



USAID
FROM THE AMERICAN PEOPLE

**JUSTICE INSTITUTIONS
STRENGTHENING PROJECT**



JUSTICE INSTITUTIONS STRENGTHENING PROGRAM

Contract No. DFD-I-01-04-00175-00

4th Quarter FY2010 Report

July 1, 2010 – September 30, 2010



Timorese State Inspector General Receiving Achievement Award

Basic Audit Course

Table of Contents

| | |
|--|---|
| Executive Summary | 2 |
| JISP Activities..... | 4 |
| Activities October to December 2010..... | 7 |
| Annex 1 : Criminal Case Process Map | |
| Annex 2: Civil Case Process Map | |
| Annex 3: Handover Report | |

October 2010

This report was produced by Management Sciences for Development, Inc. under the Justice Institutions Strengthening Project, Contract No. DFD-I-01-04-00175-00, for review by the U.S. Agency for International Development (USAID).

TIMOR-LESTE JUSTICE INSTITUTIONS STRENGTHENING PROGRAM (JISP): On May 10, 2005, USAID/Timor-Leste (USAID/TL) awarded to MSD IQC Contract No. DFD-I-00-04-00175-00 to implement the JISP. The present period of implementation is set to expire on June 30, 2011.

EXECUTIVE SUMMARY

The JISP, implemented by Management Sciences for Development (MSD) for USAID/TL, builds administrative and management capacity in Timorese justice sector institutions by way of training and technical support in the areas of general administration, financial management, human resources administration, good governance and anti-corruption practices. The core approach of MSD is to provide parallel academic and practical training through its long-term courses under its Financial Management and Training Support Program (FMTS), strategic placement of experts and advisers to provide technical assistance and support for other capacity-building activities. A key theme of the JISP is to enable justice sector institutions to perform key management functions, enhance their effectiveness, develop greater efficiency in their day-to-day operations and increase their capacity to perform their mandate under the law. Various contract modifications over the past five (5) years have allowed the JISP to consolidate and refine its support for justice and accountability institutions. In addition to existing assistance to the Courts, the Office of the Prosecutor-General, the Ministry of Justice and the Office of the Provedor, the JISP was recently expanded to cover technical support for the Office of the Inspector General, the Office of the Public Defender and the newly created Anti-Corruption Commission.

In this reporting period, the MSD project implementation team, coming out of a management transition initiated earlier this year, generated results at levels beyond initial expectations. A focused approach by the MSD/JISP team allowed it to resolve existing challenges, identify the gaps in programming and directed assistance to address these gaps. In particular, MSD successfully launched two long-term courses requested by counterpart justice sector and accountability institutions, both designed to enhance operational effectiveness and efficiency through skillful management and strategic oversight. Overall, program implementation was reinvigorated, advisers were deployed and various project activities launched or intensified during the reporting period.

This quarterly report tracks progress during the reporting period against activities set forth in the previously approved work plan, notes barriers encountered and provides other details related to the execution of the incumbent contract.

In coordination with the USAID Timor-Leste Democracy and Governance Office, the MSD project team implemented the following activities during the reporting period:

MSD assisted the newly-created Anti-Corruption Commission (CAC) prepare its strategic and institutional development plan. The CAC has a broad mandate to investigate corruption and related violations committed in the public administration against the public trust. The CAC was vested in its enabling legislation with the authority to prevent and investigate corruption. Being an infant organization, the CAC's major challenge is to initiate basic operations, establish a staffing structure and develop initial staff capacity to carry out key functions. In this regard, Commissioner Aderito de Jesus Soares requested USAID and MSD support to organize his office and prepare basic planning documents that would guide the institutional development of the CAC. MSD responded to this request by recruiting and deploying Institutional Strategy Adviser Jose Brito during the reporting period.

Shortly after his deployment, Mr. Brito worked with the CAC Commissioner, his deputies and directors to develop a host of working documents that included the following:

- draft institutional strategy to control government corruption
- draft manual of how to conduct criminal investigations, including the following aspects –
 - standard forms to be used by CAC investigators while conducting a criminal investigation
 - guidelines for use of the criminal procedures code for investigators
 - guidelines for internal communications
 - guidelines for contact with the media
- draft of procedures for operational planning
- file management and administrative procedures for control of case files
- draft operational support manual

These documents will be provided under separate cover to USAID once approved by the Commissioner and senior staff.

During the reporting period, Mr. Brito also advised the Commissioner on the following areas:

- role of the CAC with relation to the Timor-Leste Police Service and recognition of police authority of the CAC within decree law under review by the Council of Ministers;
- promotion and support of a legal framework for CAC functions within the context of an anti-corruption law under review by Parliament;
- development of an information unit within the CAC that will gather, process and analyze information on corruption and associated criminal activities;
- identification of potential projects that the Commission can undertake as pilot activities in corruption prevention or education.

Mr. Brito is providing technical support in the evaluation and recruitment of (10) investigators. Working with CAC deputies and directors, Brito facilitated a consensus-building workshop resulting in a training strategy that will serve as a foundation for the training of CAC investigators during the next 1 -3 years. Taken together, Brito's work to advise the CAC Commissioner on the structure and organization of his office together with a strategy to efficiently train key line personnel will form the basis of the CAC's institutional development and strategic operating plans expected to be completed in coming months.

Administration unit of the MSD JISP Project backstopped start-up operations of the Anti-Corruption Commission (CAC). During the reporting period, MSD Director of Administration

Lucio Dos Santos and MSD/FMTS Trainer Rafael Hale provided support to Anti-Corruption Commission Director-General Alex Freitas in the start-up and organization of the administration and finance units of the CAC. In particular, Mr. Dos Santos assisted DG Freitas in organizing the procedures to recruit administration staff, develop basic administrative and financial procedures and forms and guide initial procurement activities.

MSD Program Coordinator spearheaded Public Defender's Office (PDO) drive to blend automated and manual case management systems as a model for improved service delivery to clients. As MSD's advisor to the Office of the Public Defender on organization of key administrative services, including case file management and coordination between central and district offices, Esmerina Petutschnig was the agency's facilitator and point of contact for discussions with the AuSAID-funded electronic case management system that is being developed for line agencies of the criminal justice system. Ms. Petutschnig facilitated agency response in line with the Chief Public Defender's objective of developing mechanisms for harmonizing the existing manual case management framework and practices to the new system advanced by Justice Facility. Specifically, the following results were generated:

- first drafts of templates, forms and procedures to guide integration of manual with electronic case management system
- work flow map for handling of criminal cases by public defenders. The map details the process by which a case is received, processed internally and developed for defense through the final stage, including movement through the court [see map attached at Annex 1]
- work flow map for handling of civil cases by public defenders. The map details the process by which a case is received, processed internally and developed to closing in the final hearing [see map attached at Annex 2]
- assisted in preparation of OPD budget, including incorporation of district office needs, in early drafts, finalization and presentation to the Minister of Justice
- pre-training site visits to OPD district offices in representation of the Chief Public Defender

Additional visits to OPD district offices to roll-out uniform filing and records management procedures in those locations and to train administration staff in new procedures will take place during the next reporting period.

MSD Roving Strategic Planning Adviser deployed to assist Office of the Inspector General (OIG) and the Public Defender's Office (PDO). During the reporting period, MSD completed the deployment of USAID-funded roving Strategic Planning Adviser Alex Nicholas to provide technical assistance and advice to the OIG and the OPD. Mr. Nicholas held a number of consultative meetings with counterparts in both agencies during the reporting period to assess the possibility of expanding organizational development plans and to providing guidance on developing strategic operating plans. Due to a number of political factors and the reluctance of the Chief Public Defender to incorporate a senior advisor in his team prior to open recruitment and deployment of the Inspector Public Defender, Mr. Nicholas focused greater attention on work with the OIG. It is expected that in the coming reporting period that his work will emphasize full implementation of the OIG strategic plan developed out of the Office of the Vice Prime Minister prior to the resignation of the same.

The United States Ambassador to Timor-Leste launched two long-term courses for justice and accountability sector institutions. Her Excellency Judith Fergin, the United States Ambassador to Timor-Leste, witnessed by Dra Ana Pessoa Pinto, Prosecutor General of the State and USAID senior officials, formally launched two long-term (18-month) courses for principal justice sector and accountability institutions, the Executive Financial Management Training and Support Course (EFMTS) and the Fundamentals of Auditing for Effective Governance – Basic Audit Course (BAC) for middle- to senior-level officials of the Courts, the Office of the Prosecutor General, the Ministry of Justice and the Public Defender's Office. The two courses are designed to develop critical skills in

the areas of financial administration, human resources management and development, performance and financial audits in addition to other important subjects. Presently, a total of sixty-one (61) participants are enrolled in the two courses with thirty (30) participants attending the management course and thirty-nine (39) participants attending the basic audit course. A total of eight (8) senior government officials, including the Inspector General Mr. Carvalho, attend both courses.

Aside from the launch, the MSD training team conducted orientation sessions and diagnostic exams of all participants. Examinations covered the following skill areas:

- Basic math problem-solving skills
- Reading comprehension skills
- File management skills
- Following instructions skills
- Basic computer skills

The results of the diagnostic examinations indicated that only 10% of the participants demonstrated proficiency in all of the areas tested. This indicates a generally low level of technical capacity among participants who are responsible for executing important finance control related tasks for different agencies of government. Specific weaknesses will be addressed during the training and MSD expects to see improved knowledge among participants as a direct result of the training.

With MSD support, the Office of the Inspector General completed recruitment of USAID-funded Senior Audit Adviser. The Office of the Inspector General is one of the first offices established in the country and was already in operation pre-independence under the United Nations Transitional Administration (UNTAET). Over the years, the OIG has received technical assistance in the form of advisers and consultants supported by various development partners. These advisers and consultants have conducted various capacity-building initiatives and activities to establish and enhance the capacity of OIG officers to conduct internal audit, inspections and investigations. There is a present need to rationalize these efforts, consolidate gains achieved, and intensify efforts to build the capacity of the OIG to perform its mandate to conduct internal audit as a tool to promote transparency and accountability. On June 10, 2009, the Council of Ministers approved Decree Law No. 22/2009 which created the organs of the General Inspection of the State (GIS) which includes the Inspector General, the Inspection Councils and the various operational units and services which will implement the mandate and technical activities required by the decree law. In essence, the OIG is mandated to perform internal audits and other interventions to ensure the sound management of financial, budgetary and financial resources of the government, evaluate and improve government systems, processes and procedures, and prevent waste, inefficiency and corruption in public financial transactions and operations. The principal priority of the OIG at present is to secure technical assistance to jumpstart its audit operations while its main complement of auditors is being trained under the FMTS Program.

The Inspector General has requested USAID assistance to support the engagement of a Senior Audit Adviser to provide technical assistance and training to the audit staff of the OIG, and this request has been approved by USAID. In this regard, a selection panel composed of the Inspector General and his Deputies, with MSD assistance, completed the recruitment process for a USAID-funded Senior Audit Adviser for the OIG. The proposed adviser, expected to be deployed by November 15, 2010, will work to develop the capacity of OIG staff to conduct financial and performance audits to improve governance and increase the overall capacity of the OIG to perform its mandate under the law. This technical assistance will complement other USAID support for the OIG strategic planning process and long-term academic training to develop management and audit skills.

Recruitment for the replacement Inspector Prosecutor and Secretary to the Superior Council commenced. With the approval of the Prosecutor General of the State, MSD commenced the advertisement and recruitment of the replacement Inspector Prosecutor for the Office of the

Prosecutor General. The Inspector Prosecutor will serve as the Secretary of the Superior Council of the Public Prosecution and is a crucial player in the formulation and implementation of reforms to enhance administrative and operational efficiency in the OPG and ensure the full delivery of institutional services. The new Inspector Prosecutor, proposed to be deployed and commence work from January 1, 2011, will implement the inspection program approved by the Superior Council. The said inspection program will evaluate the performance of prosecutors and administration support staff, as well as official procedures, systems and processes, to facilitate the effective and efficient delivery of institutional services over the medium- and long-term. Towards the end of the reporting period, MSD, acting as secretariat of the OPG selection panel, has received several expressions of interest and curriculum vitae. Final selection of the candidate and deployment to the OIG are expected to be completed in the next reporting period.

MSD Adviser to the Office of the Vice Prime Minister re-channeled efforts to assist the Inspector General to implement the National Anti-Corruption Strategy Framework. Until the resignation of Vice Prime Minister Jose Viegas Carrascalao, Mr. Roger Batty worked with VPM Carrascalao to implement the national anti-corruption framework through near monthly line agency working group meetings, the national anti-corruption forum facilitated by the VPM to engage civil society in promoting anti-corruption efforts and daily technical assistance.

During the reporting period and based on assistance from Mr. Batty, the following results were achieved:

- In July 2010 the Diploma Law giving effect to the structure of the Office of the Inspector General, previously designed within JISP was approved and signed by the Prime Minister
- Negotiations were commenced with the Public Service Commission to create the posts approved by the diploma and assign job titles and grades to the various new posts within the Office of the Inspector General
- Various negotiations undertaken with ministries to begin compliance with the internal audit regime
- International advisors to VPM Carrascalao prepare and submit a hand-over report to the VPM (see attached at Annex 3)

Pending confirmation from the Prime Minister, who re-assumed control of the VPM's portfolio following his resignation, as to whether Mr. Batty's services would still be required, Mr. Batty began rendering technical assistance to Inspector General Francisco Carvalho. That assistance focused on implementation of the OIG's responsibility under the national anti-corruption framework.

Anti-Corruption Commission prepared for USAID-funded delegation attendance at the 14th International Anti-Corruption Conference in Bangkok, Thailand. With program support, Commissioner Aderito De Jesus Soares committed to lead a delegation of the following persons to the 14th International Anti-Corruption Conference: Prosecutor General Dra. Ana Pessoa Pinto; Provedor Dr. Sebastiao Ximenes; and Deputy Anti-Corruption Commissioner Jose Neves. The conference, the most prominent anti-corruption conference in the world will be held this year in Bangkok, Thailand from November 10-13, 2010. The attendance of the Timor-Leste delegation to the conference is expected to expose the delegation members to the latest tools, techniques and trends in fighting corruption. Delegates will have an opportunity to join a large existing network of anti-corruption professionals and develop valuable contacts with anti-corruption fighters and advocates from around the world.

Anti-Corruption Commission adopted scholarship program to send Timorese senior public officials to the Hong Kong University's Diploma Course in Corruption Studies. MSD and the Anti-Corruption Commission agreed to jointly sponsor a USAID-funded scholarship program to support four Timorese professionals and senior public officials to attend a Diploma Course in Corruption Studies from November 22 through December 6, 2010 at Hong Kong University. With

MSD providing secretariat support, the Commission will manage the process to identify and select the scholars. MSD will deliver a preparatory workshop and pre-departure orientation to enhance the capacity of the selected scholars to cope with the academic requirements of the course as well as to prepare them for their study and stay in Hong Kong. The scholarship program is expected to develop a core of professionals with academic training in anti-corruption concepts, tools and techniques. The course will be delivered by Mr. Tony Kwok, international anti-corruption expert and former Head of Operations of the Independent Commission against Corruption of Hong Kong.

JISP 2010 budget realignment approved. After a thorough and comprehensive review by the USAID Mission and MSD home office, the USAID Regional Contracting Office (RCO) approved the proposed budget realignment for the program implementation period ending on June 30, 2011. With the realigned budget approved, MSD is revising both the work plan and performance monitoring plan for submission to USAID during the next reporting period.

Activities planned October to December 2010:

- Prepare a revised workplan and an updated performance measurement plan
- Continue implementation of EFMTS and BAC courses
- Expand and strengthen the FMTS Training Team
- Design and deliver an administrative training package for the Courts and the Anti-Corruption Commission
- Complete restructuring of MSD Field Office management team
- Deploy Senior Audit Adviser to the OIG
- Complete recruitment and deploy replacement Inspector Prosecutor
- Commence recruitment of Public Defender Inspector