



Status

1. Strategic Framework

Although workforce development (WfD) is a clear priority in the country's national strategy with strong advocacy from government leaders, advocacy by non-government stakeholders is generally absent. Timor-Leste has taken modest steps to foster a demand-led approach to WfD by conducting a few assessments of national economic prospects with the support of donor agencies and by providing incentives for skills upgrading by the informal sector. Government ministries and agencies responsible for WfD have well defined mandates with no overlaps, but rely on *ad hoc* mechanisms to coordinate in strategic areas.



2. System Oversight

Basic procedures are in place for allocating funding for targeted programs and institutions, but a culture of assessment of the impact of funding on beneficiaries remains underdeveloped. In addition, the government has not taken any action to facilitate partnerships between training institutions and employers. A National Qualifications Framework has been introduced as well as the necessary institutional infrastructure for aligning it with curricula, testing procedures, and standards for accreditation; however, this new system is reaching only some training providers and leaves out Technical Secondary Schools. While pathways are available for technical students to progress to other types of programs, several parts of the system are still disconnected.



3. Service Delivery

A broad range of non-state providers is active despite few government incentives. Although significant efforts have been made to put in place measures for quality assurance, they apply only to providers that are accredited or seeking accreditation. While informal and sporadic links exist between the two public training centers and industry, Technical Secondary Schools have no such link. Instructors at public training institutions lack appropriate qualifications, particularly in the Ministry of Education schools where opportunities for professional development are limited. All accredited training providers, state and non-state, are required to collect and report basic administrative data, but these is only occasionally analyzed; the sources of data on labor market outcomes are limited.



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Executive Summary

The Skills Agenda in Timor-Leste

Timor-Leste, a young country with a young population, has enjoyed rapid growth driven by a booming oil sector. However, the country still faces significant challenges such as a high poverty rate, a lack of infrastructure, high levels of unemployment among the youth and critical human resource constraints. The skills shortage has been felt throughout the economy, starting with the oil and gas sector where a large proportion of workers are foreign. Developing a skilled workforce is a necessary step to stimulate the incipient private sector and attract foreign investment.

The Timorese Government sees Workforce Development (WfD) as a priority for improving the country's socio-economic prospects. To support the Government in this effort, the World Bank implemented the diagnostic tool SABER-WfD to assess the institutional bottlenecks that stand in the way of progress. This exercise was seen by the World Bank as a first step to deepen dialogue on Timor-Leste's challenges in WfD. The results of the assessment presented in this report are expected to help clarify priorities. They classify the WfD system according to four stages of maturity in policy and institutional development, as follows: (1) latent, (2) emerging, (3) established and (4) advanced.

Prioritizing Next Steps

The SABER-WfD assessment results, summarized on the cover of this report, rate Timor-Leste's system at the emerging level in the functional dimensions of Strategic Framework and System Oversight and at the latent level in Service Delivery. These results show us a country where government leaders are committed to WfD and where significant efforts have been made to coordinate WfD policies with the country's strategic goals. The lower scores when we shift from strategy to implementation, particularly on the Service Delivery Dimension, indicate that while WfD is a high political priority in Timor-Leste, the system's capacity to deliver results remains weak.

Thus, at this stage, the key challenge for the system is to move from strategy to implementation. How to translate the various strategic plans into actionable measures and how to coherently involve and coordinate the different stakeholders in the implementation efforts are the big questions that need to be addressed.

Based on the SABER-WfD assessment, there are some selected aspects in the system that need priority attention during this transition, including: (a) improving coordination among the different relevant ministries and agencies; (b) developing, with the help of the private sector, credible assessments of the demand for skills in light of the country's economic prospects; (c) clearly defining the role of the Technical Secondary Schools and how they can benefit from the reforms that have been implemented for oversight of training providers; (d) determining the best way to expand the capacity of the quality control system to reach out to informal training providers and help them meet the requirements to join the formal structure of training delivery; and (e) strengthening monitoring and evaluation by establishing instruments and indicators for assessing the system's performance.

The Government has already identified some of these challenges and relevant initiatives are being planned such as the creation of (a) a structured Inter-Ministerial Working Group to work on skills/training issues and that could also help solve coordination issues; and (b) a National Council for Skills, Employment and Productivity that was included in Timor-Leste's Strategic Development Plan as one of the major initiatives for WfD. Such a council, once in place, will promote communication between employers and entities responsible for WfD and hopefully will be an important source of information on the demand for skills.

1. Introduction

Timor-Leste, a young country with a young population, has enjoyed rapid growth driven by a booming oil sector. The country suffers, however, from deep-rooted problems like widespread poverty, lack of infrastructure, high levels of unemployment among the youth and critical human resource constraints. The skills shortage has been felt throughout the economy, starting with the oil and gas sector where a large proportion of workers are foreign. Developing a skilled workforce is a necessary step to stimulate the incipient private sector and attract foreign investment. Workforce development (WfD) is, then, viewed by the Government as a priority for improving the country's socio-economic prospects.¹

To inform policy dialogue on these important issues, this report presents a comprehensive diagnostic of the country's WfD policies and institutions. The results are based on a new World Bank tool designed for this purpose. Known as SABER-WfD, the tool is part of the World Bank's initiative on Systems Approach for Better Education Results (SABER)² whose aim is to provide systematic documentation and assessment of the policy and institutional factors that influence the performance of education and training systems. The SABER-WfD tool encompasses initial, continuing and targeted vocational education and training that are offered through multiple channels, and focuses largely on programs at the secondary and post-secondary levels.

The tool is based on an analytical framework³ that identifies three functional dimensions of WfD policies and institutions:

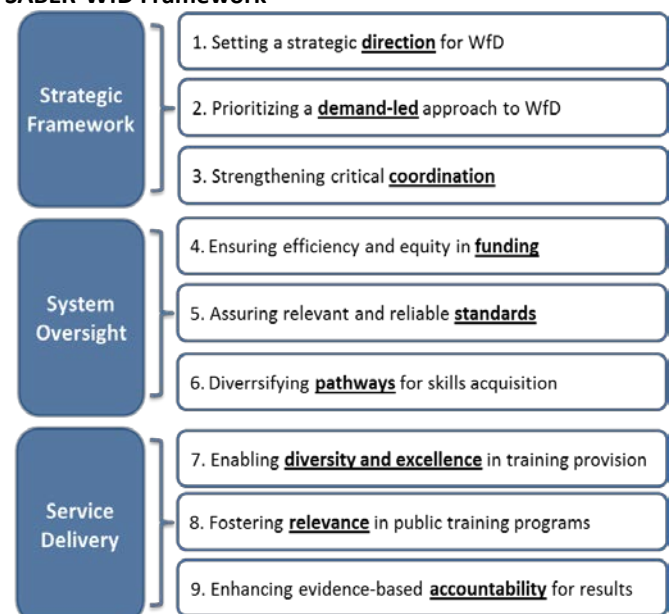
- (1) *Strategic framework*, which refers to the praxis of advocacy, partnership, and coordination in relation to the objective of aligning WfD in critical areas to priorities for national development;
- (2) *System Oversight*, which refers to the arrangements governing funding, quality

assurance and learning pathways that shape the incentives and information signals affecting the choices of individuals, employers, training providers and other stakeholders; and

- (3) *Service Delivery*, which refers to the diversity, organization and management of training provision, both state and non-state, that deliver results on the ground by enabling individuals to acquire market- and job-relevant skills.

Taken together, these three dimensions allow for systematic analysis of the functioning of a WfD system as a whole. The focus in the SABER-WfD framework is on the institutional structures and practices of public policymaking and what they reveal about capacity in the system to conceptualize, design, coordinate and implement policies in order to achieve results on the ground.

Figure 1: Functional Dimensions and Policy Goals in the SABER-WfD Framework



Source: Tan et al. 2013

Each dimension is composed of three Policy Goals that correspond to important functional aspects of WfD systems (see Figure 1). Policy Goals are further broken

¹ See Annex 1 for a list of acronyms used in this Report.

² For details on SABER see

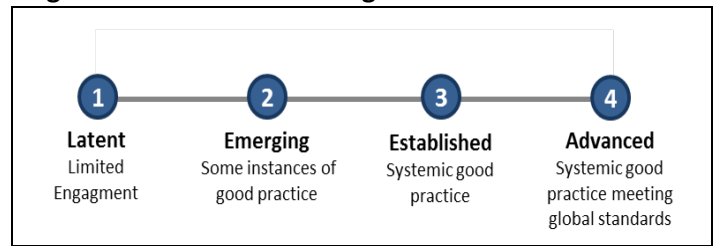
<http://www.worldbank.org/education/saber>.

³ For an explanation of the SABER-WfD framework see Tan et al 2013.

down into discrete Policy Actions and Topics that reveal more detail about the system.⁴

Information for the analysis is gathered using a structured SABER-WfD Data Collection Instrument (DCI). The instrument is designed to collect, to the extent possible, facts rather than opinions about WfD policies and institutions. For each Topic, the DCI poses a set of multiple choice questions which are answered based on documentary evidence and interviews with knowledgeable informants. The answers allow each Topic to be scored on a four-point scale against standardized rubrics based on available knowledge on global good practice (see Figure 2).⁵ Topic scores are averaged to produce Policy Goal scores, which are then aggregated into Dimension scores.⁶ The results are finalized following validation by the relevant national counterparts, including the informants themselves.

Figure 2: SABER-WfD Scoring Rubrics



Source: Tan et al. 2013.

The rest of this report summarizes the key findings of the SABER-WfD assessment and also presents the detailed results for each of the three functional dimensions. To put the results into context, the report begins below with a brief profile of the country's socioeconomic makeup.

⁴ See Annex 2 for an overview of the structure of the framework.

⁵ See Annex 3 for the rubrics used to score the data. As in other countries, the data is gathered by a national principal investigator and his or her team, based on the sources indicated in Annex 4; and they are scored by the World Bank's SABER-WfD team.

⁶ Since the composite scores are averages of the underlying scores, they are rarely whole numbers. For a given composite score, X , the conversion to the categorical rating shown on the cover is based on the following rule: $1.00 \leq X \leq 1.75$ converts to "Latent"; $1.75 < X \leq 2.50$, to "Emerging;" $2.50 < X \leq 3.25$, to "Established;" and $3.25 < X \leq 4.00$, to "Advanced."

2. Country Context

Political context

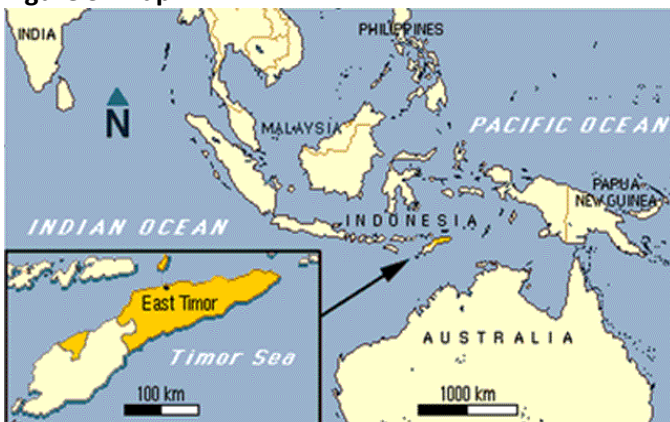
Timor-Leste is a small island nation of 14,874 km² and one million inhabitants (see Figure 3). It was colonized by Portugal in the 16th century and declared its independence in 1975. That same year Timor-Leste was invaded and occupied by Indonesia, and a year later it was formerly annexed as Indonesia's 27th province. In 1999, following an act of self-determination sponsored by the United Nations (UN), Indonesia departed from the territory. Timor-Leste became the first new sovereign state of the 21st century in 2002, after three years of a transitional administration managed by the UN.

Timor-Leste faces significant development challenges and went through a situation of social unrest in 2006. The dismissal of a third of the army effectives, old grievances and a perception of government distance by large segments of the population led to widespread violence amongst groups of youth.

Economic Trends

Timor-Leste is rich in oil and gas and its economy is largely dependent on this sector. In 2005, the Timorese government created the Petroleum Fund of Timor-Leste, a sovereign wealth fund into which the surplus revenue produced by the nation's oil and gas industry is deposited. This fund is intended to be a means to build a stable source of income and a mechanism for ensuring that oil resources are managed wisely. It had accumulated assets of \$6.9 billion as of December 2010.⁷ The transfer of such significant income into this fund means that there is a strong disparity between

Figure 3: Map

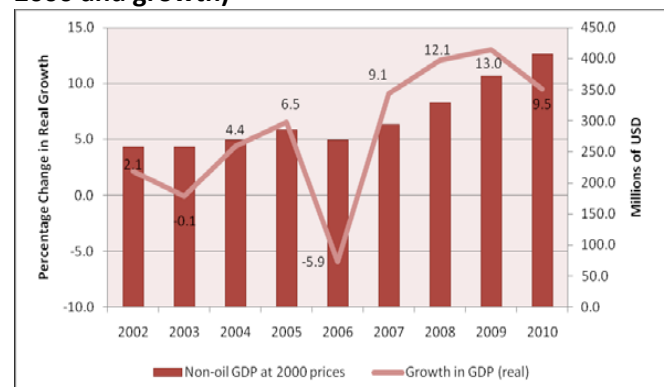


Timor-Leste's GDP of \$610 per capita in 2010 and its GNI of \$2,560 per capita. While the country's income level is that of a middle-income country, the living standards of Timorese citizens are those of a low-income one.

The real non-oil economy has experienced annual average growth in GDP of 5.6 percent between 2002 and 2010, with negative growth in 2006 and growth of 9.5 percent in 2010 (see Figure 4).⁷ The 2012 growth rate was of 10.6 percent.⁸

Besides oil, Timor-Leste's economy is dominated by agriculture, services and the public sector (see Figure 5). The agriculture sector was the largest in the early 2000s, but it has been overtaken by the public sector, which has been growing at an average rate of 11 percent annually since 2002.⁹ Part of this growth is explained by the increasing interventionism of the state as a follow-up to the 2006-2007 crisis through measures like cash transfers to the poor, subsidized food prices and the creation of labor-intensive projects for infrastructure development.¹⁰

Figure 4: Real Non-Oil GDP (US\$ million, base year 2000 and growth)



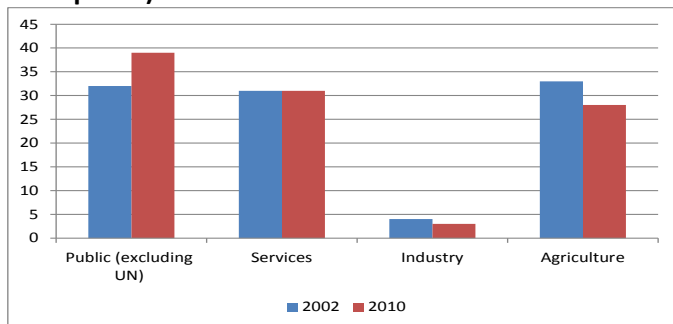
Source: Timor-Leste Strategic Development Plan 2011-2030

⁸ Asian Development Bank (<http://www.adb.org/countries/timor-leste/economy>)

⁹ Timor-Leste National Strategic Development Plan 2011-2030

¹⁰ UNDP Human Development Report 2011

Figure 5: Proportion of ‘real non-oil’ GDP by sector (at 2000 prices)



Source: Timor-Leste Strategic Development Plan 2011-2030, Figure 27, p. 200.

The Timor-Leste Living Standards Survey 2007 indicated that poverty is still widespread in Timor-Leste, affecting approximately 50 percent of the population. It also showed that the risk of poverty is higher in rural areas, where 52 percent of the population falls below the poverty line compared to 45 percent in urban areas.¹¹

Demographic Trends

Timor-Leste’s population is young – 53 percent under 19 years of age – and growing at 2.41 percent per year (see Figure 6).¹² Despite the fact that the population of the district of Dili (the capital) has grown by a third from 175,730 to 241,331 since 2004,¹³ the great majority of the population (70.4 percent) still lives in rural areas. The young population structure keeps generating a large cohort of youth that will continue to increase during the next five years, with the proportion of young people being forecast to then stabilize at 28 percent.¹³ This high proportion of youth largely results from a high rate of fertility of 6.4 children per woman.¹⁴

Employment

The report of the International Labor Organization (ILO) on decent work in Timor-Leste highlights that the uncertain economic growth coupled with supply-side imperfections, including lack of skills, inappropriate training and weak human capital, have had detrimental effects on the labor market and its functionality.

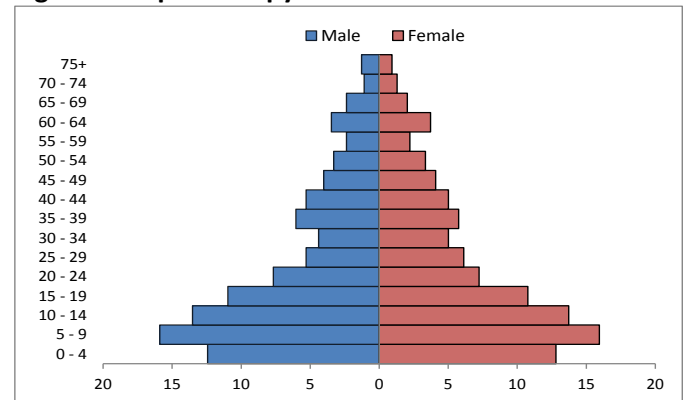
¹¹ Ministry of Finance, *Annual Report 2010*, p7

¹² Timor-Leste Census 2010

¹³ Timor-Leste Decent Work Report 2008-2013

¹⁴ UNICEF, Timor-Leste at glance, available at: www.unicef.org/infobycountry/Timorleste_statistics.html

Figure 6: Population pyramid 2010



Source: Labor Force Survey 2010

These problems have seriously hit the 15 to 20 thousand Timorese youth entering the labor market every year, particularly women.¹⁵ Work done in the aftermath of the 2006 crisis has suggested that a high reservation wage and a long transition time from school to work are also contributing factors to high youth unemployment. Analysis showed that the higher the education level, the longer the transition to work period and that youth from better-off backgrounds took longer to find work than those from poorer ones.¹⁶

Even though the unemployment rate was just 3.6 percent according to the 2010 Labor Force Survey, the vulnerable employment rate was 69.9 percent. In Timor-Leste, as in most developing countries, very few people can afford the luxury of not doing any work at all, so it is hardly surprising that the number of unemployed persons is quite low. In such countries, the vulnerable employment rate usually gives a better measure of the employment situation.

The 2010 Labor Force Survey shows that the labor force participation rate in Timor-Leste is low at approximately 43 percent¹⁷ (see Figure 7) compared to 69 percent in Indonesia and 62 percent in Malaysia.¹⁸ The largest industry sector in the country in terms of employment is

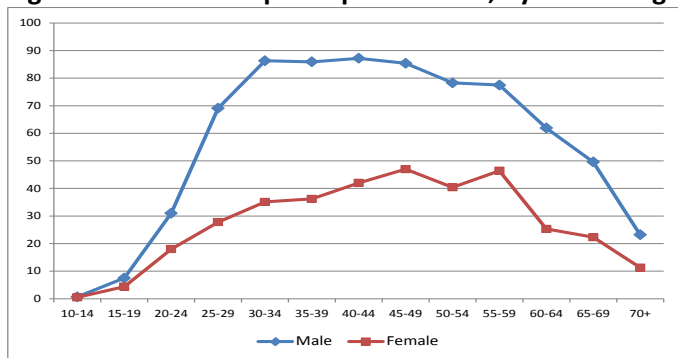
¹⁵ Timor-Leste Decent Work Report 2008-2013

¹⁶ Putting Youth First: for Youth in Timor-Leste, World Bank 2007

¹⁷ Timor-Leste Labor Force Survey 2010

¹⁸ The World Bank, Labor Participation Rate for 2009, available at: <http://data.worldbank.org/indicator/SL.TLF.CACT.ZS>

Figure 7: Labor force participation rates, by sex and age



Source: Timor-Leste Labor Force Survey 2010 (Table 3.4)

“agriculture, forestry and fishery” with more than half of the working population, followed by “wholesale and retail” with 17.6 percent.

Education and Training

As mentioned, Timor-Leste currently faces serious human resource constraints, as 40 percent of the population over 15 years old has not had any education at all, and another quarter has not advanced beyond primary school level (see Figure 8).¹⁹ Enrollment in basic education has increased substantially in recent years and now covers 86 percent of children of primary school age (both male and female).²⁰ However, the drop-out rate is still a significant problem, with the number of children who enroll in grade nine (the final year of basic education) being approximately 27 percent of the number of children entering grade one, and only 16 percent making it to secondary school.²¹

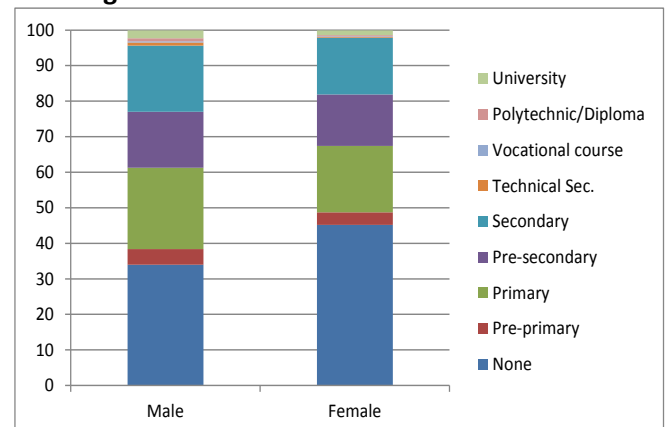
One of the reasons that has been suggested to explain the poor retention rates, particularly in the later years of basic education, is the fact that while early primary school instruction is done in Tetum, it changes to Portuguese in later years. Despite the fact that both Tetum and Portuguese are official languages and the selected languages of instruction, the Labor Force Survey showed that 96 percent of respondents were literate in Tetum, 52 percent in Bahasa but only 37 percent in Portuguese. In fact, there are many teachers that lack fluency in the official languages of instruction.

¹⁹ Timor-Leste National Strategic Development Plan 2011-2013

²⁰ World Development Indicators – World Bank

²¹ National Education Strategic Plan, 2011-2030

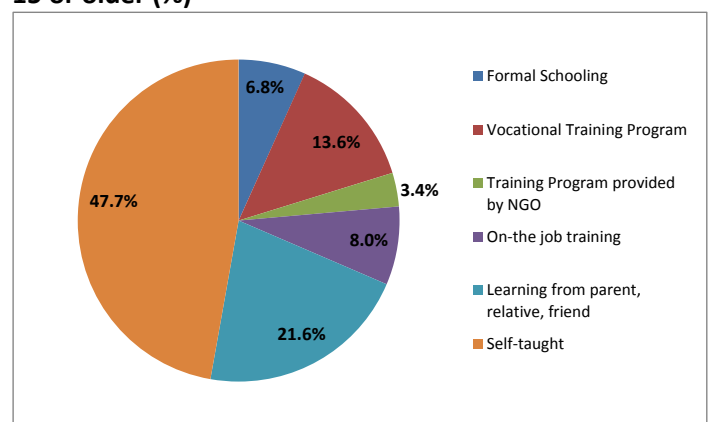
Figure 8: Highest level of education completed by those aged 15 and over



Source: Timor-Leste Labor Force Survey 2010 (table 2.5)

Timor-Leste’s training system has been characterized by an unregulated private sector made up of training providers delivering training at varying levels of quality. Vocational training has been largely underutilized by a population that is for the most part self-taught or trained by family, relatives or friends. Historically, Technical and Vocational Education and Training (TVET) has not had a high participation rate or visibility in Timor-Leste. Some indication of the size and strength of informal training is provided in Figure 9. The data show that 22 percent of people ‘in employment’ had received training through a friend or family member and 47 percent were ‘self-taught’. Only 13.6 percent had gone through a vocational training program.

Figure 9: Type of training received by those employed, 15 or older (%)



Source: Timor-Leste Labor Force Survey 2010 (table 2.7)

3. Key Findings and Policy Implications

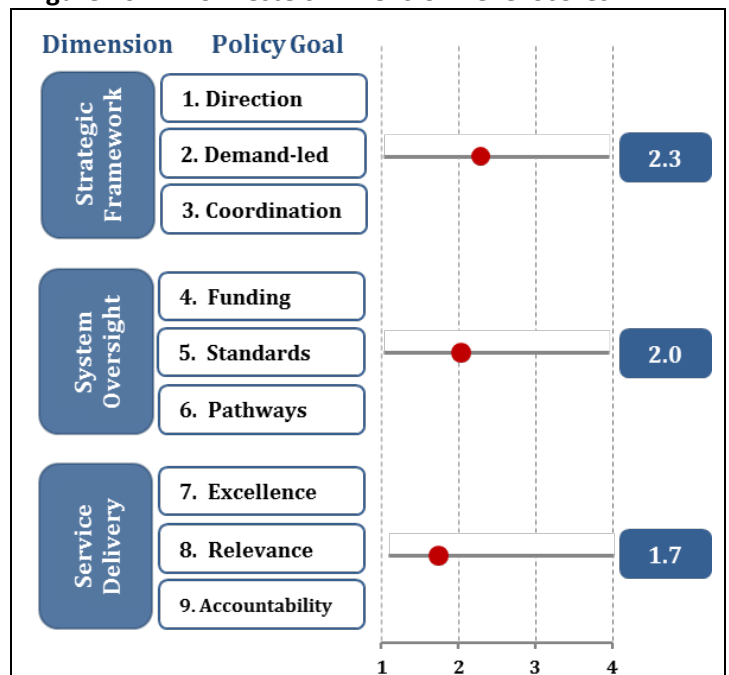
This chapter highlights findings from the assessment of Timor-Leste’s WfD system based on the SABER-WfD analytical framework and tool. The focus is on policies, institutions and practices in three important functional dimensions of policymaking and implementation—strategic framework, system oversight and service delivery. Because these aspects collectively create the operational environment in which individuals, firms and training providers, both state and non-state, make decisions with regard to training, they exert an important influence on observed outcomes in skills development. Strong systems of WfD have institutionalized processes and practices for reaching agreement on priorities, for collaboration and coordination, and for generating routine feedback that sustain continuous innovation and improvement. By contrast, weak systems are characterized by fragmentation, duplication of effort and limited learning from experience.

The SABER-WfD assessment results summarized below provide a baseline for understanding the current status of the WfD system in the country as well as a basis for discussing ideas on how best to strengthen it in the coming years.

Overview of the SABER-WfD Scores

Figure 10 shows the overall results for the three Functional Dimensions in the SABER-WfD framework.²² For Strategic Framework, Timor-Leste is rated at the Emerging level; for System Oversight, its score is also at the Emerging level; and for Service Delivery, the score falls at the Latent level of development. The findings suggest that Timor-Leste’s policies and institutions for WfD grow progressively weaker as the focus shifts from policy conceptualization to implementation.

Figure 10: Timor-Leste’s Dimension-Level Scores



Note: See Figure 2 for an explanation of the scale on the horizontal axis. Source: Based on analysis of the data collected using the SABER-WfD questionnaire.

Timor-Leste scores relatively well on its Strategic Framework for WfD and that is very much a consequence of WfD being a clear priority in the country’s national strategy, with strong advocacy from government leaders. Positive, albeit modest, steps have also been taken to foster a demand-led approach to workforce development by occasionally conducting assessments of national economic prospects with the support of donor agencies and by providing incentives for skills upgrading by the informal sector. However, the total absence of non-government participation in setting WfD priorities is holding back progress in this dimension. Finally, the fact that government ministries and agencies responsible for WfD have well defined mandates with no overlaps but rely on *ad hoc* mechanisms to coordinate in strategic areas is also consistent with an emerging level of development.

In terms of Oversight, there are basic procedures in place for allocating funding for targeted programs and institutions, culture of assessment of the impact of funding on beneficiaries. A big step by the government has been the establishment of a National Qualifications

²² See Annex 5 for the full results.

Framework and all the necessary institutional infrastructure for aligning it with curricula, testing procedures, and standards for accreditation; however, this new system is not yet reaching all training providers and completely leaves out the Technical Secondary Schools. Lastly, while pathways are available for technical students to progress to other types of programs, several parts of the system are still disconnected and little attention has been paid to the recognition of prior learning. On the other hand, targeted services are being provided to the disadvantaged.

Timor-Leste's lowest scores are in Service Delivery. A positive aspect is that a broad range of non-state providers is active in the training market, despite few government incentives to encourage non-state provision. About 35 providers have already been registered and significant efforts have been made to put in place measures for quality assurance. However, these measures apply only to providers that are accredited or seeking accreditation. With regard to public training provision, there is a very unbalanced picture where the two national training centers come out much better than the Technical Secondary Schools in terms of autonomy, links with industry (even if informal and sporadic) and opportunities for professional development of staff. Finally, in terms of enhancing evidence-based accountability for results, Timor-Leste also has a long way to go. All accredited training providers, state and non-state, are required to collect and report basic administrative information, but there is limited information about providers that are only registered (i.e., not yet accredited) and none about unregistered providers. Also, there is very limited access to other types of data like labor market outcomes.

Policy Implications

The SABER analysis of Timor-Leste's WfD system shows a country where government leaders are committed to WfD and where significant efforts have been made to coordinate WfD policies with the country's strategic goals. A big challenge at this stage will be to move from strategy to implementation. How to translate the various strategic plans into actionable measures and how to coherently involve and coordinate the different stakeholders in the implementation efforts are big

questions at the moment. It is clear that concrete guidelines for implementation have not been developed for some of the major initiatives proposed in the strategic documents. As such, at this stage, it is critical to make sure that clear plans for implementation are delineated and that the necessary funds are available.

Coordination is another major issue in need of attention. It affects the whole system and when implemented at both the strategic and operational levels can help avoid duplication—or worse, misalignment or conflict—of effort and ensure that the most critical initiatives receive the necessary moral and material support for experimentation, consolidation, and maturation. The SABER-WfD study shows that although different ministries and agencies have well-defined roles, they coordinate in an *ad hoc* manner. This problem has also been identified by government leaders and there are plans to create a structured Inter-Ministerial Working Group to work on skills/training issues. The creation of such an entity, particularly if it has a clear scope and appropriate terms of reference, will be a major step to move the system to the established level.

Another important aspect to guarantee effective WfD advocacy is the existence of credible assessments of the demand for skills in light of the country's economic prospects. Employers can provide an important reality check on such assessments. In Timor-Leste, information on the demand for skills is still scarce. In order to better understand the needs of employers and investors, regular employer or enterprise surveys are needed. Complementarily, industry/employers should be brought in on a routine basis to define WfD priorities. This need has already been pointed out by the Timorese government in its Strategic Development Plan, which presented the creation of a National Council for Skills, Employment and Productivity as one of the major initiatives for WfD. Making this plan a reality is a priority in the near future.

In terms of oversight, Timor-Leste has been adopting international best practices by introducing competency standards, skills testing and a national qualifications framework. However, since the Technical Secondary Schools are being left out of this reform process, there is the risk that two parallel systems of vocational

training will emerge – with Technical Secondary Schools and the national TVET system operating completely independently of each other. At this stage, it is crucial to determine whether this duality is beneficial or if it is contributing to inequity in the system. It is clear that Technical Secondary Schools could benefit significantly from stronger oversight, and therefore it would probably make sense to take advantage of a system that is already in place instead of creating a new one. Thus, integration of the Technical Secondary Schools into the quality control system of the National Labor Force Development Institute (INDMO) could be the most cost effective option.

Independently of how oversight is approached, it is a priority to increase the quality and relevance of the programs offered by the Technical Secondary Schools. Improvement of infrastructure and modernization of curricula and equipment would be the basic steps to guarantee that technical secondary education is not seen as a “second-class” route to the labor market, with a doubtful impact on equipping students with job-relevant skills.

Despite the current efforts to register and accredit non-state training providers, a number of providers continue

to operate outside the system and over which INDMO has no quality control. INDMO has reported that about 30 more providers have started efforts to become registered, bringing the total number of providers that have at least initiated efforts for registration to around 65 (out of around 100). Timor-Leste has set up a very complete quality control system, so at this point the need is for the system to be able to expand its capacity, reach out to these providers and help them meet the requirements to join the formal structure of training delivery. The fact that accreditation is a requirement to receive public funding can act as a strong incentive for providers to take the initiative to apply for registration and accreditation.

Finally, more information is needed both to enhance evidence-based accountability for results and make sure that the main constraints are clearly identified. Strengthening this feature of the system will require an investment in skills-related surveys and studies and also an effort to bring together data from different sources, including providers and students. The information obtained can then be analyzed and used to assess opportunities for the improvement of the system as a whole.

4. Aligning Workforce Development to Key Economic and Social Priorities

WfD is not an end in itself but an input toward broader objectives – of boosting employability and productivity; of relieving skills constraints on business growth and development; and of advancing overall economic growth and social wellbeing. This chapter briefly introduces Timor-Leste’s socio-economic aspirations, priorities and reforms before presenting the detailed SABER-WfD findings on the Strategic Framework and their policy implications.

Key Socioeconomic Aspirations, Priorities and Reforms

Timor-Leste is currently highly dependent on oil and natural gas revenues, which contribute almost 90 percent of its total budget. As such, one of the priorities for the government of Timor-Leste is to diversify the economy, and its Strategic Development Plan 2011-2030 clearly lays out a roadmap to use revenues from the oil sector to this end. In particular, the intention is to expand and modernize agriculture, develop the tourism sector and encourage much higher levels of private sector activity across all industries, including the growth of small and micro businesses.

The government also recognizes that there are very strong barriers and constraints to Timor-Leste’s development that must be tackled, including poor infrastructure across the country (roads, water and sanitation, power and telecommunications), industry and trade bottlenecks (inadequate capacity at sea ports and airports), a shortage of skilled and trained people, and an under-developed private sector (including the finance sector). All of these will require strong public sector investments in the near future.

The skills shortage will become more problematic as government programs expand in areas such as health, education, oil and agriculture, and private sector investment increases. The population structure of Timor-Leste, with over half of the population under the age of 19, also makes the issue of education a very pertinent one. The threat of post conflict violence is still present and the ghost of youth unemployment has been presented as a potential factor of social

disruption, as in many other countries. All of these factors make education and skills training a priority.

Even though the country’s main priorities in terms of education are related to basic education – universal completion of basic education and elimination of illiteracy – the Timor-Leste Strategic Development Plan 2011-2030 recognizes that an effective TVET sector is an essential precondition to the achievement of the country’s development goals. The Strategic Development Plan acknowledges that the development of technological and workforce skills and the social and economic development of the country are inextricably linked. As such, it identified the following measures focused on WfD:

- *Development of a National Training System:* The initial framework has been implemented. Ongoing work includes: developing national training standards in major occupations; approving national and industry curricula; and building the capacity of training providers across industries and districts to deliver accredited training;
- *Creation of a National Training Commitment:* This will provide formal training each year for up to 50 percent of young people aged from 16 to 18 years old, school leavers and other people requiring training to get a job or start a business;
- *Development of a National Labor Content Policy:* Developed in consultation with industry and based on international best-practice, it will establish minimum requirements for accredited training and/or employment of Timorese people in new major projects;
- *Investment in training facilities and people:* The investment will establish an Oil and Gas Training Centre and other training facilities and infrastructure across the country including three Polytechnic Institutes; establish *Centers for Employment and Vocational Guidance* in each district; develop the skills and capacities of

qualified and professional trainers; and develop curricula relevant to industry and student needs;

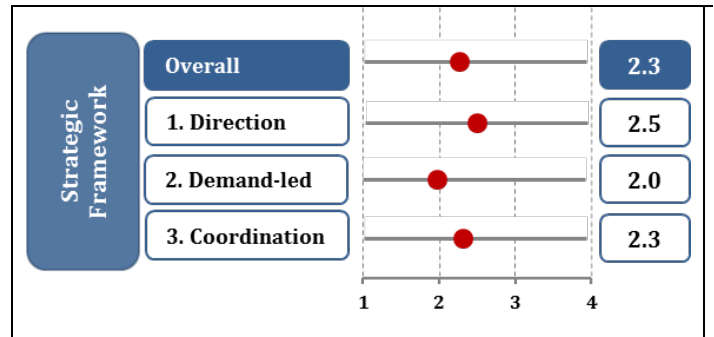
- *Preparation of a Technical and Vocational Education and Training Plan:* This plan has already been published and uses the Strategic Development Plan as the starting point for the framing and staging of a TVET system in Timor-Leste. The TVET Plan is consciously and deliberately designed to support the policies outlined in the Strategic Development Plan.
- *Creation of a National Council for Skills, Employment and Productivity:* This will bring together existing labor market committees, advisory groups, and key industrial and social partners so that the Secretary of State is able to report directly to the Prime Minister and Council of Ministers on a broad range of labor market issues.

SABER-WfD Ratings of the Strategic Framework

In the SABER-WfD framework, the role of WfD in realizing Timor-Leste's socio-economic aspirations materializes through actions to advance the following three Policy Goals: (i) setting a strategic direction for WfD; (ii) fostering a demand-led approach in WfD; and (iii) ensuring coordination among key WfD leaders and stakeholders. The ratings for these Policy Goals are presented and explained below, followed by a brief reflection on their implications for policy dialogue.

Based on data collected by the SABER-WfD questionnaire, Timor-Leste receives an overall rating of 2.3 (Emerging) on the Strategic Framework dimension (see Figure 11). This score is the average of the ratings for the underlying Policy Goals relating to: (a) Setting a Direction for WfD (2.5); (b) Fostering a Demand-led Approach to WfD (2.0); and (c) Strengthening Critical Coordination for WfD (2.3). The explanation for these ratings on the Policy Goals and their implications follow below.

Figure 11: SABER-WfD Ratings of the Strategic Framework Dimension



Note: See Figure 2 for an explanation of the scale on the horizontal axis.

Source: Based on analysis of the data collected using the SABER-WfD questionnaire.

Policy Goal 1: Articulating a Strategic Direction for WfD

Leaders play an important role in crystalizing a strategic vision for WfD appropriate to the country's unique circumstances and opportunities. Their advocacy and commitment attract partnership with stakeholders for the common good, build public support for key priorities in WfD, and ensure that critical issues receive due attention in policy dialogue. Taking these ideas into account, Policy Goal 1 assesses the extent to which apex-level leaders in government and in the private sector provide sustained advocacy for WfD priorities through institutionalized processes.

Timor-Leste scores at the **Emerging** level on this Policy Goal (2.5), reflecting sustained leadership from government leaders that manifests itself through a range of specific efforts to raise awareness to WfD and including it as a priority in the country's national strategy. Advocacy by non-government stakeholders is generally absent, however.

Political leaders, high-level government officials and national parliament members have been the main advocates for WfD by introducing the topic as one of the priorities in the National Strategic Development Plan 2011-2030.²³ The plan states clearly that technical and vocational education is important to build the necessary human capacity to change the current

²³ The need for a stronger vocational and technical training policy was mentioned in every meeting during the national consultations for preparation of the National Strategic Development Plan.

economic circumstances in Timor-Leste. The formalization of WfD as a priority continued with the publication of the Timor-Leste TVET Plan 2011-2030 approved by the Secretary of State Bendito dos Santos Freitas in May 2011 after years of work by the Government, the Parliament, leaders in the public sector, industry and civil society and Timor-Leste's development partners. The Program of the Fifth Constitutional Government (2012–2017 Legislature), also discusses the critical human resource constraints in business and the need to promote vocational skills training for the economic development of Timor-Leste.

These champions' efforts have resulted in the implementation of several measures to enhance the regulatory framework of WfD, for example: approval of the Law on Vocational training (Decree-Law 8/2010); creation of the Timor-Leste National Qualifications Framework (TLNQF), approved by the government and promulgated in August 2011; and creation of the Fund for Employment and Vocational Training (FEFOP), the National Labor Force Development Institute (INDMO) in 2008 and the National Agency for Academic Assessment and Accreditation (ANAAA) in 2010.

In contrast, champions from the local non-government sector are almost nonexistent. An example of the minor involvement of business sector leaders in WfD matters has been the frequent call for attention by the Chamber of Commerce and Industry to the excessive dependency of the country on foreign workers for skilled jobs. On the other hand, international development agencies like the ILO, AusAid, Asian Development Bank (ADB) and UNDP have played a major role in the development of a coherent skills policy in Timor-Leste.

Policy Goal 2: Fostering a Demand-led Approach

Effective advocacy for WfD requires credible assessments of the demand for skills, engagement of employers in shaping the country's WfD agenda and incentives for employers to support skills development. Policy Goal 2 incorporates these ideas and benchmarks the system according to the extent to which policies and institutional arrangements are in place to: (i) establish clarity on the demand for skills and areas of critical constraint; and (ii) engage employers in setting WfD priorities and in enhancing skills-upgrading for workers.

Timor-Leste scores at the **Emerging** level (2.0) for Policy Goal 2. It has taken some positive, yet modest steps to foster a demand-led approach to WfD by occasionally conducting assessments of national economic prospects and skills with the support of donor agencies and by providing incentives for skills upgrading by the informal sector.

The government's occasional assessments include (i) the Timor-Leste Labor Force Survey 2010, a joint initiative of the Secretary of State for Vocational Training and Employment (SEPFOP) and the National Statistics Directorate under the Ministry of Finance with technical assistance from the ILO and funding from other international development agencies; and (ii) the Business Activity Survey (BAS) of Timor-Leste 2010, conducted with financial support from the ADB and with technical assistance from the Australian Bureau of Statistics. This type of data collection is, however, *ad hoc* and dependent on special sources of funding.

Employers play a very limited role in defining strategic WfD priorities, and make selected contributions to skills development by participating in sub-commissions for curricula/program development organized by INDMO and receiving a limited number of graduates from training centers/technical schools for internships. According to the Labor Force Survey 2010, only eight

Box 1: Skills upgrading in the informal sector

Life Skills Training Program

- Managed by the National Directorate for Informal Education (MEE) and supported by UNESCO
- Focuses on providing skills training on activities like beauty services, restaurant management and roof tile production
- Takes place in Community Learning Centers (CLC)

Self-employment (Auto-emprego)

- Run by SEPFOP with support from the ILO and AusAid
- Supports creation of micro-enterprises
- Provides training, technical assistance and start-up kits to individuals or groups interested in starting a business
- Connects entrepreneurs in need of capital with micro credit institutions
- Happens through the Centers for Employment and Vocational Guidance (CEOPs)
- Monitors and supports the businesses created for two years

percent of workers had received training from their employer.

The government has, however, made some efforts to incentivize skills upgrading in the informal sector (see Box 1).

Policy Goal 3: Strengthening Critical Coordination for Implementation

Ensuring that the efforts of multiple stakeholders involved in WfD are aligned with the country's key socioeconomic priorities is an important goal of strategic coordination. Such coordination typically requires leadership at a sufficiently high level to overcome barriers to cross-sector or cross-ministerial cooperation. Policy Goal 3 examines the extent to which policies and institutional arrangements are in place to formalize roles and responsibilities for coordinated action on strategic priorities.

Timor-Leste scores as **Emerging** (2.3) for Policy Goal 3. Government ministries and agencies responsible for WfD have well defined mandates with no overlaps but rely on *ad hoc* mechanisms to coordinate in strategic areas. A few non-government stakeholders have legally-defined roles but only for the specific task of participating in curricula development.

Both SEPFOPE and the Ministry of Education (MOE) have clearly defined roles and responsibilities for WfD. SEPFOPE's mission is to design, implement, coordinate and evaluate the policy defined and approved by the Council of Ministers for vocational training and employment, while the MOE is responsible for overseeing the training delivered in the Technical Secondary Schools and at post-secondary level. The TVET Plan delineates separate portfolios for Education and Training until at least 2020, but coordination between the two implementing agencies (SEPFOPE and MOE) is not completely institutionalized and is limited to a few areas. For example, the Director for Technical Secondary Education under the MOE is a member of the INDMO board and INDMO staff are often invited by the MOE to provide advice and input on their secondary programs. However, big initiatives like the National Labor Content Policy and the National Training Commitment, which have been highlighted in the Strategic Plan and TVET Plan 2011-2030, have no

concrete guidelines for implementation and coordination.

Implications of the Findings

The SABER analysis of Timor-Leste's WfD system shows a country where government leaders are committed to WfD and where significant efforts have been made to coordinate WfD policies with the country's strategic goals. A big challenge at this stage will be to strengthen coordination among the different agencies with responsibility for implementing WfD initiatives. Coordination at both the strategic and operational levels can help avoid duplication—or worse, misalignment or conflict—of effort and ensure that the most critical initiatives receive the necessary moral and material support for experimentation, consolidation, and maturation. It is therefore critical to make sure that institutional mechanisms are in place for stronger coordination between MOE and SEPFOPE. Government leaders have also identified this problem and there are plans to create a structured Inter-Ministerial Working Group to work on skills/training issues. The creation of such an entity, particularly if it has a clear scope and appropriate terms of reference, will be a major step to move the system to the established level.

Another important aspect to guarantee effective WfD advocacy is the existence of credible assessments of the demand for skills in light of the country's economic prospects. Employers can provide an important reality check on such assessments. In Timor-Leste, information on the demand for skills is still scarce. In order to better understand the needs of employers and investors, regular employer or enterprise surveys are needed. Complementarily, industry/employers should be brought in on a routine basis to define WfD priorities. This will be the role of the *National Council for Skills, Employment and Productivity* presented in the Strategic Development Plan but not yet in place.

5. Governing the System for Workforce Development

An important function of WfD authorities is to foster efficient and equitable funding of investments in workforce development, to facilitate effective skills acquisition by individuals and to enable employers to meet their demand for skilled workers in a timely manner. The objective is to minimize systemic impediments to skills acquisition and mismatches in skills supply and demand. This chapter begins with a brief description of how the WfD system is organized and governed before presenting the detailed SABER-WfD findings on System Oversight and their policy implications.

Overall Institutional Landscape

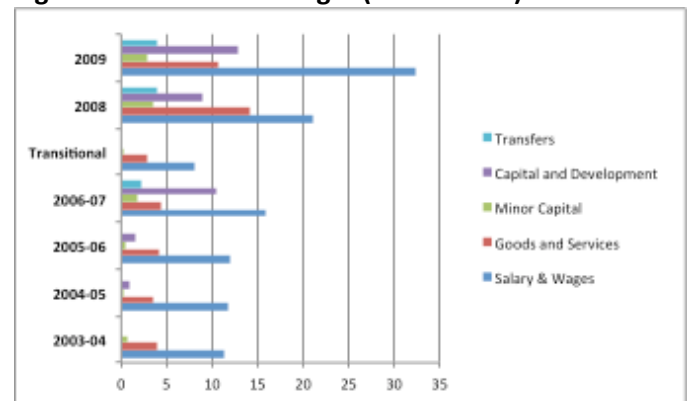
SEPFOP is the main governmental body dedicated to WfD. Its mission is to design, implement, coordinate and evaluate the policy defined and approved by the Council of Ministers in the areas of work, vocational training and employment.²⁴ Another important player is the MOE, which has authority over the Technical Secondary Schools and post-secondary institutes.

The establishment of two new agencies, INDMO in 2008 and ANAAA in 2010, with very specific roles in quality assurance has significantly modernized the system. INDMO, an autonomous statutory authority under the auspices of SEPFOP, is responsible for approving competency standards; registering and issuing national qualifications; and accrediting training providers delivering training at levels 1-4 of the TLNQF. INDMO's Executive Commission includes representatives of the government, the private sector, labor organizations and training providers. ANAAA, under the MOE, is an autonomous body for quality assurance in all post-secondary education.

Another relevant aspect of the institutional landscape is that the Technical Secondary Schools, under the scientific, pedagogical and functional authority of the MOE, do not have their programs recognized by the TLNQF and are instead regulated by the Education Foundation Law (Law of Parliament 14/2008).

²⁴ Decree-Law 3/2008, creates SEPFOP.

Figure 12: Education Budget (million USD)



Source: Timor-Leste Education Plan (Figure 4.3)

In Timor-Leste, there is very limited data on the amount of funding dedicated to WfD as well as on costs per student. The MOE reports that the cost per student in secondary technical education is seven to ten times higher than the cost per student in primary school.²⁵ Overall, there has been a substantial increase in the education budget from \$35M in 2006/07 to \$70M in 2009 with salaries taking up the largest part of spending (see Figure 12).

The Fund for Employment and Vocational Training (FEFOP) was created in 2008 with the goals of implementing qualification programs for the Timorese workforce and incentivizing the hiring of Timorese workers. Since then, several Active Labor Market Programs (ALMPs) have been supported by the FEFOP.

More recently, in 2011, the Timor-Leste Parliament approved the Human Capital Development Fund (HCDF). The goal of this new fund is to enable the country to pursue a coordinated approach to training and human resource development in a sustained manner over many years (see Box 2). In 2011, the annual budget of the HCDF was \$25 million, rising each year to reach \$45 million in 2015 to make a total of \$175 million over the 5-year period. HCDF's programs to date have been focused on the professional development of teachers and on the provision of scholarships for Timorese undergraduate and post-graduate students to study abroad.

²⁵ Timor-Leste National Strategic Plan for Education 2011-2015

Box 2: The Human Capital Development Fund (HCDF)

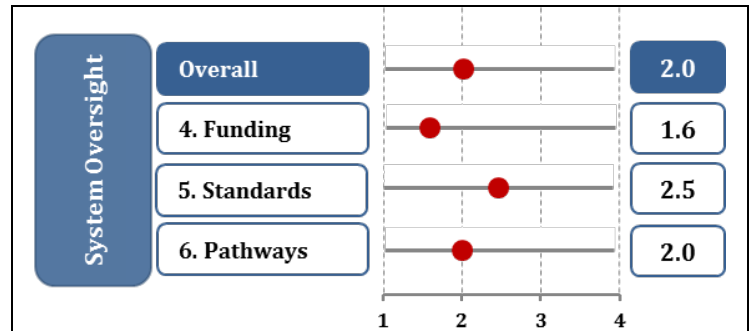
Creation	<ul style="list-style-type: none"> • 2011
Budget	<ul style="list-style-type: none"> • \$25 million • Will rise to \$45 million in 2015 to make a total of \$175 million.
Objectives	<ul style="list-style-type: none"> • Manage public investment in the formation and development of the national human resources • Guarantee security for signing of agreements on multi-year programs and projects for budgeting “year to year” – assuring continuity of the programs and projects; • Allow direct contribution from development partners into human resource development programs and projects; • Promote transparency and accountability through an improved reporting and accounting system on the execution of human capital development programs and projects.

SABER-WfD Ratings on Oversight of the WfD System

The SABER-WfD framework identifies three pertinent Policy Goals corresponding to oversight mechanisms for influencing the choices of individuals, training providers and employers: (i) ensuring efficiency and equity in funding; (ii) assuring relevant and reliable standards; and (iii) diversifying pathways for skills acquisition. This chapter begins with a brief overview of the institutional landscape for governance of the WfD system, then presents the detailed SABER-WfD results, and concludes with a discussion of the policy implications of these results.

Based on data collected by the SABER-WfD questionnaire, Timor-Leste receives an overall rating of 2.0 (Emerging) for system oversight (see Figure 13). This score is the average of the ratings for the underlying Policy Goals: ensuring efficiency and equity of funding (1.6); assuring relevant and reliable standards (2.5); and diversifying pathways for skills acquisition (2.0). The explanation for these ratings and their implications follow below.

Figure 13: SABER-WfD Ratings of the System Oversight Dimension



Note: See Figure 2 for an explanation of the scale on the horizontal axis. Source: Based on analysis of the data collected using the SABER-WfD questionnaire.

Policy Goal 4: Ensuring Efficiency and Equity in Funding

WfD requires a significant investment of resources by the government, households and employers. To ensure that these resources are effectively used it is important to examine the extent to which policies and institutional arrangements are in place to: (i) ensure stable funding for effective programs in initial, continuing and targeted TVET; (ii) monitor and assess equity in funding; and (iii) foster partnerships with employers for funding WfD.

Timor-Leste is rated at a high **Latent** level (1.6) on Policy Goal 4. The rating reflects the existence of basic procedures for allocating funds for targeted programs and institutions and an undeveloped culture of assessment of the impact of funding on beneficiaries. The fact that the government does not facilitate partnerships between training institutions and employers is also consistent with a latent level of development.

Technical Secondary Schools are financed from the state budget largely based on enrollment. They can also apply for extra public funding as well as for partnerships with foreign institutions or organizations, but all decisions are ultimately made by the MOE. These schools suffer from a severe lack of funds, receiving from the MOE only \$1 per student every three months for current expenditures. The two public training centers are financed by SEPFOPE, but they benefit from much more generous funding arrangements. For example, the cost per student/ year in The *Centro Nacional de Emprego e Formacao Profissional* (CNEFP

Tibar) is estimated at \$1500, which is fully supported by the state budget.

In regard to Continuing Vocational Education and Training (CVET), the government created and funds the Employment and Youth Career Centers (CEOPs). Currently the CEOPs provide an array of services that involve, besides career guidance, the identification of training and self-employment opportunities, monitoring of the implementation of the training and employment proposals funded by FEFOP and the listing of job vacancies.

The government of Timor-Leste funds several ongoing programs targeting disadvantaged populations through the FEFOP (see Box 3). Another major initiative was the Youth Employment Promotion (YEP) Program that was concluded in 2012. It was managed by SEPFOPE and funded in part by AusAid through the ILO. The program was aimed at assisting young men and women aged between 15 and 29 with the skills to enter the workforce through training, entrepreneurship and labor-intensive capital works. The program targeted all thirteen districts of Timor-Leste, assisting an estimated 68,000 beneficiaries during the four years of implementation.

Timor-Leste has not yet developed a strong culture of review and evaluation. A notable exception, with strong support from international partners, has been the YEP Program, which was routinely assessed with progress reports being published. The reports highlighted specific recommendations in terms of funding, such as to increase the resources available to the INDMO and the

FEFOP and to continue budget allocations for labor-intensive works in rural areas, as well as for literacy and numeracy, HIV/AIDS awareness and family planning. This assessment stimulated dialogue among stakeholders; for example, in line with the recommendations in the 2010 report, SEPFOPE, ILO and AusAid decided to diversify the sources of funding by extending participation to new donors.

Policy Goal 5: Assuring Relevant and Reliable Standards

The WfD system comprises a wide range of training providers offering courses at various levels in diverse fields. An effective system of standards and accreditation enables students to document what they have learned and employers to identify workers with the relevant skills. For Policy Goal 5 it is therefore important to assess the status of policies and institutions to: (i) set reliable competency standards; (ii) assure the credibility of skills testing and certification; and (iii) develop and enforce accreditation standards for maintaining the quality of training provision.

Timor-Leste scores at the **Emerging** level (2.5) for this Policy Goal. The score is consistent with the country's progress in introducing an NQF and putting in place the necessary institutional infrastructure for aligning curricula, testing procedures, and standards for accreditation with this framework. However, this new system is reaching only a part of training providers and completely leaves out the Technical Secondary Schools.

Competency standards have been defined for 21 occupations and 6 national certificates (Administration/Finance, Tourism/Hospitality, Automotive, Construction, Agriculture and Education), all on levels 1-4 of the TLNQF. INDMO has established industry sub-commissions in each of these industry areas. The sub-commissions, each of which includes representatives from the respective industry and two relevant training providers, have as one of their main missions to define the competency standards. Presently, there is a reasonably strong group of 15-18 training providers that deliver good quality training across a wide range of industries, particularly at qualification level one and two of the TLNQF. However, there is a critical training provision gap at qualification levels three and four, but this is being addressed by INDMO by helping targeted

Box 3: Programs targeting disadvantage populations funded by FEFOP

PROFARP

- Targets unemployed citizens and workers to promote employment and workforce capacity

PRIMO

- Aims at promoting the integration of the long-term unemployed with low qualifications into the labor market

PRIEM

- Promotes access to the labor market for severely disadvantaged groups like those physically and mentally disabled

providers to build capacity to deliver training at a higher level within the next two years.

Competency-based testing is used to certify students in all the occupations that have had standards defined. Given that standards have not yet been defined for many occupations and only a relatively small number of training centers have been accredited (17 from a total of 35 registered training centers), the number of students tested is still small. Testing is conducted in-house by an accredited teacher and the certificates are issued by INDMO. The choice to keep testing in-house was aimed at keeping the cost low, but also had to do with infrastructure constraints. Providers receive support from SEPFOPE to conduct competency-based testing as part of a grant package provided per student.

In Timor-Leste, it is not necessary to have a certificate to work on a certain occupation. However, certificates are a guarantee of better employment. For example, a carpenter can make \$12 if he is certified compared to \$7 if he is not. The importance of certificates has also recently increased following the decision of the government's procurement office to demand that local companies have certified labor in their staff when they bid for public works.

Presently, there are two accreditation agencies operating in Timor-Leste: INDMO under SEPFOPE and ANAAA under MOE. They are responsible for the accreditation of institutions and programs at levels 1-4 of the TLNQF and post-secondary, respectively. Accreditation is mandatory for providers that want to receive government funding and offer national certificates. However, accreditation is a rather new feature in the system, so several non-accredited providers are still receiving government funds. In such cases, providers receive support from SEPFOPE to help them meet the new standards.

Accreditation is valid for five years. During that period, the training institutions must maintain their compliance with the registration/accreditation standards. From time to time the authorities will check providers against the standards to make sure that they are continuing to comply. If there is a complaint by a student or an employer, there may be an immediate inspection. The providers are also required to provide annual progress reports. Both INDMO and ANAAA have published

guidelines that outline all the standards of accreditation so that they are easily available.²⁶ Both agencies have the ability and capability to enforce and punish training providers that do not comply with the existing regulations. This power is underpinned by their capacity as government agencies and most importantly because of their authority to make decisions over funding and other incentives. However, so far INDMO has not given any sanction to a training provider. At this stage, INDMO has opted to provide assistance and advice to non-complying training providers to help them meet accreditation requirements instead of punishing them. ANAAA has already revoked a license from a post-secondary institution for non-compliance.

Policy Goal 6: Diversifying Pathways for Skills Acquisition

In dynamic economic environments workers need to acquire new skills and competencies as well as keep their skills up-to-date throughout their working lives. They are best served by a system of initial and continuing education and training that promotes lifelong learning by offering clear and flexible pathways for transfers across courses, progression to higher levels of training and access to programs in other fields. For those already in the workforce, schemes for recognition of prior learning are essential to allow individuals to efficiently upgrade their skills and learn new ones. Policy Goal 6 therefore evaluates the extent to which policies and institutions are in place to: (i) enable progression through multiple learning pathways, including for students in TVET streams; (ii) facilitate the recognition of prior learning; and (iii) provide targeted support services, particularly among the disadvantaged.

Timor-Leste scores at an **Emerging** level (2.0) for Policy Goal 6. While pathways are available for TVET students to progress to other types of programs, several parts of the system are still disconnected and there have been no significant efforts to facilitate the recognition of prior learning. The provision of targeted services to the disadvantaged has, however, been a reality.

Streaming into technical/vocational education happens after nine years of schooling, at the beginning of secondary school (see Figure 14). Students from

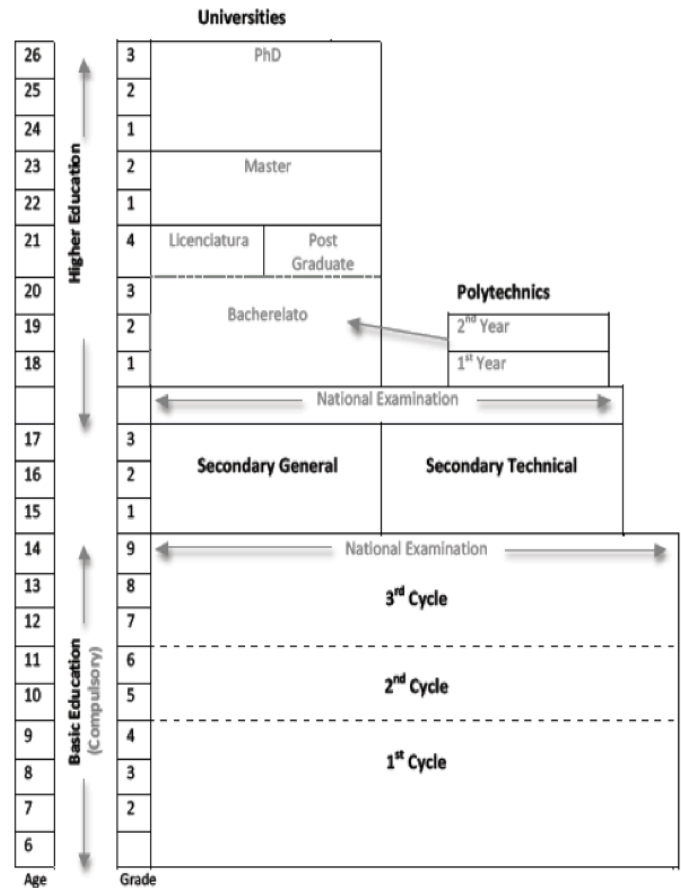
²⁶ <http://www.anaaa.gov.tl/>

Technical Secondary Schools are allowed to progress to university²⁷ as long as they pass the national exam for which they are usually not as well prepared as students who attend general secondary schools. Other options after completing technical secondary education are TVET institutions or centers and institutes/academies.

To encourage people to participate in training, efforts are being made to raise awareness to the positive relationships between: training and career options; training of staff and business profitability; and upgrading skills and career progression. As part of this, the Government is making an effort to make sure all graduates of training programs are employed by, for example, requiring companies to present the certificates of workers when they bid for public work. The creation of the TLNQF has also been a major step towards pathway diversification. A serious downside of the system is that technical secondary school diplomas and post-secondary level qualifications are not yet recognized in the TLNQF.

As discussed in Policy Goal 4, the Timorese government has made efforts to provide support services for skills acquisition by workers and job seekers through the creation of the CEOPs and the introduction of programs targeting disadvantaged populations by financing ALMPs through FEFOP. The main roles of the CEOPs are to (i) register clients who are seeking jobs and professional training, (ii) provide counseling to those completing TVET programs, and (iii) advertise available jobs. The CEOPs have started to establish a range of contacts with the private sector, particularly well-established companies, to share their available vacancies and training programs at the centers, but this is not yet an institutionalized process.

Figure 14: The education system in Timor-Leste



Source: Timor-Leste National Strategic Plan for Education 2011-2015

Implications of the Findings

Timor-Leste has been adopting international best practices in the oversight of WfD training provision by introducing competency standards, skills testing and a national qualifications framework. However, since the Technical Secondary Schools are being left out of this reform process, there is the risk that two parallel systems of vocational training are being created – where Technical Secondary Schools and the national TVET system are operating completely independently of each other. At this stage, it is crucial to think whether this duality is beneficial or if it is mostly contributing to inequity in the system. It is clear that Technical Secondary Schools could benefit significantly from stronger oversight and thus it would probably make sense to take advantage of a system that is already in

²⁷ Law of Parliament No.14/2008, Chapter II, Sub Section II, article 16, 2nd, b

place instead of creating a new one. The integration of the Technical Secondary Schools into INDMO's quality control system could be the most cost effective option.

Independently of how oversight is approached, it is a priority to increase the quality and relevance of the programs offered by the Technical Secondary Schools. Improvement of infrastructure and modernization of curricula and equipment would be the basic steps to guarantee that technical secondary education is not seen as a "second-class" route to the labor market with a doubtful impact on equipping students with job-relevant skills. The low level of quality in most of these

schools makes them less attractive to employers to establish partnerships. This further undermines the ability of these schools to place students in internships and develop programs that respond to industry's real needs.

The amount of funding directed to the two public training centers also raises important questions of sustainability and equity. This is particularly serious when resources are scarce and other parts of the education system, such as primary and secondary schooling, are also in need of significant investment.

6. Managing Service Delivery

Training providers, both non-state and government, are the main channels through which the country's policies on WfD are translated into results on the ground. This chapter therefore provides a brief overview of the composition of providers and the types of services available in the system before presenting the detailed SABER-WfD findings on Service Delivery and their policy implications.

Overview of the Delivery of Training Services

There are two layers of TVET in Timor-Leste: the Technical Secondary Schools, under MOE and the "non-formal" sector, under SEPFOPE's oversight, that provides the bulk of industry and life skills training through a large number of profit and non-profit institutions and two public ones.

In 2010, there were 91 secondary schools in Timor-Leste (see Table 1), of which 74 were general (43 public and 31 private) and 17 were technical (12 public and 5 private). Only 14 percent of the total number of students in secondary education attends technical schools.²⁸ These schools run parallel to the general secondary schools with students aged 16 to 19 years and deliver a Certificate 4 level of industry training.

Table 1: Secondary education in Timor-Leste

	Secondary General	Secondary Technical	Total
Students	35,062	5,719	40,781
Schools	74	17	91
Teachers	1,696	377	2,073

There are no public institutions offering post-secondary education in Timor-Leste and there is only one public university (*Universidade Nacional de Timor-Lorosae*). There are, however, around ten private higher education institutions in Timor-Leste, seven of which offer mostly technical education (institutes/academies) (see Table 2). The government of Timor-Leste has the plan to create three new publicly funded Polytechnic Institutes to be new centers of excellence in critical sectors. The plan includes a polytechnic specializing in

Tourism and Hospitality in Lospalos, one specializing in Engineering in Suai and one specializing in Services, Tourism and Administration in Hera.

The "private" training sector is made up of around 100 providers, primarily NGOs and church and donor funded training organizations. However, there is an increasing number of "independent" providers, which are managed by boards of directors made up of local community members. The training providers in the private sector deliver training at every level from basic life skills through Diploma.

There is no information on the exact numbers of students receiving training from this diverse set of providers or the types of programs offered. A 2009 review by SEPFOPE/INDMO of government funded training, identified 37 training providers receiving funding from the FEFOP. It included both community-based livelihood training as well as formal training targeted to work opportunities. An estimated 1,653 participants were involved in this training with the

Table 2: Graduated Students (cumulative data up to 2011)

	Students	Status
Universidade Nacional de Timor – Lorosae (UNTL)	5,401	Accredited
Universidade da Paz (UNPAZ)	861	Accredited
Institute of Business (IOB)	198	Accredited
Dili Institute of Technology (DIT)	115	Accredited
Universidade Oriental (UNITAL)	211	-
Universidade Dili (UNDIL)	557	-
Instituto Superior Cristal (ISC)	248	Accredited
East Timor Coffee Academy (ETICA)	49	Accredited
Instituto de Ciencias Religiosas "Sao Tomas de Aquino" (ICR)	77	Accredited
Instituto Profissional de Canossa (IPDC)	49	Accredited
Instituto Catolico para Formacao de Professores (ICFP)	229	Accredited

Source: National Strategic Plan

²⁸ Timor-Leste Strategic Development Plan 2011 – 2030

largest proportion of people in “administration and finance” (40%) and “construction” (34%).²⁹

There are two public training centers in Timor-Leste, the *Centro Nacional de Emprego e Formação Profissional* (CNEFP Tibar) and the *Centro Nacional de Formação Profissional Becora* (CNFP SENAI). They started as totally independent institutions financed and managed by donors, as part of cooperation agreements with the Portuguese and Brazilian governments, respectively. Both of them have recently been integrated into the public system.³⁰ They offer truly exceptional infrastructure for training when compared to the local landscape and generally maintain the training standards of the founding countries.

The only attempt to track the labor market outcomes of graduates from training programs has been the Technical Vocational Education & Training – Impact Assessment Report (2008).³¹ This study surveyed graduates from TVET courses, employers and training institutions. Of the 418 trainees interviewed, 312 indicated that they were jobless at the time of the course, 93 found employment after graduation and 137 reported improved income after completing their courses. Allowing for possible overlap between the two groups, approximately 50 percent of the graduates found work or experienced income improvement.

SABER WfD Ratings on Service Delivery

The Policy Goals for this Dimension in the SABER-WfD framework focus on the following three aspects of service delivery: (i) enabling diversity and excellence in training provision; (ii) fostering relevance in public

²⁹ SEPFOPE, *Review of 2009 TVET Training Outcomes* cited in Timor-Leste Technical and Vocational Education & Training Plan 2011 – 2030.

³⁰ Decree-Law 4/2009, creates Centro Nacional de Emprego e Formacao Profissional (CNEFP Tibar) and Decree-Law 21/2012, creates Centro Nacional de Formacao Profissional Becora (CNFP SENAI).

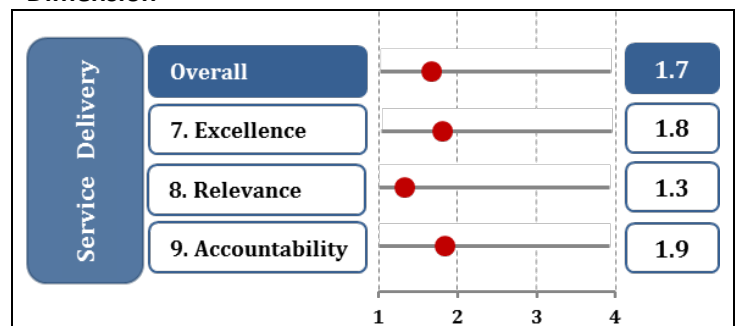
³¹ With 21 training centers surveyed, 418 graduates and 20 companies interviewed, the report evaluates the outcome of selected training courses that were conducted by these training centers during 2006 and 2007 – it did not cover technical secondary schools.

training programs; and (iii) enhancing evidence-based accountability for results. The ratings for these three Policy Goals are presented below and are followed by a reflection on their implications for policy dialogue.

Based on data collected by the SABER-WfD questionnaire, Timor-Leste receives an overall rating of 1.7 (Latent) for the Service Delivery Dimension (see Figure 15). This score is the average of the ratings for the underlying Policy Goals: (i) enabling diversity and excellence in training provision (1.8); (ii) fostering relevance in public training programs (1.3); and (iii) enhancing evidence-based accountability for results (1.9). The explanation for these ratings and their implications follow below.

Policy Goal 7: Enabling Diversity and Excellence in

Figure 15: SABER-WfD Ratings of the Service Delivery Dimension



Note: See Figure 2 for an explanation of the scale on the horizontal axis.

Source: Based on analysis of the data collected using the SABER-WfD questionnaire.

Training Provision

Because the demand for skills is impossible to predict with precision, having a diversity of providers is a feature of strong WfD systems. Among non-state providers the challenge is to temper the profit motive or other program agendas with appropriate regulation to assure quality and relevance. Among state providers a key concern is their responsiveness to the demand for skills from employers and students. Striking the right balance between institutional autonomy and accountability is one approach to address this concern. Policy Goal 7 takes these ideas into account and benchmarks the system according to the extent to which policies and institutional arrangements are in place to: (i) encourage and regulate non-state provision

of training and (ii) foster excellence in public training provision by combining incentives and autonomy in the management of public institutions.

Timor-Leste scores at an **Emerging** level (1.8) for Policy Goal 7. A range of non-state providers is active in the training market, despite few government incentives to encourage non-state provision. About 35 providers out of 100 are registered (INDMO reports that another 30 have started the registration process) and significant efforts have been made to put in place measures for quality assurance, though they apply only to providers that are accredited or seeking accreditation. With regard to public training provision, while the two national training centers have considerable autonomy, the Technical Secondary Schools are highly dependent on the MOE for all their decisions. Finally, the government does not require institutions to meet explicit performance targets, nor does it provide financial or non-financial incentives for performance.

There is a diverse mix of training providers (domestic for-profit and non-profit and foreign non-profit) despite limited government incentives to encourage non-state provision. The Timorese government has, however, recently made significant efforts to regulate the quality of training provision by the non-state sector. Since the creation of INDMO in 2008, approximately 35 providers have been registered (about 17 accredited) out of around 100 training providers that offer training at secondary or lower levels. At the post-secondary level, presently all seven non-state institutes/academies offering post-secondary TVET in Timor are licensed, registered and accredited with ANAAA. INDMO and ANAAA have included specific rules to assure the quality of non-training provision by, for example, linking accreditation with the eligibility to receive government funds and establishing concrete measures for non-compliant institutions: providers will not be allowed to offer national qualifications and will not be eligible for government funding. It is important to clarify that the providers that are not registered with INDMO operate completely on their own and with no control over quality by the authorities.

The public Technical Secondary Schools under MOE have very limited autonomy. Schools are allowed to make small purchases but are very limited in that especially due to lack of budget: as mentioned before,

schools receive only \$1 per student every three months for current expenditures. Even though Technical Secondary Schools regularly report administrative and graduation data, there are no clear performance targets. While the law³² clearly states that the creation, modification or termination of technical-vocational courses is determined by ministerial order of the MOE, the process for approval and closure is not clearly defined and seems to be *ad-hoc*. A clear sign that adjustments are not being made is that teaching in Technical Secondary Schools is still based on the old Indonesian curricula.

On the other hand, the two public training centers have considerable autonomy as a consequence of the way they were established. They have authority over decisions regarding selection of trainees, purchases, introduction and closure of programs and hiring of staff (CNFP SENAI staff are public servants while CNEFP Tibar have so far kept their original status). They are also allowed to organize special courses at the request of firms or other institutions and charge fees for them.

Regarding the introduction of new programs, SEPFOPE and INDMO have started to implement systematic procedures that include the participation of industry and training institutions. For example, recently, construction companies expressed the need for a training program in labor-based technology, since having a technician with a certificate in labor-based technology became a requirement for public sector bidding. Thus, INDMO's Industry Sub-Commissions have now developed competency standards that, once approved, will form the basis of a new training program. Procedures for closure are, however, not very clear since all programs are rather new.

Policy Goal 8: Fostering Relevance in Public Training Programs

Public training institutions need reliable information on current and emerging skills demands in order to keep their program offerings relevant to market conditions. It is therefore desirable for public training institutions to establish and maintain relationships with employers, industry associations, and research institutions. Such partners are a source of both information about skills

³² Decree-Law 8/2010

competencies and expertise and advice on curriculum design and technical specifications for training facilities and equipment. They can also help create opportunities for workplace training for students and continuing professional development for instructors and administrators. Policy Goal 8 considers the extent to which arrangements are in place for public training providers to: (i) benefit from industry and expert input in the design of programs and (ii) recruit administrators and instructors with relevant qualifications and support their professional development.

Timor-Leste is evaluated at a **Latent** level (1.3) of development for Policy Goal 8. Informal and sporadic links exist between the two national training centers and industry, with limited involvement of industry in curricula design and in offering internship programs. Technical Secondary Schools under MOE are, however, not benefiting from such links. The low score on this Goal also reflects the fact that instructors and administrators of public training institutions suffer from a lack of appropriate qualifications, particularly in MOE schools. Furthermore, opportunities for the professional development of instructors are limited.

There are weak or no links between Technical Secondary Schools and industry. In terms of the qualifications of instructors and heads, the law states that while for teaching the training component of the program, preference should be given to trainers who have professional experience or are business owners, for the socio-cultural and scientific components, teachers and trainers should have the qualifications legally required for the corresponding grades of general secondary education. However, given the extreme shortage of skilled workers in Timor-Leste there is difficulty in finding candidates with the appropriate qualifications. For example, the director of a large technical secondary school in Dili mentioned the lack of pedagogical skills of instructors, who have some training in their trade but no training in teaching methods and no opportunities for development of such. Another issue that seriously compromises teaching quality is the fact that many teachers still lack fluency in the official languages of instruction.

The accredited programs offered by the two public training providers benefit from industry input in

curriculum design and in development of training and teaching materials in the sense that all programs accredited by INDMO/SEPFOPE follow a centrally developed curriculum that includes industry participation in the industry sub-commissions. It is important to note, however, that presently only a small part of the programs offered by CNEFP Tibar and CNFP SENAI have been accredited. Industry involvement has also happened through occasional placement of trainees in internships. In terms of staff qualifications, instructors in these institutions follow the minimum requirement for the granting of a license by INDMO: faculty must have academic qualifications one level above the students that they are teaching. Opportunities for professional development are better than in public technical secondary schools; the two public training centers make an effort to send instructors on training courses offered by SEPFOPE and international agencies/donors (ILO, ADB, AusAid). In the case of CNFP SENAI all instructors are sent to Brazil for training and the director has participated in in-service training in both Indonesia and Brazil.

Policy Goal 9: Enhancing Evidence-based Accountability for Results

Systematic monitoring and evaluation of service delivery are important for both quality assurance and system improvement. Accomplishing this function requires gathering and analyzing data from a variety of sources. The reporting of institution level data enables the relevant authorities to ensure that providers are delivering on expected outcomes. Such data also enable these authorities to identify gaps or challenges in training provision or areas of good practice. Additionally, periodic surveys and evaluations of major programs generate complementary information that can help enhance the relevance and efficiency of the system as a whole. Policy Goal 9 considers these ideas when assessing the system's arrangements for collecting and using data to focus attention on training outcomes, efficiency and innovation in service delivery.

Timor-Leste scores at the **Emerging** level (1.9) for Policy Goal 9. All accredited training providers, state and non-state, are required to collect and report basic administrative data that are occasionally used to assess institutional performance as well as to analyze system-level trends. However, sources of data on labor market

outcomes are limited to a few *ad hoc* skills-related surveys or studies.

All institutions overseeing training in Timor-Leste require providers to submit some type of data. All Technical Secondary Schools, public or private, have to submit an annual report to the MOE. The data submitted consist only of administrative indicators (enrollments, spending) and graduation statistics and is used by the MOE to prepare an annual report. Accredited post-secondary institutions under ANAAA regularly submit an annual data report. These reports serve as a tool to monitor the progress and development of institutions as part of a continuous improvement process and are also used when analyzing proposals to establish new post-secondary institutes. Yearly reports on each of the institutions are available online.³³

INDMO has similar requirements for data reporting by registered and accredited training providers. Data are used as an input into the decision on whether to renew accreditation and as a factor to determine public funding for the following year. SEPFOPE, as the main institution promoting training in Timor-Leste has also been involved in the promotion of special studies like the Timor-Leste Labor Force Survey 2010 and the Technical Vocational Education & Training – Impact Assessment Report (2008).

Implications of the Findings

Despite the current efforts to register and accredit non-state training providers, there are still a significant number of providers that operate outside the system and over which INDMO has no quality control. INDMO has reported that about 30 providers have started efforts to become registered, bringing the total of providers that are registered or seeking registration to a total of 60 (out of about 100). Many of the providers not yet registered are NGOs but some of them are profit-seeking institutions that charge fees to students. Given the limited information available, many students may be led into substandard programs that do not increase their employment perspectives. Timor-Leste,

through INDMO, has set up a very complete quality control system, so at this point the need is for the system to be able to expand its capacity, reach out to these providers and support their efforts to be included in the formal structure of training delivery. The fact that accreditation is a requirement to receive public funding can act as a strong incentive for providers to take the initiative to apply for registration and accreditation.

Again in service delivery, as in the definition of strategic WfD priorities, the role of employers is a critical one. In advanced systems, industry provides valuable input into the design of curricula and the specification of facility standards in public funded-programs. Timor-Leste is still very much at a latent stage of development in this aspect. Stimulating employer engagement is crucial to keep training programs relevant and to guarantee students' employability.

Additionally, there is a strong need to strengthen the monitoring processes in order to create a culture of accountability for results. Requiring training providers to report administrative information about their operations fills a basic and useful purpose for the government authority mandated to oversee service provision. Even simple reporting on enrollments, staffing, budgets and main accomplishments, if done routinely, serves as a tool for accountability. If all providers, whether state or non-state, report on their operations, the information, when consolidated into an accessible database, can clarify key features of and trends in training provision, including differences in performance across training providers. INDMO has been making substantial efforts to compile data from accredited training providers including detailed information on students and graduates. However, in Timor-Leste, there is still no widespread culture of bringing together data from different sources, analyzing it and using it to assess providers' behavior and identify opportunities for the improvement of the system as a whole.

³³ <http://www.anaaa.gov.tl/>

Annex 1: List of Acronyms

ADB	Asian Development Bank
ALMPs	Active Labor Market Programs
ANAAA	National Agency for Academic Assessment and Accreditation
AusAid	Australian Agency for International Development
BAS	Business Activity Survey
CEOPs	Employment and Youth Career Centers
CNEFP Tibar	Centro Nacional de Emprego e Formacao Profissional
CNFP SENAI	Centro Nacional de Formacao Profissional Becora
CVET	Continuing Vocational Education and Training
DCI	Data Collection Instrument
FEFOP	Fund for Employment and Vocational Training
GDP	Gross Domestic Product
GNI	Gross National Income
HCDF	Human Capital Development Fund
ILO	International Labor Organization
INDMO	National Labor Force Development Institute
MEE	National Directorate for Informal Education
MOE	Ministry of Education
SABER	Systems Approach for Better Education Results
SEPFPOPE	Secretary of State for Vocational Training and Employment
TLNQF	Timor-Leste National Qualifications Framework
TVET	Technical and Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Program
UNICEF	United Nations International Children's Emergency Fund
WfD	Workforce development
YEP	Youth Employment Promotion Program

Annex 2: Structure of the SABER-WfD Framework

		Policy Goal	Policy Action	Topic			
Dimension 1	Strategic Framework	G1	Setting a Strategic Direction	Provide sustained advocacy for WfD at the top leadership level	G1_T1	Advocacy for WfD to Support Economic Development	
					G1_T2	Strategic Focus and Decisions by the WfD Champions	
		G2	Fostering a Demand-Led Approach	Establish clarity on the demand for skills and areas of critical constraint	G2_T1	Overall Assessment of Economic Prospects and Skills Implications	
					G2_T2	Critical Skills Constraints in Priority Economic Sectors	
					Engage employers in setting WfD priorities and in enhancing skills-upgrading for workers	G2_T3	Role of Employers and Industry
						G2_T4	Skills-Upgrading Incentives for Employers
						G2_T5	Monitoring of the Incentive Programs
		G3	Strengthening Critical Coordination	Formalize key WfD roles for coordinated action on strategic priorities	G3_T1	Roles of Government Ministries and Agencies	
					G3_T2	Roles of Non-Government WfD Stakeholders	
G3_T3	Coordination for the Implementation of Strategic WfD Measures						
Dimension 2	System Oversight	G4	Ensuring Efficiency and Equity in Funding	Provide stable funding for effective programs in initial, continuing and targeted vocational education and training	G4_T1	Overview of Funding for WfD	
					G4_T2	Recurrent Funding for Initial Vocational Education and Training (IVET)	
					G4_T3	Recurrent Funding for Continuing Vocational Education and Training Programs (CVET)	
					G4_T4	Recurrent Funding for Training-related Active Labor Market Programs (ALMPs)	
					Monitor and enhance equity in funding for training	G4_T5	Equity in Funding for Training Programs
					Facilitate sustained partnerships between training institutions and employers	G4_T6	Partnerships between Training Providers and Employers
		G5	Assuring Relevant and Reliable Standards	Broaden the scope of competency standards as a basis for developing qualifications frameworks	G5_T1	Competency Standards and National Qualifications Frameworks	
					G5_T2	Competency Standards for Major Occupations	
					G5_T3	Occupational Skills Testing	
					G5_T4	Skills Testing and Certification	
					G5_T5	Skills Testing for Major Occupations	
					G5_T6	Government Oversight of Accreditation	
					G5_T7	Establishment of Accreditation Standards	
					G5_T8	Accreditation Requirements and Enforcement of Accreditation Standards	
					G5_T9	Incentives and Support for Accreditation	
		G6	Diversifying Pathways for Skills Acquisition	Promote educational progression and permeability through multiple pathways, including for TVET students	G6_T1	Learning Pathways	
					G6_T2	Public Perception of Pathways for TVET	
					G6_T3	Articulation of Skills Certification	
					G6_T4	Recognition of Prior Learning	
					G6_T5	Support for Further Occupational and Career Development	
					G6_T6	Training-related Provision of Services for the Disadvantaged	
Dimension 3	Service Delivery	G7	Enabling Diversity and Excellence in Training Provision	Encourage and regulate non-state provision of training	G7_T1	Scope and Formality of Non-State Training Provision	
					G7_T2	Incentives for Non-State Providers	
					G7_T3	Quality Assurance of Non-State Training Provision	
					G7_T4	Review of Policies towards Non-State Training Provision	
					G7_T5	Targets and Incentives for Public Training Institutions	
					G7_T6	Autonomy and Accountability of Public Training Institutions	
					G7_T7	Introduction and Closure of Public Training Programs	
		G8	Fostering Relevance in Public Training Programs	Integrate industry and expert input into the design and delivery of public training programs	G8_T1	Links between Training Institutions and Industry	
					G8_T2	Industry Role in the Design of Program Curricula	
					G8_T3	Industry Role in the Specification of Facility Standards	
					G8_T4	Links between Training and Research Institutions	
		G9	Enhancing Evidence-based Accountability for Results	Recruit and support administrators and instructors for enhancing the market-relevance of public training programs	G8_T5	Recruitment and In-Service Training of Heads of Public Training Institutions	
					G8_T6	Recruitment and In-Service Training of Instructors of Public Training Institutions	
					G9_T1	Administrative Data from Training Providers	
					G9_T2	Survey and Other Data	
					G9_T3	Use of Data to Monitor and Improve Program and System Performance	

Annex 3: Rubrics for Scoring the Data

Functional Dimension 1: Strategic Framework				
Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G1: Setting a Strategic Direction for WfD	Visible champions for WfD are either absent or take no specific action to advance strategic WfD priorities.	Some visible champions provide <i>ad-hoc</i> advocacy for WfD and have acted on few interventions to advance strategic WfD priorities; no arrangements exist to monitor and review implementation progress.	Government leaders exercise sustained advocacy for WfD with occasional, ad-hoc participation from non-government leaders ; their advocacy focuses on selected industries or economic sectors and manifests itself through a range of specific interventions; implementation progress is monitored, albeit through <i>ad-hoc</i> reviews.	Both government and non-government leaders exercise sustained advocacy for WfD, and rely on routine, institutionalized processes to collaborate on well-integrated interventions to advance a strategic, economy-wide WfD policy agenda; implementation progress is monitored and reviewed through routine, institutionalized processes.

Functional Dimension 1: Strategic Framework				
Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G2: Fostering a Demand-Led Approach to WfD	There is no assessment of the country's economic prospects and their implications for skills; industry and employers have a limited or no role in defining strategic WfD priorities and receive limited support from the government for skills upgrading.	Some ad-hoc assessments exist on the country's economic prospects and their implications for skills; some measures are taken to address critical skills constraints (e.g., incentives for skills upgrading by employers); the government makes limited efforts to engage employers as strategic partners in WfD.	Routine assessments based on multiple data sources exist on the country's economic prospects and their implications for skills; a wide range of measures with broad coverage are taken to address critical skills constraints; the government recognizes employers as strategic partners in WfD, formalizes their role, and provides support for skills upgrading through incentive schemes that are reviewed and adjusted .	A rich array of routine and robust assessments by multiple stakeholders exists on the country's economic prospects and their implications for skills; the information provides a basis for a wide range of measures with broad coverage that address critical skills constraints; the government recognizes employers as strategic partners in WfD, formalizes their role, and provides support for skills upgrading through incentives, including some form of a levy-grant scheme , that are systematically reviewed for impact and adjusted accordingly.

Functional Dimension 1: Strategic Framework

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G3: Strengthening Critical Coordination for Implementation	Industry/employers have a limited or no role in defining strategic WfD priorities; the government either provides no incentives to encourage skills upgrading by employers or conducts no reviews of such incentive programs.	Industry/employers help define WfD priorities on an ad-hoc basis and make limited contributions to address skills implications of major policy/investment decisions; the government provides some incentives for skills upgrading for formal and informal sector employers; if a levy-grant scheme exists its coverage is limited ; incentive programs are not systematically reviewed for impact.	Industry/employers help define WfD priorities on a routine basis and make some contributions in selected areas to address the skills implications of major policy/investment decisions; the government provides a range of incentives for skills upgrading for all employers; a levy-grant scheme with broad coverage of formal sector employers exists; incentive programs are systematically reviewed and adjusted ; an annual report on the levy-grant scheme is published with a time lag .	Industry/employers help define WfD priorities on a routine basis and make significant contributions in multiple areas to address the skills implications of major policy/investment decisions; the government provides a range of incentives for skills upgrading for all employers; a levy-grant scheme with comprehensive coverage of formal sector employers exists; incentive programs to encourage skills upgrading are systematically reviewed for impact on skills and productivity and are adjusted accordingly; an annual report on the levy-grant scheme is published in a timely fashion .

Functional Dimension 2: System Oversight

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G4: Ensuring Efficiency and Equity in Funding	<p>The government funds IVET, CVET and ALMPs (but not OJT in SMEs) based on <i>ad-hoc</i> budgeting processes, but takes no action to facilitate formal partnerships between training providers and employers; the impact of funding on the beneficiaries of training programs has not been recently reviewed.</p>	<p>The government funds IVET, CVET (including OJT in SMEs) and ALMPs; funding for IVET and CVET follows routine budgeting processes involving only government officials with allocations determined largely by the previous year's budget; funding for ALMPs is decided by government officials on an <i>ad-hoc</i> basis and targets select population groups through various channels; the government takes some action to facilitate formal partnerships between individual training providers and employers; recent reviews considered the impact of funding on only training-related indicators (e.g. enrollment, completion), which stimulated dialogue among some WfD stakeholders.</p>	<p>The government funds IVET, CVET (including OJT in SMEs) and ALMPs; funding for IVET is routine and based on multiple criteria, including evidence of program effectiveness; recurrent funding for CVET relies on formal processes with input from key stakeholders and annual reporting with a lag; funding for ALMPs is determined through a systematic process with input from key stakeholders; ALMPs target diverse population groups through various channels and are reviewed for impact but follow-up is limited; the government takes action to facilitate formal partnerships between training providers and employers at multiple levels (institutional and systemic); recent reviews considered the impact of funding on both training-related indicators and labor market outcomes; the reviews stimulated dialogue among WfD stakeholders and some recommendations were implemented.</p>	<p>The government funds IVET, CVET (including OJT in SMEs) and ALMPs; funding for IVET is routine and based on comprehensive criteria, including evidence of program effectiveness, that are routinely reviewed and adjusted; recurrent funding for CVET relies on formal processes with input from key stakeholders and timely annual reporting; funding for ALMPs is determined through a systematic process with input from key stakeholders; ALMPs target diverse population groups through various channels and are reviewed for impact and adjusted accordingly; the government takes action to facilitate formal partnerships between training providers and employers at all levels (institutional and systemic); recent reviews considered the impact of funding on a full range of training-related indicators and labor market outcomes; the reviews stimulated broad-based dialogue among WfD stakeholders and key recommendations were implemented.</p>

Functional Dimension 2: System Oversight				
Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G5: Assuring Relevant and Reliable Standards	<p>Policy dialogue on competency standards and/or the NQF occurs on an <i>ad-hoc</i> basis with limited engagement of key stakeholders; competency standards have not been defined; skills testing for major occupations is mainly theory-based and certificates awarded are recognized by public sector employers only and have little impact on employment and earnings; no system is in place to establish accreditation standards.</p>	<p>A few stakeholders engage in <i>ad-hoc</i> policy dialogue on competency standards and/or the NQF; competency standards exist for a few occupations and are used by some training providers in their programs; skills testing is competency-based for a few occupations but for the most part is mainly theory-based; certificates are recognized by public and some private sector employers but have little impact on employment and earnings; the accreditation of training providers is supervised by a dedicated office in the relevant ministry; private providers are required to be accredited, however accreditation standards are not consistently publicized or enforced; providers are offered some incentives to seek and retain accreditation.</p>	<p>Numerous stakeholders engage in policy dialogue on competency standards and/or the NQF through institutionalized processes; competency standards exist for most occupations and are used by some training providers in their programs; the NQF, if in place, covers some occupations and a range of skill levels; skills testing for most occupations follows standard procedures, is competency-based and assesses both theoretical knowledge and practical skills; certificates are recognized by both public and private sector employers and may impact employment and earnings; the accreditation of training providers is supervised by a dedicated agency in the relevant ministry; the agency is responsible for defining accreditation standards with stakeholder input; standards are reviewed on an <i>ad-hoc</i> basis and are publicized or enforced to some extent; all providers receiving public funding must be accredited; providers are offered incentives and limited support to seek and retain accreditation.</p>	<p>All key stakeholders engage in policy dialogue on competency standards and/or the NQF through institutionalized processes; competency standards exist for most occupations and are used by training providers in their programs; the NQF, if in place, covers most occupations and a wide range of skill levels; skills testing for most occupations follows standard procedures, is competency-based and assesses both theoretical knowledge and practical skills; robust protocols, including random audits, ensure the credibility of certification; certificates are valued by most employers and consistently improve employment prospects and earnings; the accreditation of training providers is supervised by a dedicated agency in the relevant ministry; the agency is responsible for defining accreditation standards in consultation with stakeholders; standards are reviewed following established protocols and are publicized and routinely enforced; all training providers are required as well as offered incentives and support to seek and retain accreditation.</p>

Functional Dimension 2: System Oversight

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G6: Diversifying Pathways for Skills Acquisition	<p>Students in technical and vocational education have few or no options for further formal skills acquisition beyond the secondary level and the government takes no action to improve public perception of TVET; certificates for technical and vocational programs are not recognized in the NQF; qualifications certified by non-Education ministries are not recognized by formal programs under the Ministry of Education; recognition of prior learning receives limited attention; the government provides practically no support for further occupational and career development, or training programs for disadvantaged populations.</p>	<p>Students in technical and vocational education can only progress to vocationally-oriented, non-university programs; the government takes limited action to improve public perception of TVET (e.g. diversifying learning pathways); some certificates for technical and vocational programs are recognized in the NQF; few qualifications certified by non-Education ministries are recognized by formal programs under the Ministry of Education; policymakers pay some attention to the recognition of prior learning and provide the public with some information on the subject; the government offers limited services for further occupational and career development through stand-alone local service centers that are not integrated into a system; training programs for disadvantaged populations receive ad-hoc support.</p>	<p>Students in technical and vocational education can progress to vocationally-oriented programs, including at the university level; the government takes some action to improve public perception of TVET (e.g. diversifying learning pathways and improving program quality) and reviews the impact of such efforts on an ad-hoc basis; most certificates for technical and vocational programs are recognized in the NQF; a large number of qualifications certified by non-Education ministries are recognized by formal programs under the Ministry of Education, albeit without the granting of credits; policymakers give some attention to the recognition of prior learning and provide the public with some information on the subject; a formal association of stakeholders provides dedicated attention to adult learning issues; the government offers limited services for further occupational and career development, which are available through an integrated network of centers; training programs for disadvantaged populations receive systematic support and are reviewed for impact on an ad-hoc basis.</p>	<p>Students in technical and vocational education can progress to academically or vocationally-oriented programs, including at the university level; the government takes coherent action on multiple fronts to improve public perception of TVET (e.g. diversifying learning pathways and improving program quality and relevance, with the support of a media campaign) and routinely reviews and adjusts such efforts to maximize their impact; most certificates for technical and vocational programs are recognized in the NQF; a large number of qualifications certified by non-Education ministries are recognized and granted credits by formal programs under the Ministry of Education; policymakers give sustained attention to the recognition of prior learning and provide the public with comprehensive information on the subject; a national organization of stakeholders provides dedicated attention to adult learning issues; the government offers a comprehensive menu of services for further occupational and career development, including online resources, which are available through an integrated network of centers; training programs for disadvantaged populations receive systematic support with multi-year budgets and are routinely reviewed for impact and adjusted accordingly.</p>

Functional Dimension 3: Service Delivery

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G7: Enabling Diversity and Excellence in Training Provision	There is no diversity of training provision as the system is largely comprised of public providers with limited or no autonomy ; training provision is not informed by formal assessment, stakeholder input or performance targets.	There is some diversity in training provision; non-state providers operate with limited government incentives and governance over registration, licensing and quality assurance; public training is provided by institutions with some autonomy and informed by some assessment of implementation constraints, stakeholder input and basic targets.	There is diversity in training provision; non-state training providers, some registered and licensed, operate within a range of government incentives, systematic quality assurance measures and routine reviews of government policies toward non-state training providers; public providers, mostly governed by management boards, have some autonomy; training provision is informed by formal analysis of implementation constraints, stakeholder input and basic targets; lagging providers receive support and exemplary institutions are rewarded .	There is broad diversity in training provision; non-state training providers, most registered and licensed, operate with comprehensive government incentives, systematic quality assurance measures and routine review and adjustment of government policies toward non-state training providers; public providers, mostly governed by management boards, have significant autonomy; decisions about training provision are time-bound and informed by formal assessment of implementation constraints; stakeholder input and use of a variety of measures to incentivize performance include support, rewards and performance-based funding.

Functional Dimension 3: Service Delivery

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G8: Fostering Relevance in Public Training Programs	There are few or no attempts to foster relevance in public training programs through encouraging links between training institutions, industry and research institutions or through setting standards for the recruitment and training of heads and instructors in training institutions.	Relevance of public training is enhanced through informal links between some training institutions, industry and research institutions, including input into the design of curricula and facility standards; heads and instructors are recruited on the basis of minimum academic standards and have limited opportunities for professional development.	Relevance of public training is enhanced through formal links between some training institutions, industry and research institutions, leading to collaboration in several areas including but not limited to the design of curricula and facility standards; heads and instructors are recruited on the basis of minimum academic and professional standards and have regular access to opportunities for professional development.	Relevance of public training is enhanced through formal links between most training institutions, industry and research institutions, leading to significant collaboration in a wide range of areas; heads and instructors are recruited on the basis of minimum academic and professional standards and have regular access to diverse opportunities for professional development, including industry attachments for instructors.

Functional Dimension 3: Service Delivery

Policy Goal	Level of Development			
	Latent	Emerging	Established	Advanced
G9: Enhancing Evidence-based Accountability for Results	<p>There are no specific data collection and reporting requirements, but training providers maintain their own databases; the government does not conduct or sponsor skills-related surveys or impact evaluations and rarely uses data to monitor and improve system performance.</p>	<p>Training providers collect and report administrative data and there are significant gaps in reporting by non-state providers; some public providers issue annual reports and the government occasionally sponsors or conducts skills-related surveys; the government does not consolidate data in a system-wide database and uses mostly administrative data to monitor and improve system performance; the government publishes information on graduate labor market outcomes for some training programs.</p>	<p>Training providers collect and report administrative and other data (e.g., job placement statistics, earnings of graduates) and there are some gaps in reporting by non-state providers; most public providers issue internal annual reports and the government routinely sponsors skills-related surveys; the government consolidates data in a system-wide database and uses administrative data and information from surveys to monitor and improve system performance; the government publishes information on graduate labor market outcomes for numerous training programs.</p>	<p>Training providers collect and report administrative and other data (e.g., job placement statistics, earnings of graduates) and there are few gaps in reporting by non-state providers; most public providers issue publicly available annual reports and the government routinely sponsors or conducts skills-related surveys and impact evaluations; the government consolidates data in a system-wide, up to date database and uses administrative data, information from surveys and impact evaluations to monitor and improve system performance; the government publishes information on graduate labor market outcomes for most training programs online.</p>

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Annex 5: Table of SABER-WfD Scores

		Policy Goal		Policy Action		Topic	
Dimension 1	2.3	G1	2.5	Provide sustained advocacy for WfD at the top leadership level	2.5	G1_T1	2
						G1_T2	3
		G2	2.0	Establish clarity on the demand for skills and areas of critical constraint	2.0	G2_T1	2
						G2_T2	2
				Engage employers in setting WfD priorities and in enhancing skills-upgrading for workers	2.0	G2_T3	1
						G2_T4	2
						G2_T5	3
		G3	2.3	Formalize key WfD roles for coordinated action on strategic priorities	2.3	G3_T1	3
						G3_T2	3
G3_T3	1						
Dimension 2	2.0	G4	1.6	Provide stable funding for effective programs in initial, continuing and targeted vocational education and training	2.0	G4_T1	info
						G4_T2	2
						G4_T3	2
						G4_T4	2
				Monitor and enhance equity in funding for training	1.3	G4_T5_IVET	1
						G4_T5_CVET	1
		Facilitate sustained partnerships between training institutions and employers	1.0	G4_T5_ALMP	2		
				G4_T6	1		
		G5	2.5	Broaden the scope of competency standards as a basis for developing qualifications frameworks	2.5	G5_T1	2
						G5_T2	3
				Establish protocols for assuring the credibility of skills testing and certification	2.7	G5_T3	2
						G5_T4	3
						G5_T5	3
				Develop and enforce accreditation standards for maintaining the quality of training provision	2.3	G5_T6	info
						G5_T7	2
						G5_T8	3
						G5_T9	2
		G6	2.0	Promote educational progression and permeability through multiple pathways, including for TVET students	2.5	G6_T1	3
G6_T2	2						
Strengthen the system for skills certification and recognition	1.0			G6_T3	1		
				G6_T4	1		
Enhance support for skills acquisition by workers, job-seekers and the disadvantaged	2.5			G6_T5	2		
				G6_T6	3		
Dimension 3	1.7	G7	1.8	Encourage and regulate non-state provision of training	1.9	G7_T1	2.0
						G7_T2	2.0
						G7_T3	2.5
						G7_T4	1.0
				Combine incentives and autonomy in the management of public training institutions	1.7	G7_T5	1.5
						G7_T6	2.0
						G7_T7	1.5
		G8	1.3	Integrate industry and expert input into the design and delivery of public training programs	1.3	G8_T1	1.5
						G8_T2	1.5
						G8_T3	1
						G8_T4	1
				Recruit and support administrators and instructors for enhancing the market-relevance of public training programs	1.5	G8_T5	1.5
		G8_T6	1.5				
		G9	1.9	Expand the availability and use of policy-relevant data for focusing providers' attention on training outcomes, efficiency and innovation	1.9	G9_T1	2.75
						G9_T2	1.3
G9_T3	1.5						

Annex 6: Authorship and Acknowledgements

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The **Systems Approach for Better Education Results (SABER)** initiative produces comparative data and knowledge on education policies and institutions, with the aim of helping countries systematically strengthen their education systems. SABER evaluates the quality of education policies against evidence-based global standards, using new diagnostic tools and detailed policy data. The SABER country reports give all parties with a stake in educational results—from administrators, teachers, and parents to policymakers and business people—an accessible, objective snapshot showing how well the policies of their country's education system are oriented toward ensuring that all children and youth learn.

This report focuses specifically on policies in the area of workforce development.

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