



Youth Have Opportunities for Work in East Timor

Quarterly Report

This quarterly report covers the period from September 20, 2007 (project inception) to December 31, 2007 under USAID Cooperative Agreement No. 486-A-00-07-00010-00.



**Youth Have Opportunities for Work in East Timor
(JOB Opportunities Project)**

QUARTERLY REPORT

September 20-December 31, 2007

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Education Development Center, Inc. (EDC)
Youth Build International

This quarterly report covers the period from September 20, 2007 (project inception) to December 31, 2007 under USAID Cooperative Agreement No. 486-A-00-07-00010-00. The report summarizes major accomplishments by JOB Opportunities during this period, plans for next period, and a summary of expenditures for the period. Annexes include: 1) Office Start-Up Briefing Note Shared with USAID/Timor Leste on 5 November 2007; 2) Annex II: JOB OPPORTUNITY Program Timor Leste Progress Report on Start-up Activities November 13, 2007.

Section One: Project Summary

Over a period of three years, the JOB Opportunities project provides 2,500 minimally-educated rural men and women, ages 18-30, with a workforce preparation program that combines off-the-job instruction with on-the-job training. Elements of this program include literacy/language learning, employability and life-skills training, entrepreneurship training, and vocational skill building. The program combines formal instruction with on-the-job training in some of the country's most rural areas. As part of this training, participants have the opportunity to gain real work experience while applying new-found skills gained through formal instruction.

On and off-the-job training is combined in one integrated program in which participants, over a 12-month period, alternate between spending one week engaged in hands-on work experience, and the following week in work readiness and post-program employability.

To gain hands-on work experience, participants engage in project activities that are demand-driven, vetted with and appropriate for local communities. Priority sectors for on-the-job training include the improvement of secondary roads, environmental protection and upgrading, and the improvement of productive and community infrastructure.

To improve work readiness, trained counselors work with each participant to identify his/her development goals. These counselors mentor participants to ensure the integration of the formal instruction and on-the-job training components of the program. At the end of the program, counselors assist participants in taking the next step in their development, e.g., return to formal schooling, enter the workforce, or start their own business.

JOB Opportunities' objectives are to:

1. Offer participants opportunities to learn FOR work
2. Offer participants opportunities to learn FROM work
3. Build the capacity of local institutions to support coherent work readiness training

We expect that by meeting these objectives, we will enable participants':

- Increased self-employment in rural areas
- Increased productivity in local industries
- Success in emerging job markets
- Pursuit of continued career training
- Enhancement of community assets and business opportunities

Section Two: Accomplishments this Quarter

The following major accomplishments were completed during this quarter.

JOB Opportunities Project Assessment and Design Completed.

Between September 26 and October 20, 2007, EDC and our partner YouthBuild International fielded a five person assessment and design team (Jerry Boardman Team Leader; Brenda Bell Instructional Design Specialist; Richard Curtain Workforce Development Institutions Specialist; Phil Matero On-the-Job Training Specialist and Fernando da Costa Timor Leste Youth Specialist) to contextualize and fine-tune the JOB Opportunities project parameters based on the following objectives:

Objective 1. Identify the essential characteristics of JOBS' target groups—rural, marginalized youth ages 18-30 on the one hand, and local formal and informal sector employers on the other—to make sure that the program attracts, meets the needs of, and provides follow-on gateways for, these two primary target groups.

Objective 2. Identify local public and private sector institutions that have the capacity to support JOBS activities and sustain—or expand upon—key JOBS outcomes after 2010.

Objective 3. Determine the instructional and implementation methodologies of the JOBS 12-month training program, including the on-the-job training component.

Each objective was further detailed in a series of specific questions. The assessment team answered these questions in an Assessment Report, submitted to USAID/Timor Leste on 26 October 2007. The outgrowth of their answers, in the form of a complete program design, was also submitted to USAID on the same date.

The Assessment/Design team held over 100 informant interviews; visited 11 of the 13 districts, gathered workplace readiness skill data from a sample of youth and employers, held focus group sessions with youth and community leaders; held vetting sessions with the Dili Business Forum, selected Timorese NGO's, an international donor Youth Employment Working Group, and selected government officials, made multiple on-site visits to identify work-experience opportunities; and reviewed over 50 relevant documents and reports.

Project Start-Up Activities Initiated:

Between October 27 and November 13 2007, EDC supported a two person project start-up team composed of Jerry Boardman (who stayed on in Timor Leste after completing his assignment as Assessment/Design Team Leader) and Gustavo Payan, EDC Home Office Project Coordinator for the project. During their stay, Boardman and Payan completed the following activities. Also a more detailed trip report is included as Annex II.

- Project office was secured and lease agreement signed (office is in Vila Verde—the premise previously occupied by the Norwegian Refugee Council)
- Security for the office was contracted and negotiations for further security services such as an assessment of the office and the surrounding areas, training of staff, development of security guidelines was initiated
- Legal counsel was identified to provide advice on registration and labor law
- Conversations with other USAID grantees and contractors were held to receive advice and guidance on starting-up activities and to further nurture the relationship
- Housing options for COP and Finance Manager were identified and negotiations to secure apartments were initiated with Pacha Apartments and Palm Springs
- Temporary housing for COP and Finance Manager was identified
- Vendors and service provider were identified (vehicles, computer equipment and IT network, generators, furniture), negotiations were made, and quotations were obtained
- Information for registration with NGO Forum, Timor-Leste Revenue Service, and Ministry of Justice was obtained and distributed in EDC home office
- Recruitment services were identified and an initial posting with critical positions was developed. In this regard, conversations with a few potential local staff were initiated
- Bank for the project account was identified and the information for opening the account was collected and forwarded to EDC home office

Chief of Party Identified:

On December 19, and with approval from USAID/Timor Leste, 2007 EDC offered the Chief of Party position to Ms. Brenda Barrett, and she accepted. Ms. Barrett's first day of employment was scheduled for January 7, 2008.

Financial and Administrative Manager Hired:

Recognizing that project start up activities would be difficult in the absence of strong project management and administrative staff, EDC moved quickly to identify its one regional employee, Ms. LuzMarie de Villa, as Financial and Administrative Manager. EDC notified USAID of its intention to hire Ms. De Villa on 15 November. She started on 17 December 2007 and began setting up the office.

Section Three: Challenges and Proposed Solutions

Delayed Design Approval. EDC submitted a project design on 26 October 2006. USAID approved all but minor elements of the proposal and related EDC BAFO responses on 14 December (EDC was required to adjust its budget to reflect the finalization of the Chief of Party candidate and submitted this last change on 19 December 2007).

Approval dates pushed us into the holiday period which meant that the COP would not assume her post until January 2008. EDC addressed this challenge by assuring that an experienced Financial and Administrative Manager was in place by 17 December 2008.

Section Four: Summary of Expenditures for the Quarter

Original or Revised Total Estimated Cost	Obligated Amt. to Date	Total Expenditures at 12/31/07	Estimated Unexpended Balance at 12/31/07
\$5,000,000	\$5,000,000	\$218,745	\$4,781,255

Section Five: Progress on Indicators

Progress, Outcome and Impact indicators for the JOB Opportunities project have yet to be finalized with USAID. EDC expects these to be finalized by the end of the next quarter.

Section Six: Plans for Next Quarter

Plans for the next quarter include completing the start up process by finalizing local staff hires, furnishing the office with necessary equipment, procuring project vehicles, identifying local training and work site partners, establishing contacts with relevant ministries, collaborating with USAID/Timor-Leste on work plan activities and the development of the first cohort in the eastern part of the country. The US Ambassador is also expected to officially announce at a press conference the beginning of three new USAID initiatives, the JOBS program being one of them.

Section Seven: Travel Schedule – Next Quarter (January-March 2008)

January 2008:

January 3-13: Financial and Administrative Manager de Villa travels to Newton MA for orientation and training.

January 7-11: Chief of Party Barrett travels to Newton MA for project technical meetings.

January 15: Chief of Party Barrett arrives in Timor Leste

January 24: Workforce Development Institutions Specialist Curtain arrives for TDY

January 25: Financial and Administrative Manager de Villa departs on personal leave (due to plans pre-dating hire)

February 2008:

February 6-8: Chief of Party Barrett TDY to Los Palos

February 8: Workforce Development Institutions Specialist Curtain completes TDY

February 9: Chief of Party Barrett departs on personal leave (due to plans pre-dating hire)

February 19: Instructional Design Specialist Bell arrives for TDY

February 24: Chief of Party Barrett returns from personal leave

March 2008:

March 2: Financial and Administrative Manager de Villa returns from personal leave

March 5: Home Office Project Manager Janke arrives for TDY; On-the-Job Training Specialist Matero arrives for TDY

March 7 – 12: Matero TDY to Los Palos

March 14: Janke and Matero complete TDY

ANNEXES

Annex I: Office Start-Up Briefing Note Shared with USAID/Timor Leste on 5 November 2007
Annex II: *Progress Report on Start-up Activities--November 13, 2007*

Annex I: Office Start-Up Briefing Note Shared with USAID/Timor Leste on 5 November 2007



**JOB OPPORTUNITY PROGRAM
EDUCATION DEVELOPMENT CENTER, INC (EDC)**

START-UP STATUS UPDATE – 11/5/07

ACTIVITY	PROGRESS	IMMEDIATE NEXT STEPS
OFFICE	<ul style="list-style-type: none"> Signed lease agreement for the project's office in Dili (effective 11/7/07) 	<ul style="list-style-type: none"> Reconnect services (electricity, gas, internet) and furnish it
BANK ACCOUNT	<ul style="list-style-type: none"> Gathered information and forms necessary to open the corporate bank account (ANZ Bank) and forwarded to EDC home office for processing 	<ul style="list-style-type: none"> Get necessary paperwork from EDC home office; open bank account; and wire first transfer
REGISTRATION	<ul style="list-style-type: none"> Gathered information and forms from Ministry of Justice for registration (int'l NGOs) and forwarded to EDC 	<ul style="list-style-type: none"> Open bank account and submit required paperwork and forms
STAFF RECRUITMENT	<ul style="list-style-type: none"> Met with ETDA (East Timor Development Agency) to develop staff recruitment and selection plan 	<ul style="list-style-type: none"> Send them the information needed to start the recruitment process and have project staff sitting in the interviews
HOUSING	<ul style="list-style-type: none"> Have looked at various alternatives for temporary and long-term housing, including Discovery Inn and California Hotel (temporary), and Palm Springs, Pacha Apartments, and others. 	<ul style="list-style-type: none"> Determine exact needs and move forward with lease agreements
SECURITY	<ul style="list-style-type: none"> Met with Maubere Security and received proposal for 24/7 security at the project's office in Dili 	<ul style="list-style-type: none"> Agree to the terms in the contract and sign it
LAWYER	<ul style="list-style-type: none"> Met with one prospect lawyer for the project to learn about his qualifications as well as background information on labor laws/tax exoneration 	<ul style="list-style-type: none"> Meet with one or two other candidates and have them hold conference calls with EDC's Legal Counsel to identify the best alternative for the project
PROCUREMENT	<ul style="list-style-type: none"> Visited procurement options for office furniture and equipment (generators) 	<ul style="list-style-type: none"> Identify and gather information from more sources and for various sources on other equipment (computers, vehicles). Gather information on waivers Obtain tax exemption status

JOB OPPORTUNITY PROGRAM – TIMOR-LESTE
Annex II: Progress Report on Start-up Activities--November 13, 2007

I. OFFICE

An office space was spotted (previously occupied by the Norwegian Refugee Council in Vila Verde), negotiations were made and the signing of the lease agreement between EDC and the Landlady took place during the rapid mobilization start-up in early November. As part of the agreement, the office was refurbished and cleaned up ready to be habited in December 2007.

II. SECURITY

In mid-November, EDC contracted Maubere Security on a three-month probation to post guards and secure the premises. This was the best alternative after negotiations with APAC Security didn't reach an agreement as a result of their lack of communication. Initial negotiations with APAC included a security assessment of the premises and the surrounding areas. The conversation also included the option of contracting their security services that would include guards, training of staff to respond to security emergencies, developing security guidelines, etc.

III. REGISTRATION and WORK VISA

1. TLRS. These is the documentation needed for registration with the TLRS:

- a. ID card of individual requesting registration
- b. List of staff and salaries or latest org chart
- c. Copy of Letter from AID or Award
- d. Copy of EDC's Certificate of Incorporation

2. NGO Forum. As far as the NGO Forum goes, they're the product of some UNTAET resolutions and it is basically an association that groups national and international NGOs operating in Timor-Leste. The main reason why we have to register with them is because it is listed as a requirement in order to obtain the work visa for expatriates according to the Ministry of Foreign Affairs' Consular section. The NGO Forum's list of registration requirements (and I am copying from what they gave me) are (see Sheet attached):

- a. Declaration of Founding Organization (a letter from EDC to NGO Forum stating that we want to register with them)
- b. Statute/Constitution of Organization
- c. Structure Organization (in Timor)
- d. Action Plan for the first year

- e. Statement letter from 2 NGOs (like reference letters from two other NGOs either local or international)
- f. Recommendation Letter from DLO Fongtil (which is obtained there in the Forum)
- g. Registration fee of \$5

3. Ministry of Justice. The lawyer and the staff at the TLRS agreed that EDC could register with the Ministry of Justice at a later stage when we're fully operational.

4. Work Visa. See list of requirement attached for obtaining the work visa for foreigners working in Timor-Leste.

IV. PROCUREMENT

Vehicles

1. Toyota Agency. It takes 2-3 weeks to get the vehicles after they're ordered. Quotations No. Q-1107005. Prices are:

- Land Cruiser Prado Diesel Wagon GX - \$53K (Japan Factory)
- Hilux 4x4 Turbo Diesel DLX Dual Cabin Manual transmission - \$33K (Indonesia Factory)
- Rav4 - \$35K (from Australia)

Comments: Waivers are requested and Toyota wasn't particularly recommended by a couple of the USAID contractors. They're selection of vehicles is very limited.

2. City Auto parts (importer). The main contact here is Tony Lopez. Quotation for used vehicles FOB Dili, included:

- Toyota Prado 3.0 (2000 model from Japan) - \$23K
- Mitsubishi Pajero 2.8 (1997 model from Japan) - \$14K

Comments: The EDC Assessment team rented the cars used during the assessment with Tony Lopez. They can also rent on a monthly basis, which is a good alternative while obtaining the waivers and waiting for the vehicles to be imported. There are some USAID regulations in this regard (I think vehicles cannot be rented for more than three months).

3. Tiger Fuels (importer, quotation # 00002104). Quotation included (FOB Dili):

- Ford Ranger 4x4 Double Cab 2.5L Model J97MU - \$21,900 (plus optional accessories – Severe Off Road, suspension kits, heavy duty front bull bar = \$2,330 additional)

Comments: This place was highly recommended by Rodrigo Bernes from Land O' Lakes. The name of the manager is also Tony.

4. Honda Motorcycle (located across City Café). There are over 12 different models, the they had when I visited them are:

- Supra Fit X 100CC - \$1,375
- Mega Pro Spoke Wheel 160CC - \$2,150

Generators

Given the size of the offices, a generator with a 25 KVA capacity was recommended by two different local individuals as well as by Gerry Boardman.

1. Mr. Generator. He is a well-known vendor located behind Hotel Dili. He has worked with USAID (Magdalena Maxwell from USAID apparently often works with him) and can provide any brand of generator.

His quotation for a 25KVA Denyo A1 DCA-Series generator was \$9,895 (additional \$4,500 for a fully automatic equipment). This is equipment from Japan and it's supposed to be the most silent and highly fuel-efficient. He can provide the full maintenance service and some kind of warranty as long as he is providing the maintenance service. The service contract includes a flat fee of \$45/month, except the months when maintenance is to be provided at the following occasions:

- a) when the generator has provided 250 hours of service - \$150 (instead of \$45)
- b) 500 hours - \$250
- c) 1000 hours - \$350
- d) 1250 - \$150 (and here we start all over again)

Comment: He seems to be the most knowledgeable individual but his generators are usually new and we may need to evaluate whether a used generator could meet our needs. He can also provide other equipment such as: a/c, computers, photocopiers, fridges, water dispatches, etc.

2. City Auto Parts. Tony can also get us generators though these are second hand. His quotation for a similar model but used, is \$9,500.

Computer Equipment

1. Computer Consultancy & Services Ltd. The main contact is Anoop Rishin and he was highly recommended by various USAID contractors. He provides one year warranty. His quotations include computers assembled by his team in Timor:

- 10 Desktop computer (Advanced PC) Pentium 5, 512 MB, 80GB, fully equipped (I can scan you the quotation) - \$9,900 (\$990/unit)
- Network printer HP 4250N - \$2460
- Printer HP Deskjet 3920 - \$100
- 10/100 Mbps Network Switch (16 port) - \$110
- Supply & Installation of network points (15 units) - \$600 (\$40/unit)

Comments: He seems to be a very reliable and professional individual and one of the few who can provide a full service. However, I didn't obtain other quotations simply b/c I couldn't find a company that could provide a similar service. Other vendors can import equipment but do not provide the full service. Anoop visited the office and based his quotation on the information I provided in terms of how much equipment could be needed but this may need to be updated.

Furniture

The best alternative that we visited is Lider Store. Price ranges include:

- Desks (\$80 – 130)
- Bookshelves (\$70 – 100)
- Desk chairs (\$50 – 90)
- Regular chairs (\$25 – 50)

V. RECRUITMENT OF LOCAL STAFF

A preliminary interview with Luz Marie de Villa was held for the Finance and Administration Manager position. Ms. De Villa is currently located in Banda Aceh, Indonesia but she is willing to relocate to Dili. References checking was all positive as well as the interview. She lived in Dili, Timor-Leste for 4-5 years a few years back and has USAID experience.

The East Timor Development Agency can provide recruitment services that start with the advertising to the selection of the candidate. The cost is as follows per position advertised:

- a. \$15 / position to seek candidates in ETDA database
- b. \$TBD / for advertisement in local newspapers (2 recommended) + \$0.09/word of translation services should we need them (English to Portuguese or Bahasa or Tetun)
- c. \$2.50 / CVs identified (max 30 but it is up to EDC to determine how many)
- d. \$25 / CV of short listed candidates (they short list based on our guidelines –max 10 applicants but it can be less)
- e. \$30 / interview of candidates (EDC representative can be part of the interview process –max 5 candidates interviewed)
- f. \$ the equivalent of one month's salary of the successful candidate if s/he is selected through this process
- g.

Recommendation: The cost of recruiting/selecting candidates through this process is expensive however it might be necessary. ETDA has worked with USAID and for USAID projects and has a good understanding of what's needed. They also have a good network and outreach capacity. Depending on the number of vacancies we can negotiate a better rate and maybe some of the positions can be merged for this purpose and reduce the number of positions for which a recruitment process is being done. It is estimated that the whole process –from the moment ETDA receives the job descriptions until the candidates are selected—takes about one month.

Next Steps. Should we decide to go with them, we need to (1) determine the positions we want them to recruit for us, (2) finalize the job descriptions, (3) negotiate a better rate, (4) send them the jds, and (5) determine if we want someone to sit in the interviews (ideally the COP?). Also ideally, we'll do steps 1-4 this coming week (11/4-11/11) so that candidates are selected by early/mid December. Otherwise, the process may be interrupted by the December holidays later in the month (there are already four probably five holidays in the next five weeks).

VI. BANK INFORMATION

The bank identified for the project account is ANZ Bank. The main branch is located across Discovery Inn (near the World Bank and Hotel Dili). Information and forms needed to open the bank account were collected and forwarded to EDC's Home Office (International Accounting).

VII. LEGAL COUNSEL

Attorney Martin Breen was identified by Gustavo and interviewed by EDC Associate Legal Counsel, Christine Filosa. EDC will engage his services to provide legal advice on registration and employment law.