, representatives in this council were Local Kings and only minimal direct participation of the population was possible. By the end of the Portuguese colonial rule, 13 district legislative councils were created that oversaw 60 sub-district offices. The regional legislative council was run by a local administrator that oversaw sub-district office administrators. The latter was considered as the Portuguese government official. Beneath the later were Village Chiefs and Hamlet Chiefs, who were in charge of following office administrator orders, collecting taxes and resolving disputes through a council of elders (Cummins, Local Governance in Timor-Leste: Lessons in postcolonial state-building, 2014).

The end of Portuguese rule and Indonesia's forced annexation of Timor-Leste saw the Indonesians retain many of the Portuguese administrative structures, with a few exceptions. Within the formal system of local governance, many of the positions remained the same, with the addition of Indonesian-endorsed village development councils: the Council of Village People (*Lambaga Ketahanan Masyarakat Desa)* and the Council of Elders *(Lembaga Musyawarag Desa*) (Ospina & Hohe 2002, 48). However, unlike the Portuguese, the Indonesians introduced administrative bodies responsible for different areas of public service (civil administration, personnel, welfare, rural development, finance and the village offices) (Ospina & Hohe 2002, 47). Another key change was the introduction of elections for Village Chiefs. While formally this meant that the position was no longer inherited, in reality many communities continued to vote for those of royal descent (Tilman 2012, 197). It was also common practice for the elections results to be adjusted by the Indonesian government and military in favor of candidates deemed to be pro-Indonesian (Ospina & Hohe 2002, ibid 48).

A key element of clandestine activities was a parallel system of governance which existed alongside the formal Indonesian-run local administration. Within this system there was a sub-district chief (*secretario da zona*) who was appointed by the military arm of the resistance (FALINTIL) and the covert counterpart of the Village Chief who was the leader of the village-based networks and clandestine hamlet-level networks (McWilliam 2005, 35). McWilliam notes that many of these networks mirrored, or were based on close-knit kin relations connections; with these alliances and affiliations of obligation and trust contributing greatly to the strength of the clandestine movement (ibid, 35).

Since independence, Timor-Leste has undergone two stages of local elections; the first ran between 2004-2005 in accordance with the Provision of Law 2/2004 on the 'Election of [Village] Chiefs and [Village] Councils.' This law was revoked by Law No. 3/2009 on 'Community Leaderships and their Election. This law clearly defines the composition of the Village Counci. Article 6 of this law stipulates that all community leaders should be elected democratically and without gender discrimination. While Village Councils are not considered part of the public administration of government, they constitute a modern institution and are legally mandated to perform governance functions. It is considered the collegial and advisory body of the village, intended to assist and advise Suku leaders in exercising their duties.

APPENDIX C TYPES OF COMMUNITY-BASED ORGANIZATIONS[128]

Type	Sub-Type	Summary Description
Agricultural Groups	*Agricultural Cooperatives*	Cooperatives are typically established either autonomously or by the extension workers (*ekstensionista*) of the Ministry of State Administration or by Seeds of Life. Members cooperate in obtaining government and donor assistance, provide paid labor to members, and practice animal husbandry. There is considerable variation in structure.
	Crop Diversification Groups	Groups are usually established by external institutions and are led by the village agricultural extension worker. Crop diversification groups focus on producing beans or improved crops and promote the potential nutritional benefits of such.
	Farmer Training Groups	Groups are led informally by an agricultural extension worker, who calls meetings, and focus on increasing the uptake of agricultural technologies, such as fertilizers, improved seeds, and irrigation systems.
	Microfinance Groups	Members make regular payments to the group and jointly decide on resource allocation, which are commonly used to provide loans to smallholder farmers. Saving is, however, common and disbursements are not regular. Group leadership is formalized and groups may have statues to determine interest rates and financing ceilings.
Woman's Groups	*Handicraft Groups*	Such groups are rare and focus on the production of traditional cloth, which is sold retail or wholesale. Members share profits and tend to reinvest them to increase production.
	Cooking Groups	Members cook regular meals for schoolchildren using funds from the school or government. The group has a highly informal structure. There is a high level of competition among women to join such groups, due to the income they generate. Women representatives of the Village Council are typically members of this type of group.
	Issue-Centric Groups	Issue-centric groups are *ad hoc*, providing conflict resolution assistance to women affected by domestic violence or other forms of conflict. Groups cooperate with external organizations, such as FOKUPERS, and are typically led by the women's representative in the Village Council.
Church Groups	Church groups are generally associated with the local Protestant and/or Catholic church, typically hold weekly meetings after Sunday prayers, and are led by the catechist. Church groups can mobilize large amounts of people and funding from villager donations, which are used for religious festivities, construction, and promotion of church activities. Usually there are multiple church groups within a village. Specialized groups also exist for youth and women.	
Infrastructure Construction Committees	*Community Infrastructure Construction Committees*	Group responsibilities are not clearly defined, but generally involve project selection, planning, management, and construction. Commonly, committees do not have clear leadership, but are dominated by senior builders and involve the community to obtain necessary donations and materials. Groups ordinarily coordinate with Village Council members and informal leaders and terminate activities after construction.
	Public Infrastructure Construction Committees	Villager participation in such groups is generally limited to community mobilization, obtaining resources, and construction. Responsibilities are initially assigned to formal Village Council leadership, who in turn select a project manager. The responsibility of this person is to utilize the allocated funds and organize the laborers working on the project.
Event Planning Groups	Groups are ordinarily created prior to large religious or traditional festivities, such as the harvest festival, Virgin Mary statue reception, and independence day. Groups are typically headed by village elites, particularly formal and informal leaders that organize donation collection from villagers, and other preparations.	

[128] With the exception of agricultural and church groups, not all types listed were observed in all 16 LBS villages.

Youth Groups	*Sports Groups*	Youth groups are usually in charge of organizing sports activities, such as volleyball and football tournaments. In some instances, they also may manage the construction of sports infrastructure. The groups exhibit a higher degree of internal organization and are usually led by Village Council youth representatives. Sports groups also usually have a large membership base, which participates in organized activities. The activities of sports groups typically have a positive effect on inter-village social cohesion.
	Youth Education Groups	Youth education groups are rare, but may provide English and other training for village youth and promote peace. These groups usually are started by university students during or after completion of their education. Their membership base is very small and have difficulty attracting funding.
Political Parties		Political parties are present in a majority of villages, but vary substantially in membership and structure. Membership is usually highest in villages with affiliation to pre-existing resistance networks. In some cases, parties have a secretary, while in others such structures did not exist. Political parties are ordinarily only active during election seasons.
Umbrella Organizations		In villages with larger higher degree of social cohesion, umbrella organizations usually unite various agricultural cooperatives, microfinance groups, or village CBOs as a whole. These organizations are intended to increase cooperation among groups, benefit from NGO and government assistance, and provide income maximization opportunities. Umbrella organizations were run either by the current or former Village Chief.
NGO Represent-ations		NGO representations are limited to a small group of people, who serve as focal points for NGOs. Such groups organize activities, collect data, conduct trainings, and implement the development agenda of the organization. These groups are relatively structured and are integrated into the NGO's framework.

APPENDIX D COMPARISON OF RESULTS OF PNDS-REP BASELINE SURVEY AND RESULTS OF POPULATION AND HOUSING CENSUS (2010)

Table 12 below presents a comparison of key findings of the PNDS-REP NBS with findings over similar indicators from the 2010 Timor-Leste Population and Housing Census (National Statistics Directorate [Timor-Leste] and United Nations Population Fund [2011]).

Table 12: Comparison of Results of PNDS-REP Baseline Survey (2014) and Results of Population and Housing Census (2010)

Indicator	Population and Housing Census (2010)	PNDS-REP Baseline Survey (2014)
Mean household size	6.6 members	5.8 members
Overall Literacy Rate	56 percent	36 percent
Female Literacy Rate	51 percent	38 percent
Male Literacy Rate	61 percent	44 percent
Secondary School Completion Rate	25 percent	30 percent
Access to Safe Drinking Water	66 percent	68 percent
Access to Improved Sanitation Facilities	39 percent	28 percent
Access to Electricity	37 percent	59 percent
Household Ownership of Television Set	24 percent	24 percent
Household Ownership of Radio	33 percent	17 percent
Household Ownership of Phone	54 percent	70 percent
Household Ownership of Refrigerator	11 percent	29 percent
Household Ownership of Car	5 percent	2 percent
Household Ownership of Motorcycle	14 percent	17 percent
Household Engaged in Agriculture Production	63 percent	56 percent
Household Engaged in Rice Cultivation	25 percent	19 percent
Household Engaged in Cassava Cultivation	51 percent	28 percent
Dwelling has Durable Floors (e.g., cement, concrete, tiles)	34 percent	32 percent
Dwelling has Stable Roof	83 percent	76 percent

Despite the differences in methodologies between PNDS-REP NBS and the Population and Housing Census (2010), indicators produced by the two exercises are similar in most cases. However, a few indicators exhibit large differences. For instance, the overall literacy rate estimated by the PNDS-REP NBS is, at 36 percent, significantly lower than estimated by the census, at 56 percent. Likewise, while 59 percent of households covered by the PNDS-REP NBS sample reported access to electricity, the census found that only 37 percent of households have access to electricity.

The similarity of most of the indicators demonstrates that the data collected by the PNDS-REP NBS captures a satisfactory approximation of conditions in Timor-Leste. In cases where indicators from the NBS deviate from the respective indicators in the census, this may be attributable to sampling error inherent to quantitative household surveys or changes between 2010 and 2014.

Specifically, the sampling strategy of the NBS was optimized for analysis of how a broad range of characteristics in a sample of villages and hamlets change over time. On the other hand, the Population and Housing Census was designed to capture information across a narrower range of characteristics faced by all households in Timor-Leste. Accordingly, NBS indicators are based on a sample and subject to a degree of sampling error that censuses, by virtue of fully covering the population, avoid. Where indicators deviate, thus, this may arise from sampling error present in the NBS.

However, some deviations may also arise due to changes in household conditions between 2010 and 2014. The difference observed between the proportion of households estimated by the NBS to have access to electricity and that reported by the 2010 Population and Housing Census may potentially be a result of changes in the access to electricity between 2010 and 2014, rather than sampling error.

APPENDIX E HAMLET AND VILLAGE PRIORITIZATION INFORMATION

Table 2 - Attendance at Hamlet Prioritization Meetings						Did the Mapping Exercise take place?	Did the Separate Women's Meeting take place?	What was the Voting Procedure during the Separate Women's Meeting?	What was the Voting Procedure during the Joint Women and Men's Meeting?
	Total	Male	%Male	Female	%Female				
Village 1, Hamlet A	Not Observed								
Village 1, Hamlet B	Not Observed								
Village 2, Hamlet A	16	9	56%	7	44%	No	No		Consensus
Village 2, Hamlet B	Meeting Observed, but Data Not Collected					Yes	No		Consensus
Village 3, Hamlet A	62	46	74%	16	26%	Yes	No		Consensus
Village 3, Hamlet B*	39	28	72%	11	28%	No	No		Consensus
Village 4, Hamlet A	Not Observed								
Village 4, Hamlet B	Not Observed								
Village 5, Hamlet A	30	20	67%	10	33%	No	Yes	Consensus	Consensus
Village 5, Hamlet B	50	38	76%	12	24%	No	Yes	Seed's Method	Seed's Method
Village 6, Hamlet A	18	13	72%	5	28%	Yes	Yes	Consensus	Consensus
Village 6, Hamlet B	Meeting Cancelled / Lack of Attendance								
Village 7, Hamlet A	33	20	61%	13	39%	Yes	Yes	Consensus	Consensus
Village 7, Hamlet B	34	11	32%	23	68%	Yes	No		Seed's Method
Village 8, Hamlet A	6	4	67%	2	33%	No	No		Consensus
Village 8, Hamlet B	52	34	65%	18	35%	No	Yes	Consensus	Consensus
Village 9, Hamlet A	Not Observed								
Village 9, Hamlet B	Not Observed								
Village 10, Hamlet A	Meeting Cancelled / Lack of Attendance								
Village 10, Hamlet B	14	11	79%	3	21%	No	Yes	Consensus	Consensus
Village 11, Hamlet A*	27	21	78%	6	22%	Yes	No		Consensus
Village 11, Hamlet B*	27	21	78%	6	22%	Yes	No		Consensus
Village 12, Hamlet A	Not Observed								
Village 12, Hamlet B	Not Observed								
Village 13, Hamlet A	Not Observed								
Village 13, Hamlet B	Not Observed								
Village 14, Hamlet A	Not Observed								
Village 14, Hamlet B	Not Observed								
Average	**31**	**21**	**68%**	**10**	**32%**	**7/14 (50%)**	**6/14 (43%)**	**1/6 (17%)**	**2/14 (14%)**

***Combined with one other Hamlet meeting**

Table 3 - Attendance at Village Prioritization Meetings						Did the Separate Women's meeting take place?	What was the Voting Procedure during the Separate Women's Meeting?	What was the Voting Procedure during the Joint Women and Men's Meeting?
	Total	Male	%Male	Female	%Female			
Village 1	57	30	53%	27	47%	No		Consensus
Village 2	28	16	57%	12	43%	No		Consensus
Village 3	20	16	80%	4	20%	No		Consensus
Village 4	27	17	63%	10	37%	No		Consensus
Village 5	Meeting Observed, but Data Not Collected					No		Consensus
Village 6	34	19	56%	15	44%	No		Consensus
Village 7	27	17	63%	10	37%	No		Seed's Method
Village 8	Meeting Observed, but Data Not Collected					No		Consensus
Village 9	Not Observed							
Village 10	23	15	65%	8	35%	No		Seed's Method
Village 11	27	21	78%	6	22%	No		Consensus
Village 12	22	15	68%	7	32%	No		Consensus
Village 13	38	27	71%	11	29%	No		Consensus
Village 14	Not Observed							
Average	**20**	**13**	**66%**	**7**	**34%**	**0/12 (0%)**		**2/12 (17%)**

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Australian Government
Department of Foreign Affairs and Trade