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**Justice Institutions Strengthening Program (JISP)**

**Contract Number: DFD-1-00-04-00175-00**

**East Timor**

**May 2005 – March 2012**



**Will these happy young Timorese have access to effective justice?  
JISP has contributed to making this dream possible.**

## **PROGRAM COMPLETION REPORT**

**March 2012**

**This report is produced by Management Sciences for Development, Inc. (MSD) under the Justice Institutions Strengthening Program (JISP) for review by the U.S. Agency for International Development (USAID). The views expressed herein are those of MSD and no representation is implied or intended that said views are shared or endorsed by USAID or its representatives.**

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## Executive Summary

USAID's Justice Institutions Strengthening Program (JISP) in Timor-Leste operated between May 2005 and March 2012 and was implemented by Management Sciences for Development, Inc. (MSD). Funds obligated to the program totaled \$6.9 million, 98.6% of which was utilized. USAID defined JISP's key objective as building the administrative and management capacity in Timor-Leste's justice sector institutions by providing training and technical support in the areas of general administration, strategic planning, financial management, human resources administration, good governance and anti-corruption practices. A total of 10 justice institutions benefited from JISP's assistance, thus strengthening their capacity to undertake mandated functions and building solid foundations upon which to undertake further capacity development and expansion.

JISP was envisioned to assist the development of the existing and proposed judicial institutions as they transitioned to the control of citizens of Timor-Leste. In addition, and although not specifically contemplated at the start, JISP also became a major contributor to Timor-Leste's anti-corruption programs, resulting in the Anti-Corruption Commission's recent successes, including the indictments of some high profile individuals.

### Program Activities

JISP's program activities were clustered in a number of critical areas: 1) Strategic planning and operational advice; 2) Operational support at stand-up of new institutions, including development of an information management system in one agency; 3) Training and empowerment of high-level government officials and staff to successfully carry out their duties; 4) Drafting and implementation assistance for new legislation, policies, standard operating procedures and Memoranda of Understanding. Annex I lists assistance given by institution and principal outcomes while a full description of how activities were carried out as well a discussion of the barriers encountered during implementation is contained in the main body of the report.

In addition to these activity areas, JISP also undertook a much-needed assessment of the investigation capacities of those entities<sup>1</sup> (except the National Police Force of Timor-Leste (PNTL)) which have law enforcement as part of their mandate and the coordination, if any, between them and the Office of the Prosecutor General (OPG) as regarding criminal prosecution.

JISP's strong working relationships with GoTL resulted in the program assisting the government to meet two of the conditions precedent required for Timor-Leste to access the benefits of Millennium Challenge Corporation Threshold Program (MCCTP): i) developing a positive working relationship between the Anti-Corruption Commission and the Prosecutor General and ii) establishing similar arrangements between the Inspector General and the Inspectors General of the line ministries.

### Donor Coordination

Other donors also supported JISP activities. The World Bank and the Finland Fund financed some of the assistance provided to the Provedor for Human Rights and Justice (Ombudsman) (PDHJ). Specifically, the World Bank financed one of the investigation training interventions for a four-month period in 2007 while the Finland Fund supported some international liaison activities at the same office. The Spanish Cooperation

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<sup>1</sup> The entities reviewed were the OPG, the Provedor for Human Rights and Justice (PDHJ), the Office of the Inspector General (OIG), the Customs Service, the Banking and Payments Authority (BPA) and the Anti-Corruption Commission (CAC).

Agency financed further financial investigation skills training at PDHJ once JISP had completed work. Irish Aid and New Zealand Aid each sponsored assistance to PDHJ focusing on the development of its Human Rights Division as complementary to overall JISP efforts.

The United Nations Mission in Timor (UNMIT) worked alongside JISP at the Office of the Vice Prime Minister and the Anti-Corruption Commission providing intermittent strategic advice which complemented that being provided through JISP. Similarly, the Australian Aid Justice Facility/United Nations Development Program case management initiative benefited from the groundwork laid by JISP's human resources advisor at the Office of the Public Defender and by the program's Prosecutor Inspector in the Office of the Prosecutor General.

### **Implementation Challenges**

JISP faced some unanticipated challenges. The civil unrest in 2006 caused substantial disruption to program delivery, but full recovery was achieved by the end of that year. In 2009 and 2010 JISP experienced challenges arising from employment issues with two consultants and unplanned changes in program leadership. These issues were quickly rectified and, in light of the Program's overall achievements, can best be categorized as providing useful lessons for future guidance, lessons which MSD has already appropriated.

### **Recommendations**

This report includes 27 cross-cutting recommendations as to how JISP's counterparts would benefit from future donor inputs. Prime amongst these is i) a detailed study into the identified conflicts between the empowering legislations of the various judicial institutions in the country, ii) the need for facilitating liaison between the agencies, iii) the need for legislative reforms in the area of the investigation powers of entities concerned with criminal matters outside the purview of PNTL and iv) the need for cross-agency training and assistance programs on the identification of criminality and on best practices which would ensure optimum opportunities for successful prosecutions.

JISP's activities have had a profound impact. Although much more remains to be done, the country now has justice institutions that are functional, with a core staff that understands their roles and have the knowledge and skills to perform them. JISP surpassed the expectations set for it in 2005, delivered an excellent return on USAID's investment and created a useful model and *modus operandi* to be considered when designing future programs.

## Historical Context

Centuries of Portuguese colonial rule ended in 1975 when Portugal abandoned the country as a consequence of its “Carnation Revolution.” After a brief 10 day spell of independence, Timor-Leste was invaded by Indonesia and incorporated as a province. A quarter century of turmoil and civil war ensued until the collapse of the Soeharto regime, which led to an overwhelming vote for independence in the 1999 referendum. Departing Indonesian forces wreaked havoc on local infrastructure and buildings. Government buildings were randomly ransacked and destroyed. An Australian-led Multi-national Force entered Timor-Leste to reestablish order and paved the way for the UN Transitional Authority for East Timor (UNTAET), which was subsequently

responsible for administering the territory. Court buildings, prosecutors’ offices and the infrastructure of other justice sector institutions were severely damaged. The only law in force was imposed by UNTAET, whose representatives carried out investigations, established and operated Courts, reopened prisons and established some form of order.



**Marcos Sarmento**

**National Director**

**Investigation and Inspection Unit**

*“We have improved our work quality and our work overall during the last two years. This is thanks to the JISP Program and their EFMTS and BAC courses. Today we are better at planning, executive decision-making, networking and establishment of professional relationships among different institutions, thanks to the skills we learned during these courses.”*

With continuing UN assistance, Timor-Leste became a sovereign nation in 2002 and the process of establishing national, autonomous and independent judicial institutions to gradually take over from what had then become the UN Mission in Timor (UNMIT) began. Although these institutions were largely operated and guided by UN personnel or other foreign nationals, by 2005 Timor-Leste had established its own court system, a national police force, prisons and a Ministry of Justice. The Office of the Inspector General, formed under UNTAET, was subsumed into the office of the Prime Minister. An independent prosecution service was established as was a public defenders’ office. Draft legislation and preparations for the establishment of a Provedor’s (Ombudsman) Office were well-advanced. The legislation contemplated that the Provedor would be the arbiter of last resort regarding complaints of maladministration, would become the country’s guardian against human rights abuses and would also be the country’s leading anti-corruption agency. This subsequently became a source of controversy.

Responding to requests, principally from the Minister of Justice, to expedite the development and localization of the emerging justice sector, USAID designed JISP and awarded the contract to MSD in May 2005.

## Introduction

This Program Completion Report sets out in detail the activities and outcomes, defines the state of development of each of the program’s Timorese counterparts at the date of project closure, identifies areas for potential future assistance and issues general and specific recommendations in this regard. The report has the following components: I. Chronology of JISP; II. Multi-Agency Financial, Administration and Audit Training; III. Technical Assistance (A. Provedor for Human Rights and Justice; B. Ministry of Justice, the Court of Appeal and the Courts; C. Office of the Prosecutor General; D. Office of the Inspector General; E. Office of the Public Defender; F. Office of the Prime Minister; G. Office of the Vice Prime Minister; H. Anti-Corruption Commission); IV. Other Technical Assistance; V. Donor Coordination; VI. Sustainability and VII. Conclusions.

*“Timor-Leste has been doing all the things —exciting and quotidian, grandiose and grainy— that a country needs to foster a capable administration and a culture of responsible independence. Into this breathtaking experiment came MSD. At the invitation of USAID, this small group of committed people implemented a fantastic seven-year undertaking that focused on what makes the modern world go around —record-keeping, financial management, administration, operations— and on what makes modern polities accountable and stable —anti-corruption.”*

US Ambassador Judith Fergin’s speech at the JISP farewell reception, Dili, March 23, 2012.

## **I. Chronology of JISP**

JISP was originally established as a two-year (2005-2007) program with a \$1,499,858 budget. Its initial focus was on identifying and meeting the training needs of the Ministry of Justice and the Courts. The program also allowed for assistance in the development of the Office of the Provedor if, as turned out to be the case, it was subsequently established.

A total of 15 RCO approved modifications over seven years resulted in a number of cost and no-cost extensions until final completion on March 31, 2012. The modifications also increased and expanded the program’s scope of work and objectives. The budget for the entire program eventually reached \$6.9 million.

### **2005**

After project start up in May 2005, the Provedor’s Office was established, thus triggering the provision of the optional development assistance contemplated in the contract. JISP assisted the Provedor to design the operate processes for his institution and program staff actually implemented these processes until local staff could be recruited. JISP also carried out a training needs assessment for Ministry of Justice and Courts staff.

### **2006**

Based on the 2005 assessment, a training program was designed for the Ministry of Justice and activities began in October. JISP also set up and initially operated PDHJ’s administration systems until local staff could be recruited and trained. The program also designed a process, still in use, for the receipt, classification and documentation of complaints received by the office and provided some desperately needed office supplies and IT equipment. JISP secured the services of two internationally renowned anti-corruption experts who provided short term technical assistance to the government and PDHJ on capacity building, particularly in relation to the anti-corruption part of its mandate.

Following a change in government and a simmering dispute between personnel of PNTL and the armed forces, public disorder again caused infrastructure damage and a dangerous public order situation. During the three-month state of emergency, JISP staff supported PDHJ’s Human Rights Division with monitoring and reporting of human rights abuses, and continued to oversee the complaints receipt and processing systems later managed by newly-appointed PDHJ personnel.

## 2007

Calm returned to Timor-Leste in late 2006. JISP arranged for the refurbishment of the Baucau District Court, which had been severely damaged during the unrest and the Court soon became operational.

By 2007, PDHJ had three operational divisions: Anti-Corruption, Good Governance and Human Rights. JISP engaged two international consultants, an anti-corruption expert and a practitioner, to provide investigations training to staff in all three divisions of PDHJ including, later in the year, the anti-corruption and anti maladministration units on two mornings each week. The training was supplemented by on-the-job mentoring and guidance. JISP consultants also assisted PDHJ with the development of its first strategic plan.

## 2008

The JISP expert provided additional training in anti-corruption investigation work to PDHJ for five months. Human Rights Division staff were also included in relevant lectures. During this period, PDHJ referred its first cases to the Office of the Prosecutor General (OPG). One case was further investigated by OPG and indictments referred to the Court. JISP procured additional temporary quarters for PDHJ, which were formally handed over by US Ambassador Mr. Hans Klemm at a public ceremony.

The Prime Minister announced that 2008 was to be Timor-Leste's "Year of Administrative Reform" and he proposed, among others, the creation of an Anti-Corruption Commission. This proposal was to have a dramatic effect on PDHJ's mandate. Thus, the Provedor sought JISP's assistance in preparing a counter-proposal that would have PDHJ continuing in its capacity as the country's leading anti-corruption institution with enhanced powers to investigate corruption, yet with safeguards in place to prevent abuse.

With a debate underway, JISP mediated an agreement between OPG and PDHJ, which had them share expertise on anti-corruption issues and undertake joint training and which also included arrangements for regular top and mid-level interface. A JISP-facilitated MOU was signed by the Provedor and Prosecutor General at a short public ceremony and press conference arranged by JISP.

The deployment of JISP staff to administer the PDHJ complaint processing system concluded in 2008.

JISP activities expanded into the Office of the Prosecutor General and the Judiciary during 2008. Within the civil law legal systems, Superior Councils are responsible for assessing the capabilities of Judges and Prosecutors. The Councils also deal with disciplinary and promotion issues. Councils are served by Inspectors who carry out the assessments and investigations on the councils' behalf and often act as the councils' secretariats. The Superior Councils for both services had been formed in 2007. In response to requests from both institutions, JISP recruited and deployed Inspectors. A key requirement of the JISP consultants' Scope of Work was to identify and train Timorese nationals to take over their functions at the end of their assignments.

In September, a JISP expert set up administration processes at the Office of the Public Defender (OPD) and trained staff on their use.

## 2009

The creation of a separate Anti-Corruption Commission in early 2009 and delays in renewing the Provedor's mandate created difficulties for PDHJ. JISP continued its support and deployed a governance adviser to assist PDHJ adjust to its revised mandate, which now comprised two divisions, Good Governance and Human Rights.

Responding to specific requests from the Prime Minister (PM) and the newly appointed Vice Prime Minister for Administrative Affairs of State (VPM), JISP deployed strategic advisers in the PM's and VPM's Offices. The deployment to the Office of the Prime Minister was short, produced little of value and was quickly terminated with the consent of all parties. The consultant had been unable to get sufficient access to the Prime Minister. However, within the Office of the Vice Prime Minister, substantial progress was made in restructuring and developing strategic planning for the Office of the Inspector General (OIG), a responsibility later delegated to the Vice Prime Minister. Other notable achievements included the drafting of a National Anti-Corruption Policy, proposals for the creation of the National Anti-Corruption Forum, a National Anti-Corruption Working Group and a plan to involve all ministries and secretariats of state in combating corruption.

The work of the Inspectors in the Prosecution Service and Judiciary continued under JISP sponsorship. JISP's consultant had negotiated a comprehensive remuneration package for the prosecution service and drafted the requisite enabling legislation. Through his stewardship this became law in 2009. JISP's training team provided long term financial training to Ministry of Justice and Courts staff. In September, certificates of achievement were awarded at a high-profile closing ceremony.

Development work continued at OPD. A manual file management system was set up and JISP supplied office furniture to OPD's Headquarters and three District Offices. JISP's administration expert assisted the Public Defender in budget planning activities and she became a member of the committee tasked to prepare OPD's involvement in the national case management system being implemented by the UNDP and AusAID Justice Facility.

## 2010

Based on the success of the Financial Management training provided in 2008 and 2009, the Minister of Justice requested JISP to extend and adapt the training to Ministry supervisors and Courts middle management. The Prosecutor General, the Provedor and the Inspector General also expressed interest. At the same time, the Inspector General requested that his audit and inspection staff receive customized basic audit training. Lastly, the Court of Appeal and the Anti-Corruption Commission requested training in administration and office management for new staff. Accordingly, JISP's training team designed modules to meet these emerging needs. Formally launched by US Ambassador Judith Fergin in September, the Executive Financial Management Training and Support Program and the Basic Audit Course were run in half-day sessions for an 18 month period.

The work of JISP Inspectors with the Office of the Prosecutor General and the Judiciary concluded in 2010. Both were reengaged as consultants through GoTL contracts. The work of the administration expert within the Office of the Public Defender continued with training activities being extended to the OPD's district offices.

In February 2010, the first Commissioner of the newly created Anti-Corruption Commission (CAC) was sworn in. Soon afterwards, he sought USAID assistance to establish administration and financial control systems and

JISP deployed an experienced adviser. Subsequently, the Commissioner sought additional aid in developing his organization's investigation capacity and JISP deployed a strategic adviser with prior experience in Timor-Leste and vast experience in criminal investigation methodologies within the civil law system. The JISP consultant prepared an induction program and basic training syllabus for the first 10 recruited investigators.

The Council of Ministers approved the National Anti-Corruption Policy prepared by the Office of the Vice Prime Minister, which remains in force today. The JISP adviser led arrangements for the first meeting of the National Forum against Corruption and helped set up the National Anti-Corruption Working Group which met on two occasions. Plans for ministerial involvement in anti-corruption work were also developed.

Regrettably, the Vice Prime Minister resigned in September 2010. The Vice Prime Minister was not replaced and the Prime Minister determined that the services of a JISP adviser as well as others who had been engaged with the VPM's office were no longer needed. This effectively halted many of the VPM's initiatives and was indeed a setback. It was therefore pleasing to note that through JISP influence, some of the initiatives of the former VPM have been assumed by the Anti-Corruption Commission. These include a fresh approach to cross-ministerial involvement in anti-corruption work and other developments to engender civil society involvement.

In November, JISP deployed a senior adviser to assess the investigation capacities of a number of the country's law enforcement agencies. MSD's Field Office experienced a number of changes in leadership during the year, but a new Chief of Party was appointed in November and he successfully led JISP until project closeout in March 2012.

## 2011

The cross-agency investigation capacity assessment was completed in January and the findings and recommendations circulated to relevant counterparts. Unfortunately, the Prosecutor General did not support the report's distribution. Nevertheless, the report's data collection and findings provided useful indicators of areas where the law needs to be refined, inter-agency relationships need to be established and also revealed the need for extensive training of field staff on coordinating with prosecutors upon finding of criminal activity.

The Executive Financial Management and Support Training Program and the Basic Auditing Course continued throughout the year. In addition, a three month course in administration for newly appointed administrators in the Court of Appeal and the Anti-Corruption Commission took place from March to July. US Ambassador Judith Fergin presented participants with Certificates of Achievement and Participation at a special event (See tables on pg. 15 for participant's statistics).

In February, JISP deployed a Senior Audit Adviser to the Office of the Inspector General. In addition to strategic advice, the consultant gave specific guidance regarding ongoing audits, inspections and investigations. To complement the classroom training being provided to OIG staff through the Basic Audit Course, the adviser also conducted in-house counseling and training of OIG staff.

JISP's Anti-Corruption Commission's adviser took on 10 new CAC investigators for basic training. The adviser developed three training manuals that were later presented to each investigator by the USAID Mission Director at an August graduation ceremony held at the CAC offices. Investigations then began under the

tutelage of the strategic adviser. By year end, the first investigations had been concluded and referred to the Prosecutor General.

In February, CAC began work on its first Strategic Plan for 2011-2014. JISP's COP was asked to co-facilitate this process with UNDP. By year's end, following several workshops and smaller group meetings, CAC had established its Vision, Mission, Values and Strategic Objectives. Work and action plans were then prepared. In November, JISP deployed a law enforcement IT expert to design, procure, commission, install and handover a customized and secure management information system.

The administration expert assigned to OPD finished her work in March.



**Maria Celeste**  
**Chief of Tax and Revenue Department**

*"JISP was very careful in selecting the Training Team and the communication between the trainers and students was excellent. Skills and subjects of interest that we learned during these courses are very important and relevant to our everyday work. Everything we learned we are applying them today, but the only difference is that today our capacity is higher and is still increasing, especially when it comes to auditing; all thanks to the courses we attended for 18 months. I have received 2 medals during the graduation of EFMTS and BAC courses and I am so proud of them."*

## 2012

The EFMTS and BAC courses continued until March 9, when final assessments took place. On March 15, participants were awarded certificates for completing courses of study, which for the first time had been accredited by the National Institute of Public Administration (INAP). In order to ensure that the training would be used in the field, each FMTS and EFMTS participant received a pre-programmed laptop computer, including familiarization training.

The Senior Audit Adviser in the office of the Inspector General provided training and technical assistance through February. He recommenced work under contract to the MCCTP at the end of March.

The Senior Strategy Adviser within the Anti-Corruption Commission also continued his training activities through February. Three training manuals were developed, translated into Tetun and provided to the investigators. As JISP ended, discussions were underway about continuing the adviser's work through MCCTP.

Delivery of the IT-based information management system was completed on schedule and basic training similarly completed by the end of February. The IT expert has been reengaged by the Anti-Corruption Commission on a direct Government of Timor-Leste (GoTL) contract.

At USAID request, JISP organized a study tour in March for four senior officials of the Anti-Corruption Commission to the world-renowned Independent Commission against Corruption in Hong Kong. CAC's two Deputy Commissioners and two Corruption Prevention officials learned corruption prevention methodologies.

At CAC request, in March JISP provided shelving and over 400 tomes of books and reference materials in Portuguese, English and Bahasa for the new CAC-hosted National Anti-Corruption Learning Centre.

In February and March, the Courts and the CAC were the main beneficiaries of JISP's asset disposal plan. They received computers, office furniture, supplies and equipment. Of note, some of these materials enabled seven newly-trained auditors for the about-to-be-created High Administration, Tax and Audit Court (HATAC) to commence work.

JISP gave a full program debriefing to the US Ambassador, the USAID Mission Director and Mission staff on February 23. A final exit meeting was held between the US Ambassador, Mission Director, JISP's Chief of Party and MSD's Senior Program Manager on March 23. That same day, MSD hosted a farewell reception for JISP's major counterparts and program staff.

JISP ended on March 30. Program vehicles were handed over to other ongoing USAID projects.

## II. Multi-agency Financial, Administration and Audit Training

JISP, as part of institutional capacity building, designed and delivered four major and three short training courses, emphasizing fundamental financial and administrative management skills. Beneficiaries totaled 266 justice sector personnel.

Recruitment to fill administrative and financial management posts within the Ministry of Justice, the Courts and the country's other justice institutions had been ongoing prior to the commencement of JISP. A prohibition on the appointment of permanent new staff to these institutions meant that the majority of new appointees were under renewable short-term contracts ranging from three to six months. Thus, training these staff would be wasted if contracts were not renewed or staff appointments were not to be made permanent. Fortunately, the majority of JISP trainees now occupy permanent positions and several have been promoted.

### A. Financial Management Training and Support Program (FMTS)

After independence in 2002, the Ministry of Justice and the Courts began to slowly take over functions from UNTAET and an array of expatriate contractors. In 2005, JISP conducted a training needs assessment for the financial control and administrative functions within the Ministry of Justice and the Courts, followed by an assessment of the knowledge, skills and experience of staff tasked with carrying out those functions. Finally, JISP focused on designing training modules to meet the identified needs, ensuring that all training was fully compliant with Ministry of Finance protocols.

After securing agreement from the Ministry of Finance for the proposed training program, an MOU was signed by JISP and the Minister of Justice and training began immediately on October 16, after the 2006 troubles had subsided, running for 23 months on a one-day-a-week basis. The program concluded on October 10, 2008.



**Tito Roserio**  
**Director of Audit**  
**Office of the Inspector General**

*"These weekly and excellent courses helped me to become a highly skilled professional; most importantly they helped me to do my job much better. All of us who attended the courses of EFMTS and BAC are waiting to use some of our additional new skills, when our computerized Ministerial Auditing System is ready. We are very proud to know that we have no limitations when it comes to applying these systems."*

The Financial Management Training & Support Program (FMTS) consisted of six modules:

- 1) Basic skills, organization and problem solving
- 2) Budgeting and budget execution
- 3) Financial reporting
- 4) Financial report analysis
- 5) Operational planning and budget development
- 6) Asset management and advanced tools in asset management

The training methodologies used in this and all other courses operated by the JISP training team included:

- 1) Pre-testing
- 2) Classroom lectures
- 3) Demonstrations
- 4) Games
- 5) Case studies
- 6) Role playing
- 7) Hands-on experience
- 8) Homework
- 9) Post testing

Participation in the FMTS Course was as follows:

Institution	Number of FMTS Registered Participants		
	Male	Female	Total
MOJ	15	12	27
Court	10	7	17
OPG	1	0	1
<b>TOTAL</b>	<b>20</b>	<b>13</b>	<b>45</b>

Institution	Number Completing FMTS		
	Male	Female	Total
MOJ	12 (-3)	9 (-3)	21 (-6)
Court	7 (-3)	4 (-3)	11 (-6)
OPG	1	0	1
<b>TOTAL</b>	<b>20 (-6)</b>	<b>13 (-6)</b>	<b>33 (-12)</b>

Upon course completion, US Ambassador Hans Klemm and USAID Mission Director Mark White attended a closing ceremony and presented certificates of achievement and participation in the presence of senior representatives of the Ministry of Justice, the Courts and the Office of the Prosecutor General.

JISP followed up the training by visiting participants at their duty stations nationwide to provide on-the-job mentoring and practical support. During the final months of JISP, each of the successful FMTS participants received a laptop to manage financial transactions and maintain accounts and assets registers in a safe and transparent manner. Laptops were preferred to desktops in order to enable staff working in the districts (and even Dili) to continue work during the frequent electricity outages being experienced in Timor-Leste.

The majority of FMTS-trained staff have now secured permanent posts; indeed, three have secured promotions. Anecdotal evidence indicates that FMTS completion was a major factor in their promotions.

#### **B. Executive Financial Management and Support Program (EFMTS)**

Having trained administrative and financial officials in the Ministry of Justice, the Courts and the Office of the Prosecutor General, it became evident that supervisors of those officials needed to better understand the relevant processes in order to fully exercise their management responsibilities. Indeed, a needs assessment

revealed that few, if any, of those in management positions had any relevant prior experience. Accordingly, the Ministry of Justice and the Courts requested USAID to design and deliver executive financial management training in addition to general management training. The Office of the Prosecutor General, the Office of the Inspector General and the Provedor for Human Rights and Justice asked to be included in the training opportunity.

Ms. Cheryl Williams, USAID’s Acting Mission Director, opened the 18-month JISP course at a ceremony on September 3, 2010. The Inspector General and Judge Maria Natercia Perreia Gusmao, then of the Dili District Court, attended. USAID Mission Director Rick Scott, the Inspector General, the President of the Public Service Commission, the President of the Court of Appeal, Dr. Claudio Ximenes, and the now Judge Counselor in the Court of Appeal, Judge Maria Natercia Perreira Gusmao, attended the closing ceremony on March 15, 2012.

Fifteen (15) participants completed the course. As with all training of this type, attendance diminished over the period of the course. The tables below illustrate how many began and completed the course:

Institution	Number of EFMTS Registered Participants		
	Male	Female	Total
MOJ	7	7	14
Court	3	1	4
OPG	3	3	6
OIG	4	3	7
PDHJ	1	0	1
<b>TOTAL</b>	<b>18</b>	<b>14</b>	<b>32</b>

Institution	Number Completing EFMTS		
	Male	Female	Total
MOJ	1 (-6)	4 (-3)	4 (-9)
Court	2 (-1)	1	3 (-1)
OPG	2 (-1)	0 (-3)	2 (-4)
OIG	2 (-2)	3	5 (-2)
PDHJ	0 (-1)	0	0 (1)
<b>TOTAL</b>	<b>7 (-11)</b>	<b>8 (-6)</b>	<b>15 (-17)</b>

Reasons for the “drop-outs” varied. Some participants left the public service or did not have their contracts renewed. Others were unable to spare the necessary time. Others found the course too difficult. Of the 15 who completed the course, 12 (80%) achieved passes, but even the three who failed (and who, accordingly, received certificates of participation) demonstrated marked improvements between pre and post-testing.

The EFMTS consisted of the following modules:

1. General management overview and leadership skills
2. Financial management
3. Human resources management
4. Information technology
5. Problem solving and decision-making
6. Project planning and management
7. Communication skills

Participants were presented with Achievement and Participation Certificates, which for the first time included the signature of the Director of INAP. Accreditation by INAP is highly treasured by Timor-Leste’s public officials, as it validates training content and methodologies, as well as the process for determining pass rates. As with FMTS, some participants also received laptops to enable them to apply recently acquired EFTMS knowledge and skills. Beneficiaries were stationed in offices which had not previously received laptops.

### C. Basic Auditing Course (BAC)

The stand-alone Basic Auditing Course (BAC) consisted of the following modules:

1. Fundamentals of Government Accounting
2. Fundamentals of Auditing
3. Fundamentals of Internal Auditing

Although aimed at OIG auditors, other agencies also participated. Training was designed to complement on-the-job guidance and mentoring by the JISP Senior Audit Adviser in the OIG and also to prepare participants for internationally-accredited audit courses. Opening and closing ceremonies were celebrated jointly with EFMTS. The BAC also received INAP accreditation with drop-out levels roughly even with the EFMTS rate:

Institution	Number of Registered Participants for BAC		
	Male	Female	<b>Total</b>
MOJ	8	7	<b>15</b>
Court	4	3	<b>7</b>
OPG	2	3	<b>5</b>
OIG	11	6	<b>17</b>
PDHJ	1	0	<b>1</b>
<b>TOTALS</b>	<b>26</b>	<b>19</b>	<b>45</b>

Institution	Number of Participants Completing BAC		
	Male	Female	Total
MOJ	2 (-6)	2 (-5)	<b>4 (-11)</b>
Court	2 (-2)	1 (-2)	<b>3 (-4)</b>
OPG	1 (-1)	0 (-3)	<b>1 (-4)</b>
OIG	9 (-2)	5 (-1)	<b>14 (-3)</b>
PDHJ	0 (-1)	0	<b>0 (-1)</b>
<b>TOTALS</b>	<b>14 (-12)</b>	<b>8 (-11)</b>	<b>22 (-23)</b>

Notably, OIG, the targeted beneficiary of this training, maintained a very strong attendance. Indeed, given the demands of his official commitments, the Inspector General himself was a reluctant dropout. Twenty of 22 trainees completing the course passed, reflecting a 91% success rate. The two who did not nevertheless recorded 7% and 14% improvement rates throughout the course.

#### **D. The Office Management and Administration Course (OMA)**

In late 2010 and early 2011, the Courts and the Anti-Corruption Commission recruited new administrative personnel, the majority with no previous experience relevant to their duties. The President of the Court of Appeal and the Anti-Corruption Commissioner requested USAID to design and deliver training to these new personnel so that they could effectively discharge their functions.

Accordingly, JISP designed a three+ month course (on a 1 day per week basis) containing eight modules:

1. Introduction to administration and management
2. Introduction to Timor-Leste's public administration
3. Overview of organization and individual duties and responsibilities
4. Office management skills
5. Work relationships, communication and coordination
6. Time management
7. Work ethics
8. Strategic planning and budgeting

The course operated from March 2 to June 20, 2011, with participation as shown below:

Institution	Number of Registered Participants for OMA		
	Male	Female	Total
Court	14	7	21
CAC	25	11	36
<b>TOTALS</b>	<b>39</b>	<b>18</b>	<b>57</b>

The above participation numbers were sustained throughout the course. Ms. Cheryl Williams, USAID’s Acting Mission Director, the Commissioner of the Anti-Corruption Commission and the Judge Counselor attended the opening and closing ceremonies, held at the Court of Appeal.

**E. Cash Management Training (CMT)**

At the request of the Ministry of Justice and the Courts, JISP also delivered three short courses, the first of which was a three-day course in cash management delivered between January 8 and 10, 2010. The course consisted of three components:

1. Cash imprest system
2. Petty cash fund management
3. Voucher system and simple bookkeeping for cash transactions

Staff from the Office of the Prosecutor General also attended this training, with final participation as follows:

Institution	Number of Registered Participants for CMT		
	Male	Female	Total
MOJ	6	6	12
Court	0	1	1
OPG	2	0	2
<b>TOTALS</b>	<b>8</b>	<b>7</b>	<b>15</b>

**F. Petty Cash Fund Management Training (PCFMT)**

As with CMT, JISP delivered further training on this topic in 2009 and 2011 to staff of the Ministry of Justice, the Courts and the Office of the Prosecutor General. In addition to petty cash fund management, asset management was also included in the curriculum.

The first course ran for three days between February 16 and March 27, 2009 with the following participation:

Institution	Number of PCFMT1 Registered Participants		
	Male	Female	<b>Total</b>
MOJ	30	16	<b>46</b>
Court	4	0	<b>4</b>
OPG	6	1	<b>7</b>
<b>TOTALS</b>	<b>40</b>	<b>17</b>	<b>57</b>

The second course ran for three days between August 8 and October 6, 2011 with the following participation:

Institution	Number of PCFMT2Registered Participants		
	Male	Female	Total
MOJ	13	9	<b>22</b>
Court	3	0	<b>3</b>
OPG	0	2	<b>2</b>
<b>TOTALS</b>	<b>16</b>	<b>11</b>	<b>27</b>

Of note, six former FMTS graduates assisted in the delivery of the second course above.

### **G. The Drop out problem**

The number of registered participants from the lengthy FMTS, EFMTS and BAC courses diminished as they proceeded. It is not possible to accurately ascertain the reasons why all those who dropped out of the courses did so. However among the most common reasons were

- Senior staff unable to devote the requisite time to course attendance and preparation
- Work schedule changes
- Suspension from duty
- Course beyond learners' academic capacities

The drop out problem experienced on these courses is not uncommon. Often counterparts nominate unsuitable participants who cannot cope with the academic requirements of the course. Negating the problem will always be difficult but Recommendations # 2 and 4, if accepted, should go some way towards minimizing it.

### **H. JISP Impact & Beneficiary Capabilities 2012**

Although the JISP beneficiary organizations have yet to reach their desired performance levels, they are significantly more effective and efficient today than they were in 2005 or 2010, when the Anti-Corruption Commission was formed. At those times, the skills were either non-existent or inadequate, thus preventing the agencies from properly discharging their mandates. Today, they are largely reliant on their own locally recruited and JISP-trained staff. In particular, cash and financial transactions are handled in an accountable, safe and transparent manner and office management systems conform to systems in use by the rest of GoTL

### **I. Going Forward**

Each of the beneficiary organizations still requires significant development assistance and, in addition, each one is expected to grow and expand for at least a decade. This will create an almost continuous demand for the type of training delivered by JISP, although increasingly organizations can be expected to take on the role of training provider for their own personnel.

**Recommendation # 1**

Future financial and management training should closely follow the content and methodologies used by JISP.

**Recommendation # 2**

Participants of financial and management training, as well as all other types of training, should be screened prior to enrollment to assess their capacities and ability to benefit. Additionally, participants and their parent organizations should be asked to formally commit to completing the training.

**Recommendation # 3**

In order to build knowledge, skills and abilities in the public administration all courses longer than three months should secure INAP accreditation.

**Recommendation # 4**

Although for logistical reasons EFMTS and BAC had to be delivered over a prolonged and continuous period, should similar major training interventions be contemplated in future, consideration should be given to breaking the program up into shorter yet contiguous components.

### III. Technical Assistance

#### A. Provedor for Human Rights and Justice (PDHJ)

##### Dr. Sebastiao Dias Ximenes – Provedor

#### 1. Background

The framework law to create the Office of the Provedor for Human Rights and Justice was well advanced when JISP was being designed and so the program’s SOW contemplated assistance to the PDHJ upon start up. PDHJ had a fairly unique role. Not only was it to perform the functions normally associated with those of an Ombudsman —that of being the final arbiter of complaints regarding alleged administrative failures in the public service— but it was also given additional responsibilities, such as the power to review the constitutionality of new legislation (a duplication of roles with the President and the Appeal Court). More importantly, PDHJ was to become the nation’s human rights watchdog and its anti-corruption agency with powers of investigation and limited intrusive powers, such as search and seizure with a warrant and the power to compel presentation of evidence, but no power of arrest or detention.



**Dr. Sebastiao Ximenes**  
**Provedor of Timor-Leste**

*“MSD’s arrival in the country happened at one of the most important times for the Office of the Provedor. The JISP Program facilitated the establishment of the Provedoria, by building the administration that we still use to this day. They were the first ones to facilitate the international cooperation between the PDHJ and the Ombudspersons of Malaysia, Indonesia and Philippines. They drafted the first Anti-Corruption Strategy, which led to the creation of the current CAC. JISP was an extraordinary assistance to the PDHJ, we will never forget the help we received from them. We greatly benefited from JISP in many ways, but one thing we will never lose is the great relationship we established since 2005.”*

#### 2. Start Up

PDHJ came into being soon after JISP commenced, and the Provedor quickly sought program assistance to start-up his operations. JISP helped to establish administration and financial control systems within PDHJ and designed a complaint receipt, analysis and control system. JISP also procured some office furniture and computer equipment and its personnel assisted the Provedor by setting up staff recruitment, selection and appointment processes. PDHJ opened its doors to the public in a former ministerial building in March 2006.

As it turned out, 2006 was a traumatic year for Timor-Leste and to the great credit of PDHJ; the agency remained open with JISP staffing assistance throughout the turmoil. Naturally, its focus at that time was on the many complaints of human rights abuses. PDHJ’s initial structure was also determined in 2006 and followed the loosely defined structure set forth in the Provedor Law. In addition to finance and administration sections, PDHJ also comprised three operational units, Anti-Corruption, Good Governance and Human Rights.

### **3. Training**

In late 2006, PDHJ began the recruitment of investigators<sup>2</sup> for each of its three divisions. JISP provided technical assistance through the deployment of two internationally renowned anti-corruption consultants (de Speville and Kwok).

In early 2007, investigation training began in earnest. During an initial three-month deployment, an investigations expert provided basic training to 18 staff members of all three operational divisions, which covered an overview of the investigation process and documentation of investigation activities. A second expert<sup>3</sup> subsequently focused on the Anti-Corruption and Good Governance Divisions, with training taking place on two half-days each week. This training involved 18 core students<sup>4</sup> from the target divisions but Human Rights staff also attended relevant portions. Subjects included identification of crimes, understanding the differences between criminal conduct and civil torts and practical investigation skills, such as planning and questioning techniques. A number of practical exercises were designed and delivered. During the same period, both JISP experts contributed significantly to the development of PDHJ's Strategic Plan, which was finalized in late 2007.

The second expert continued his work between January and May 2008. He expanded the syllabus to cover i) the practical implications of utilizing the powers devolved under the Provedor Law and ii) creating Constitution and Provedor Law-compliant templates for reporting criminal cases to the Prosecutor General. In this same period, assisted by expertise from Indonesia's Anti-Corruption agency, JISP designed and delivered the first joint anti-corruption investigations training in a three-day workshop attended by prosecutors and PDHJ's anti-corruption and good governance investigators. Also during this period, JISP complemented the refurbishments being made by the GoTL to the Provedor's offices, supplying an air-conditioned temporary structure which provided extra work-space.

### **4. PDHJ's Relationship with the OPG**

The second JISP investigations expert was reassigned in July 2008 with a brief to establish a formal relationship between the Provedor's Office and the Office of the Prosecutor General, focusing on anti-corruption activities. Agreement was reached on sharing investigative resources, training and international exposures and networking, as well as on the manner in which corruption cases would be reported to the Prosecutor by PDHJ and on the feedback mechanisms relating to ongoing cases. This agreement overcame the disharmony between PDHJ's and OPG's case-tracking systems and in case type classifications, which had resulted in several cases previously referred by PDHJ to OPG becoming lost in the system. The new protocols were incorporated in a formal Memorandum of Understanding (MOU) which was signed by the Prosecutor General and the Provedor in August 2008.

### **5. Changes to the Provedor's Mandate**

The PDHJ-OPG Inter-Agency Cooperation Agreement was hailed as a landmark achievement at the time, but it was to be short-lived. The Prime Minister had designated 2008 as the "Year of Administrative Reform" and he put forth three initiatives for public debate. First, he proposed the creation of a Public Service Commission to independently review and approve public service institutions, appointments, promotions and disciplinary

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<sup>2</sup> The majority of these recruitments were on short term three-month contracts, with most staff subsequently being appointed permanently.

<sup>3</sup> Funded by the World Bank but under JISP management.

<sup>4</sup> There had been further recruitments to the Anti-Corruption and Maladministration divisions since the conclusion of the first phase of investigation training.

matters. Second, he proposed a complete overhaul of government audit arrangements focusing on the forthcoming establishment of the High Administrative Tax and Audit Court, a judicial institution having the power to approve or disapprove the government's budget, government contracts and to hold Ministers to account. Third, and importantly for the Provedor, the PM proposed the establishment of an independent anti-corruption commission with powers of arrest, search and seizure and to compel the production of evidence.

Somewhat encouraged by the PM's Australian advisers, the Provedor took the view that the creation of a separate anti-corruption agency was unnecessary. He believed that the foundations he had established in this area should be built upon by legislated amendments to his powers which would have safeguards against the misuse of those powers during the pursuit of cases related to good governance and human rights abuses. The Provedor sought JISP assistance in drafting a position paper arguing his case. The Provedor was to be disappointed. First, he felt his paper was denied a fair hearing and, second, the government decided to press ahead with the three proposals. In early 2009 Parliament approved legislation creating the Public Service Commission and Anti-Corruption Commission, which, *inter alia*, repealed the PDHJ's anti-corruption mandate in the Provedor Law. (As of March 2012, the High Administrative Tax and Audit Court had still not been formally created.)

This created a void. The Provedor's anti-corruption powers had been removed, but the Anti-Corruption Commission had not yet been created. Agreement was quickly reached that PDHJ's existing anti-corruption caseload would be passed to the Prosecutor General who would assume responsibility for all anti-corruption matters until the Anti-Corruption Commission became operational.

Another consequence of the change in the Provedor's mandate was the need to realign resources and restructure the Office. The Anti-Corruption Division was disbanded and its human and physical assets were distributed to the Good Governance and Human Rights Divisions.

The management of PDHJ became somewhat problematic in 2009 as the Provedor's constitutionally mandated four-year term of office expired and the Parliament failed to address the issue of a renewal, or the appointment of a successor. These problems lasted for over 12 months, until Parliament extended the first Provedor's mandate for a further four years ending in 2013.

## **6. Good Governance Training**

With the change in mandate, and at the Provedor's request, JISP deployed a good governance expert to enhance the understanding of the concept of good governance within PDHJ. The expert offered:

- On-the-job mentoring and tutoring
- A pilot public service delivery review exercise, and
- A governance and integrity skills training program

On-the-job mentoring and training took place over the full 12 months of the consultant's deployment. The pilot public service delivery review exercise involved staff of the Good Governance Division being assigned a particular process or aspect of public service delivery. They were then required to review the process, identify any corruption-prone or efficiency weaknesses and to recommend changes which would eliminate or reduce those weaknesses. Participants prepared written reports and then orally presented their findings to the Provedor and other senior officials. The remaining component was a series of short training workshops offered to staff of both divisions of the PDHJ. The table below illustrates the results obtained:

Topics	Training Days	Participants Attending	Pre-Test Averages	Post-Test Averages	Average Increase
Public Administration	2	22	Na	Na	Na
Time & Self Management	1	14	51%	72%	21%
Communication & Coordination	2	17	39%	76%	37%
Writing Documents	2	20	63%	88%	25%
File Management	2	21	65%	88%	23%

## 7. The Internship Experiment

By 2008, the issue of appointing staff to permanent positions within PDHJ had not been resolved. This adversely affected PDHJ's ability to undertake i) further recruitments and ii) any form of succession planning. With USAID concurrence, JISP agreed to undertake a one-year internship experiment for four graduate students, aimed at exposing them to all aspects of anti-corruption work and preparing them to undertake full-time employment at PDHJ if and when permanent vacancies arose.

Widespread publicity resulted in 600 applications. JISP undertook a short listing exercise and together with senior PDHJ staff conducted final interviews. An intensive one-year program for the two male and two female graduates followed, with their progress facilitated by two JISP mentors. Assignments to each PDHJ division were supplemented with guided study as well as visits to counterpart institutions. At the end of the year, during which the students were paid a small stipend by JISP, three of the four accepted full-time employment at PDHJ. The fourth became the Human Resources Manager at the Office of the Prosecutor General.

## 8. Other Assistance to PDHJ

The Provedor is required by law to submit an annual report to Parliament. PDHJ's first report, supported by JISP, helped the Provedor effectively communicate his agency's accomplishments and challenges to the legislature. That report, submitted during the 2006 national crisis, particularly stressed the need to address the human rights violations that were then occurring on a daily basis. Indeed, from the outset, JISP provided technical assistance to PDHJ in publishing pamphlets containing the law and the duties of the Provedor in three languages. Judges, prosecutors, legal professionals and civil society groups were thus better equipped and informed about the functions and responsibilities in the Provedor's mandate.

JISP arranged visits to the Ombudsman's offices in the Philippines, Malaysia and Indonesia, which resulted in the establishment of permanent cooperation relationships. JISP also secured PDHJ access to the government internet network, rehabilitation and activation of all ethernet connections within the Provedor's building, upgrading of the electrical wiring system and improved security.

During 2009 and early 2010, JISP supported PDHJ's first nationwide public campaign, which targeted district officials and ministerial employees, civil society and communities. Distribution of promotional material from the PDHJ reached all 13 districts as part of a public education campaign to promote principles of good governance and human rights. JISP also led the production of a series of video dramas designed to promote values and principles of good governance, while at the same providing wider dissemination of best practices

and ways of addressing common governance challenges. The dramas were aired by TVTL and sound versions were aired by district radio stations nationwide.

JISP supported the Human Rights Division in undertaking a series of public hearings concerning the violent incidents which took place during the 2006 crisis. Another milestone of the JISP program of assistance to the Provedor was facilitating the opening of district offices, including the office in the enclave of Oecusse.

Full-time JISP assistance to PDHJ ended in mid 2009 with the completion of the good governance training. However JISP facilitated the Provedor's attendance at the 13<sup>th</sup> and 14<sup>th</sup> International Anti-Corruption Conferences held in Athens in November 2008 and Bangkok in November 2010 respectively, and a senior member of the PDHJ was one of four officials sponsored by JISP to attend the University of Hong Kong Post Graduate Course in Corruption Studies in November-December 2010.

## **9. JISP Impact & PDHJ Capabilities 2012**

JISP played the key role in enabling PDHJ to become operational. It provided training, quarters, equipment, strategic advice and assisted organizational restructuring after the 2006 and 2008 crises provoked changes to its mandate. PDHJ currently enjoys widespread respect and public acceptance, enjoys good international relationships and is performing competently. It gained public approval for its outspoken criticism of alleged police and military repressive tactics during the aftermath of the attempted assassinations of the President and Prime Minister in 2008. PDHJ is well established and is discharging the functions of its revised mandate competently handling over 50 cases each year.

## **10. Going Forward**

Two main problems remain. The first is that the Provedor's second term of office expires in July 2013<sup>5</sup> and it is yet to be seen what impact his replacement will have upon PDHJ's continued development, public support and respect.

The second relates to the powers of investigation conferred upon the Provedor's investigators by the Provedor Law and the conflict which arises between the execution of those powers and the constitutionally mandated authority over criminal investigations invested in the Prosecutor General. This problem is not unique to the Provedor's office. It is inevitable that while investigating breaches of good governance and human rights abuses, the Provedor's investigators will encounter conduct which amounts to criminality. The problem arises because, even when the Provedor's staff might have sufficient knowledge to identify criminality, under current practice, investigators complete their own investigations before any referral is made to the OPG. Aside from the legality of PDHJ continuing to investigate once criminality has been uncovered, there is also the potential damage such actions may well have on the prospects of a subsequent successful OPG investigation and prosecution. Delays, duplication of effort, forewarning of suspects and the destruction of evidence are all dangers attendant upon this situation.

Finally, the Provedor is keen to pursue further training opportunities for his staff, particularly in developing investigations skills and report writing. These needs are apparent, but in the overall context of Timor-Leste cannot yet be classified as a high priority.

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<sup>5</sup> The maximum term which one person can serve in the Office of Provedor is eight years.

**Recommendation # 5**

Although not a top priority, PDHJ should be considered for inclusion in further investigations training, including possible joint training with prosecutors.

**Recommendation # 6**

PDHJ should be included as a priority target institution in the work proposed in Recommendation 24.

## **B. Ministry of Justice, the Court of Appeal and the Courts**

**Judge Dr. Claudio Ximenes – President Court of Appeal**

**Judge Dra. Maria Natercia Perreira Gusmao – Judge Counselor Court of Appeal**

**Dra. Lucia Maria Brandao Freitas Lobato - Minister of Justice**

**Dr. Ivo Valente – Vice Minister of Justice**

**Dr. Francisco Carceres – Director General, Ministry of Justice**

### **1. JISP Technical Assistance**

Assistance to the Ministry of Justice, the Court of Appeal and the Courts was a continuous process throughout the life of JISP. Training provided in finance and administration is addressed elsewhere in this report; this section covers other assistance rendered by JISP.

At the request of the Courts, JISP deployed an expatriate judge to assume the role of Inspector, to facilitate the establishment of the Superior Council for the Judiciary and to assume the role of Secretary to that body. In this she succeeded. The Council has been operational since early 2009 and inspections commenced at the same time.

This assignment took place between September 2008 and December 2009, ending when the judge concerned became dissatisfied with the remuneration package she was being offered through JISP. Although her concerns were rapidly resolved, the judge preferred to continue her work under contract to UNDP.

The efforts of JISP led to the development of an effective Superior Council and an operational inspection system. The role of Secretary to the Superior Council was assigned to a Timorese citizen, but the position of Judge Inspector continues to be held for a foreigner. The Judge referred to above resigned her position in March 2012 and at the time of writing the post had not been filled.

In late 2010, USAID agreed to a request made by a recently appointed Judge Counselor in the Court of Appeal for the full time deployment of a mentor to guide and assist her development in that role. A scope of work was drafted and widely advertised by JISP, but no candidate suitable to all parties could be identified.

JISP supplied some of its office furniture and IT equipment to the Courts as the program came to an end. Notably, among the beneficiaries of this transfer were seven auditors who in February had returned from training in Portugal ready to take up their roles in the High Administrative Tax and Audit Court, only to find they had office space but no furniture!

### **2. JISP Impact & Beneficiaries Capabilities 2012**

In 2005 there was little, if any, Timorese representation in the Judiciary. As of March 2012, there are three Timorese members of the Court of Appeal and more Timorese Judges are in the course of preparation. Substantial progress has been made and JISP played a major role in the empowerment of Timorese judicial officials. JISP's major impact was the development of financial management, administration and management cadres within the Ministry of Justice and the Courts. As a result, the need for expatriate expertise in these areas has diminished dramatically.

### 3. Going Forward

With the functions of the Court of Appeal being divided between a Supreme Court and a Court of Appeal, and as more District Courts open, the demand for personnel trained in judicial functions will rise. Although it is likely that Timorese representation in these posts will continue at the same pace, it will be at least another decade before the need for expatriate judges and support will have completely disappeared. As planning and budgeting have now been incorporated into the routines of the Ministry of Justice and the Courts, the need for external procurement support should diminish. However, training and mentoring needs will increase, as will the concurrent need for donor support. The attempt made by JISP to recruit a full time mentor for a newly appointed Judge Counselor is indicative that this method is unlikely to meet success in the future and it seems that the best remaining option is to expose new judges to international best practices through overseas workshops and familiarization tours with comparable civil law judiciaries.

#### **Recommendation # 7**

Support to the Ministry of Justice and the Courts should be continued for the foreseeable future with a view to accelerating the placement of Timorese in key judicial offices, including the Supreme Court, High Administrative Tax and Audit Court, Court of Appeal and District Courts.

#### **Recommendation # 8**

Overseas training and familiarization workshops for judges should be considered as the most feasible option for the development of their skills with subsequent reinforcement of knowledge and further development of skills through targeted technical assistance.

#### **Recommendation # 9**

As additional support staff are appointed within the Ministry of Justice and the Courts, additional financial and management training should be provided. However, this should include an element of training-of-trainers, thus empowering Timorese institutions to assume responsibility for their own strategic development.

## **C. Office of the Prosecutor General (OPG)**

### **Dra. Ana Pessoa – Prosecutor General**

#### **1. Background and Context**

According to the Constitution of Timor-Leste, the Prosecutor General has sole control over the investigation and prosecution of crime in the country. In reality this is not so, as has been made evident through various JISP interactions with other justice institutions and as the assessment carried out in late 2009 and early 2010 confirmed. This situation gives rise to one of the major recommendations in this report.

Much of the assistance provided to the Office of the Prosecutor General, such as management and financial training, joint investigations training with investigators in PDHJ and the now inert MOU with PDHJ, has already been addressed in other sections. However, the greatest impact of JISP on OPG was the deployment of a Prosecutions Inspector and the commencement of operations by the Superior Council for the Prosecution Service, for which the Prosecutions Inspector provided secretarial services.

The assistance provided by JISP to the OPG needs to be viewed in context. By 2005, a backlog of over 5,000 cases, many of them serious in nature, had built up. Although the backlog remained by 2012, some attempt had been made to amend an archaic system of case allocation: specialist units were set up to deal with prevalent and serious crimes, such as corruption, domestic violence and serious assaults. As with the judiciary, the OPG has relied heavily on expatriate prosecutors from diverse backgrounds and of widely varying abilities.

OPG's need for development assistance has long been recognized by USAID. Indeed, OPG is a prime beneficiary of MCCTP assistance centered on skills development, particularly in the area of complex financial crime. As with the judiciary, however, staffing of the prosecution service solely by Timorese citizens remains a long way off, perhaps a decade or more.

#### **2. Prosecutions Inspectorate and the Superior Council for the Prosecutions Service**

At the request of the Prosecutor General, JISP deployed an internationally recognized prosecutor to fulfill the role of Prosecution Inspector and Secretary to the Superior Council for the Prosecution Service in July 2008 and he performed under JISP sponsorship until July 2010. The JISP expert achieved the following results:

- Full evaluation of Timorese and expatriate prosecutors. Recruitment of four international prosecutors and four international clerks (deployed and funded by UNDP)
- Periodic roundtables to exchange experiences between local prosecutors and international colleagues
- Drafting and approval of regulations governing the Superior Council for the OPG
- Negotiating a remuneration package for the Prosecution service, drafting the requisite enabling legislation and stewardship of the law through the National Parliament and into law
- Establishment of career paths for judicial clerks and enactment of regulations governing recruitment, inspection, promotion and disciplinary procedures
- OPG's first strategic plan and contributions to the Strategic Plan for the Justice Sector through 2030
- Drafting of presentation for inclusion in the Prosecutor General's annual report to Parliament
- Drafting of regulations concerning i) establishment of a Trusteeship for Minors in all Judicial Districts, ii) appointment of Curators for Minors and iii) disciplinary proceedings against two OPG staff
- Review and comment on new legislation (including the new Criminal Code) for the Prosecutor General

- Assistance to UNDP-AusAID Justice Facility in the design and implementation of a new case tracking system in the OPG, overcoming existing difficulties with case registration and processing

The scope of work for the Prosecution Inspector included a requirement to identify, train and mentor a Timorese prosecutor to assume the role when the deployment was completed. This was not achieved due to two factors: i) the experience levels of Timorese prosecutors was not up to the level set forth in the OPG's organic law, nor is that expected to happen in the foreseeable future, and ii) the mentoring process would logically have extended beyond the life of any possible deployment under JISP.

The Prosecution Inspector visited all OPG district offices and conducted seminars on the roles and responsibilities of the Prosecutor Inspector and the Superior Council.

### **3. Termination of Deployment of Prosecutions Inspector**

In July 2010, MSD determined that for confidential reasons it could not continue the employment contract with the Prosecution Inspector. This decision was communicated to USAID and the US Embassy and was accepted by both. Similarly, the Prosecutor General was informed of the decision together with an offer to recruit and deploy a replacement. This offer was declined and instead the Prosecutor General engaged the same individual on a GoTL contract. Though remaining on contract to OPG, his continued presence did not prevent additional subsequent assistance being welcomed by the Prosecutor General.

### **4. Additional Assistance to the Prosecutor General**

In 2009, JISP funded and facilitated a study tour to the Prosecution Service of Cape Verde by the Prosecutor General and four members of her staff.

JISP funded and facilitated the attendance of the Prosecutor General to the 13<sup>th</sup> and 14<sup>th</sup> International Anti-Corruption Conferences in Athens and Bangkok.

JISP funded and facilitated the attendance of the Deputy Prosecutor General at the University of Hong Kong Post Graduate Course in Corruption Studies. He achieved a distinction.

### **5. JISP Impact & OPG Capabilities 2012**

Many of the problems facing the OPG in 2005 remain extant in March 2012. They include a massive and unmanageable criminal case backlog, the long-term dependence on expatriate prosecutors, and insufficient skills among all staff, especially in directing the investigation of complex crimes and preparing their subsequent prosecution. Additionally, there are symptoms which indicate that the roles and contributions of other judicial institutions are not wholly appreciated. This results in investigation work undertaken by personnel from these institutions prior to referral being ignored, irrespective of its merits.

JISP has, however, made a substantial contribution to the OPG. The financial and administration training has brought order and discipline in the discharge of these important functions. The deployment of the Prosecutions Inspector and the formation of the Superior Council introduced a governance regime previously absent. The inspections undertaken ensured accurate performance assessments. The exposure to international best practices was similarly of great value. On his return from the Hong Kong course, the Deputy

Prosecutor General said he had not previously appreciated the breadth of anti-corruption tools that were available beyond those of prosecution and repression.

## 6. Going Forward

OPG is scheduled to receive MCCTP-funded additional skills training through 2014. As noted, the Office's assistance needs will extend well beyond that date. In addition to skills training and the development of Timorese citizens into competent prosecutors, focus needs to be placed on an evaluation and appreciation of the roles taken by others in the criminal investigation process, with a view to demarcating areas of responsibility, establishing common guidelines and common referral and feedback processes. Tact and understanding will be essential components in seeking to engage the OPG in discussions on this issue.

### **Recommendation # 10**

Continue long-term support for the OPG, particularly in skills enhancement and the development of local prosecutors through training and technical assistance to eventually assume the Inspector position.

### **Recommendation # 11**

Address OPG's severe case backlog through facilitated discussions at the political and operational levels.

### **Recommendation # 12**

Training in administrative support functions should continue as necessary, but with increasing emphasis on training-of-trainers with concomitant development of in-house capacity to train staff.

### **Recommendation # 13**

OPG should be included as a priority target institution in the work proposed in Recommendation 24.

### **Recommendation # 14**

Training in critical management functions —appropriate case allocation, supervision of prosecutors, case-load management and building of management capacity— are priority development areas for OPG and should be emphasized in future assistance.

## **D. Office of the Inspector General (OIG)**

### **Dr. Francisco de Carvalho – Acting Inspector General**

The Office of the Inspector General was one of the first offices of the justice system established in the country and was already in operation prior to the restoration of independence. OIG operates under the direct authority and control of the Prime Minister. Currently, the Inspector General post is occupied in a provisional capacity, a situation which has existed for more than four years. The OIG is the Government's highest audit authority and its mandate includes audit, inspections and investigations of all government departments and state-owned institutions.



**Dr. Francisco Carvalho**  
**Inspector General of Timor-Leste**

*"JISP assisted the OIG on many fronts. They provided an excellent adviser, who worked parallel in two institutions, the OIG and VPM Office. The first drafting of our Strategic Plan was accomplished by JISP. I attended the graduation of the Timorese civil servants from the EFMTS and BAC, and I have to say that I am very proud of our staff that took part in the trainings, which were among the most successful ones. Now I can proudly say that the staff of OIG understand their roles and are ready to implement the skills they gained during these trainings."*

#### **1. First Phase of Support for OIG**

JISP made two key contributions to the creation of the OIG. As part of the Prime Minister's 2008 Year of Administrative Reform, a Vice Prime Minister was appointed to oversee and reenergize the administrative processes of Government with a special emphasis on corruption and procurement. As part of this process, the Prime Minister delegated responsibility for the OIG to the Vice Prime Minister. He, in turn, assembled a number of subject matter specialists to assist him with his work and also approached USAID to request the appointment of a Senior National Anti-corruption Strategy Adviser. Said deployment commenced in April 2009.

The Vice Prime Minister asked the JISP adviser, among others, to review the capacity and development needs of the OIG. This review established a number of pertinent facts:

- OIG was often overwhelmed by investigation requests from the Offices of the Prime Minister and the Vice Prime Minister
- Investigations work impeded OIG from undertaking audits and inspections
- Low levels of professional expertise within OIG were attributable to use of short-term contracts to fill the majority of staff positions
- OIG staff from top to bottom lacked professional qualifications
- Inadequate staffing levels
- Misunderstanding by key staff of the objectives of investigations was rampant with prevalent failure to answer questions posed
- OIG lacked formal organizational strategy
- OIG lacked a strategic plan and development strategy
- Little communication and interaction took place between OIG and Inspectors General of the line ministries

In addition to advising the VPM on the leadership of OIG, the JISP adviser designed a strategic development plan for the Office which addressed the structure and expansion of the office over a three year period. This

plan was approved by the Inspector General, the Vice Prime Minister and the Prime Minister and on June 10, 2009, the Council of Ministers approved Decree Law 22/2009 which gave effect to the proposals contained in the plan. The Law was forwarded to the Public Service Commission for implementation.

Further specific advice was provided to the OIG on the conduct of investigations and on work-planning. The Basic Auditing Course (see page 15) was the first initiative designed to address the skills shortfalls in OIG. The adviser continued to support OIG until the Office of the Vice Prime Minister closed following his resignation in September 2010.

## **2. Second Phase of Support for OIG**

The Inspector General was particularly keen to utilize the full-time services of a Senior Audit Adviser and sought USAID assistance in this regard. This position was filled by JISP between January 2011 and February 2012 and the deployment proved highly productive. During this period, the OIG completed three full-time audits and eight other activities including inspections and audits. The Senior Audit Adviser provided on-the-job mentoring, including report drafting, and supplemented this with in-house weekly training sessions designed to dovetail with the training offered through the basic audit course.

The deployment was notable for two other important achievements. The first was the successful negotiations between the OIG and the Inspectors General of the line Ministries and Secretariats of State which led to the signing of an MOU. In addition to arrangements for regular coordination meetings between the Inspectors General, concerned parties agreed to share training opportunities and to share audit and inspection reports. This was done with the intention of avoiding duplication of efforts and of building up relevant data for use in future audits and inspections.

The second achievement was the drafting of new legislation to convert the MOU into law. As of March 30, 2010, the “National System of Control Law” was awaiting approval by the line Ministries prior to submission to Parliament. Forthcoming elections will delay the enactment of this law, but its provisions are nevertheless already being implemented.

## **3. JISP Impact & OIG Capabilities 2012**

JISP assistance to the OIG commenced more than half-way through the program. Despite this late start, successful basic training was completed. The Office has been effectively restructured and most full-time appointments have been filled in accordance with the law drafted during the first phase of assistance. Cooperative arrangements between the Inspectors General are now operating well. The quality of reports and the depth of audits and inspections have been significantly improved.

## **4. Going Forward**

The MCCTP is also committed to assisting the development of the OIG and line Ministries’ inspection units. A thorough training needs assessment conducted under the MCCTP has identified the training required. Acting unilaterally, the Inspector General sought and received GoTL funding for training of his auditors through an Indonesian tertiary institution. This course is modular and incremental and leads to a professional qualification. It is significant that of the 10 staff members sent to complete the first module, only two passed, indicating that further preparation will be necessary in order to take advantage of such opportunities. The MCCTP will continue where JISP left off. To that end, MCCTP has followed the JISP initiative and recently reengaged the Senior Audit Adviser. The OIG is also in the process of engaging the JISP Course Director as a mid-level audit adviser on a GoTL direct employment contract.

While some dramatic improvements have already occurred, much more needs to be done. Significantly better trained and competent staff is needed if each Ministry or Secretariat of State is to be subjected to annual audit or inspection.

A looming issue, yet to be addressed, is the relationship between the OIG and the soon to be created High Administrative, Tax and Audit Court (HATAC). HATAC will be independent of Government, while OIG will remain part of it. Both have important roles to play (as do the line ministries' inspection units), but much could be gained through the generation of protocols for cooperation and coordination between them.

**Recommendation # 15**

The development and emergence of HATAC should be monitored with a view to offering assistance in skills development and establishing professional relationships between the Court and the existing ministerial inspection units.

**Recommendation # 16**

The demand for professional training and the acquisition of recognized audit qualifications will continue to grow. Donors should consider assistance in this regard, particularly when the MCCTP concludes in 2014.

**Recommendation # 17**

The current Inspector General holds the post in an acting capacity and has done so for many years. The salary and remuneration package for a substantive holder of this post has yet to be finalized but parity with a Secretary of State would seem necessary. Donors might consider assistance in resolving both issues.

## **E. The Office of the Public Defender (OPD)**

**Dr. Sergio de Jesus Hornai – Public Defender**

### **1. Background and JSIP Assistance**

Until the Superior Council for Public Defense was constituted in June, 2011, the Office of the Public Defender operated as a dependent agency of the Ministry of Justice in some matters even while responsible for most aspects of administration and operations. OPD is headquartered in Dili, and has three field offices in Suai, Baucau and Oecussi.

Intended for use by persons unable to pay for their legal defense, the OPD exists to provide effective assistance to persons accused of crimes. Such assistance includes advice and representation in court. The need to enhance OPD's capacity became glaringly apparent in the aftermath of the 2006 crisis, when national and international efforts to ensure accountability for serious crimes committed ran up against the challenges posed by limited human resources and capacity across the justice sector and within the OPD. As a consequence, many deserving defendants were either wholly unrepresented or inadequately represented.

JISP focused its assistance to the OPD on developing an adequate, transparent and efficient administrative system, addressing a gap not filled by other justice sector partners and, between September 2008 and March 2011, successfully focused on two main areas of work: i) development of a manual case management system and related tools, and ii) training and technical assistance to develop the office administration and human resource skills of OPD staff. Training and assistance spanned the areas of general administration, financial management, records management, logistics, and budget and planning.

Emphasis was placed on strengthening the capacity of the 36 OPD administrative staff, on organizing and managing files of criminal and civil cases, as well as on establishing internal procedures within OPD for case assignment and tracking. Budget planning and execution were also part of JISP technical assistance.

JISP continuously supported the strategic planning workshops of the Ministry of Justice, assisting the Chief Public Defender in developing a vision for the office and planning the medium-term working strategy for the Office of the Public Defender (five to 10 years), with particular emphasis given to the area of human resource development. This in turn fed into the Justice Sector Strategic Plan to 2030.

### **2. Case Management System**

Through the deployment of an administration expert, JISP provided pivotal support for the creation of a manual, paper-based file management system for the Office of the Public Defender in Dili, and subsequently for the three district offices in Baucau, Suai and Oecusse.

These system improvements enabled OPD staff to retrieve and access criminal and civil case files and established an efficient storage and archiving system for all documents. The Public Defender also agreed to become party to the national case management system which will enable cases to be tracked irrespective of the stage of a case or its physical location in some other body of the justice system. To this end, the JISP administration expert was a member of an internal committee set up to liaise with the AusAID-UNDP Justice Facility's project for electronic case management.

### **3. Office Administration and Capacity-Building of OPD Staff**

JISP's administration expert helped the main office in Dili to develop administrative and logistic procedures for Dili and for the district offices. This support improved the communication between central and district offices. JISP established interim OPD procedures and prepared various templates and standard forms for use of OPD administration, human resources and financial management personnel. JISP provided technical assistance to OPD finance officers and administrative support staff in the planning and preparation of the Office's operating budget. This included guidance provided by JISP's adviser to district offices, which were thus able to participate in the budgeting process for the first time. The result was a marked improvement on the services provided by the district offices to local residents as participation in the budget process allowed public defenders to have critical resources for carrying out assigned functions. In addition, JISP procured and supplied the head office in Dili and the sub-offices with office furniture and filing cabinets.

### **4. Staffing Levels**

As with the other justice institutions, the OPD has been, and continues to be, understaffed at both the professional and support levels. The recent confirmation of four additional public defenders has had an impact, but the OPD remains unable to meet the demands for service and seemingly this situation will not be permanently alleviated for many years to come.

### **5. Recruitment of a Public Defense Inspector**

In early 2011, the Public Defender sought USAID assistance in the recruitment and deployment of a Public Defense Inspector who would perform a role similar to that of the Inspectors in the judiciary and prosecutions service. Such an appointment could not be made, however, without the prior approval of the Superior Council for the Public Defense which was only fully constituted in July 2011. The matter was considered and approved at the Council's second meeting in September 2011 when a JISP-drafted SOW was tabled and approved. Unfortunately, this was too close to the end of JISP in March 2012 for a successful recruitment and meaningful period of deployment to take place. Accordingly, the Public Defender sought the assistance of UNDP to fill the post.

### **6. JISP Impact & OPD Capabilities 2012**

JISP assistance to the OPD has been low-key compared to the other justice institutions, but has had a lasting impact nevertheless. Its administration and case file management systems are operating smoothly. Regrettably, as of March 2012, the Public Defense Inspector has still not been appointed.

### **7. Going Forward**

The OPD should continue to experience smooth administrative and financial operations for the foreseeable future, given gradual growth and successful peer mentoring. The OPD has relied heavily on expatriate defenders, mainly from Brazil, but there has been little skills-sharing and development activities focused on the locally recruited and trained defenders. While donor funding of expatriate experts may well continue in the short and medium term, this cannot go on indefinitely.

**Recommendation # 18**

Future donor assistance to the OPD should focus on the development of Timorese to staff all levels of the organization. Further administration and financial control training, management training, mentoring and counseling of Timorese defenders by experienced Civil Law practitioners, and empowerment of OPD to provide in-house training through 'train the trainers' programs are the most pressing needs.

## **F. Office of the Prime Minister**

### **Kay Rala Xanana Gusmao – Prime Minister**

#### **1. JISP Assistance**

In 2009, at the request of the Prime Minister's office, JISP recruited an anti-corruption expert with a brief to advise the PM on the implementation of the anti-corruption elements of his 2008 Year of Administrative Reform proposals. It became apparent soon after the deployment began, that the business style of the expert did not meet with the approval of the Prime Minister and his other advisers. Accordingly, the expert's contract was terminated after six weeks with no tangible results having been achieved.

#### **2. Lesson Learned**

Prima facie the expert's curriculum vitae indicated he was very suitable for the appointment. He was one of seven candidates interviewed for the position by a panel which included representatives of USAID and the Prime Minister's office. However, the interview was conducted over the telephone and failed to reveal the problem which was to be evident immediately after the deployment began. A face-to-face interview would likely have indicated the unsuitability of this appointment.

## **G. Office of the Vice Prime Minister (OVPM)**

**Dr. Mario Viegas Carrascalao – Vice Prime Minister 2008 – 2010**

### **1. Background**

This report addresses some of the assistance provided by the JISP Senior Anti-corruption Strategy Adviser to the Office of the VPM for Administrative Affairs in the section covering the Office of the Inspector General (see page 33).

The Vice Prime Minister believed that effectively combating corruption required much more than a strong anti-corruption agency—a “whole of government and civil society” approach was needed—and he was keen to coordinate and promote anti-corruption activities that could not readily be undertaken by a nascent anti-corruption agency. He sought to involve as many actors as possible to discuss corruption and its consequences and to undertake activities which would complement, and not compete with, the functions of the anti-corruption agency once it became operational. In particular, the VPM wished to encourage an active participation of civil society in the national response to corruption. He also prioritized the development and implementation of a National Anti-Corruption Strategy.

### **2. National Anti-Corruption Working Group (NACWG)**

On the advice of the Senior National Anti-corruption Strategy Adviser, an attempt was made by the VPM to form a working group of all the major “official” actors in anti-corruption work with a view to sharing information, work plans and objectives. The VPM perceived himself to be a facilitator of this process rather than a leader or chair. A meeting of the group took place in April 2010 and involved the leaders or senior representatives of:

- Office of the Prosecutor General
- Anti Corruption Commissioner
- Banking and Payments Authority (now the Central Bank)
- Public Service Commission
- National Police
- Provedor for Human Rights and Justice
- Office of the Inspector General
- Customs Service
- High Tax and Audit Court (when established)

There was general agreement at the meeting on the value of coordination. However, since the resignation of the VPM, no further meetings have taken place and there is no obvious successor for the facilitation role.

### **3. National Anti-Corruption Strategy and Policy**

The VPM asked the Senior National Anti-corruption Strategy Adviser to draft a national anti-corruption strategy incorporating the philosophy set out above. All the proposals made by the adviser were accepted by the VPM and he added other elements of his own. A policy paper based on the proposals was prepared and a draft National Anti-corruption Policy was included. Both documents were tabled before the Council of Ministers on February 18, 2010 and approved.

On March 3, 2010, the policy was published as a government resolution and remains in force. The Senior Anti-corruption Adviser and other officials in the VPM's office were immediately tasked with implementation. By the time the VPM resigned in September 2010, progress had been made regarding a number of policy elements. Unfortunately, although the policy continues to represent the Government's official anti-corruption strategy, in practical terms, the resignation resulted in the halting of policy implementation, although the Anti-Corruption Commission has taken steps to continue working on some aspects of the strategy.

The following is a translation of the policy's action items:

1. *Promote an evaluation of the levels and types of corruption in the country, including institutional factors.*

Little progress was made before the VPM's resignation. However, this item is a major component of the MCCTP and by March 2012, the first survey had been completed.

2. *Involvement of all the Ministries and State institutions in the fight against corruption through plans of action and annual reports.*

This action item purported to require all ministries and secretariats of state to conduct their own anti-corruption activities and to report annually to the Council of Ministers on those activities. The Anti-Corruption Commission, while not in a position to enforce this, did nevertheless invite ministries to describe their anti-corruption activities at a public meeting on December 10, 2011, to commemorate World Anti-Corruption Day.

3. *Restructuring and reorganization of the IGE (Inspectorate-General of the State) to make it more effective.*

4. *Adoption of legislative and administrative measures to make the IGE more effective in the investigation, auditing and prevention of corruption.*

5. *Creation of Inspection and Auditing Units in Ministries and Secretariats of State where they do not exist.*

The section of this report dealing with the Inspector General sets out the actions taken by JISP and to be continued by MCCTP, to implement these items. No actions have been taken to create additional ministerial inspection units since the resolution was passed.

6. *Encouragement, by means of awareness raising campaigns, of public and private institutions to adopt auditing and inspection mechanisms by providing access to specialized training.*

This item, inserted by the VPM, has not been implemented and there are currently no action plans to do so.

7. *Assurance of:*

- a. A more open and transparent provisioning system;*
- b. A reconciliation and management system in the collection of government proceeds;*
- c. Greater efficiency in the management and protection of state property;*
- d. Simplification of administrative processes in order to improve the services rendered to the public;*
- e. Accountability of civil servants by means of public access to complaint books;*
- f. Limited access to certain government documents by means of self-regulation;*
- g. Follow-up on the improvement of the Dili Customs and Harbor Management Services through the creation of a Sub-Commission of the Council of Ministers."*

These items, reflecting a substantial revision of the draft submitted to the VPM, are an amalgam of a number of distinct issues. Progress on a complete overhaul of Government procurement was halted when the VPM resigned; since then, the Ministry of Finance, resuming its responsibility for procurement, has been working with AusAID on developing new protocols. No progress has been made on any of the other items. Item “g” was motivated by a critical situation in Dili port which led to a sustained backlog in ships getting access to the wharf to unload cargoes. This situation appears to have been resolved without Government intervention.

8. *Requirement of a statement of assets and income from Ministers and State Secretaries pursuant to the law.*

9. *Requirement of a statement of assets and income from senior public officials pursuant to the law.*

These items were the subject of much debate in the Council of Ministers and they were not universally welcomed. Neither has been pursued since that time.

10. *Adoption of a Code of Conduct for Government members.*

This item is under active consideration by the Public Service Commission.

11. *Adoption of legislation regarding political donations.*

This item has not been pursued since the resignation of the Vice Prime Minister.

12. *Demand of exact and timely justification of trips abroad by the Minister and Secretaries of State. These measures will also apply to civil servants.*

This item was motivated by the recognition that overseas trips were being arranged or extended to provide expense-paid vacations. It has not been pursued since the resignation of the Vice Prime Minister.

13. *Promotion of anti-corruption public-private partnerships, creating sustainable cooperation and coordination between the different partners: government, civil society and private sector.*

Please see the section on “National Anti-corruption Forum”, below.

14. *Signing of Memoranda of Understanding with Australia, Indonesia and Singapore to fight money laundering and to prevent transnational crimes.*

This item was added by the Vice Prime Minister and has not been pursued since his resignation.

#### **4. National Anti-Corruption Forum (NACF)**

The JISP National Anti-Corruption Strategy Adviser assisted the VPM on the establishment of a National Anti-Corruption Forum, integral to raising civil society and public awareness, educating the citizenry and disseminating information. The Forum included members of the media, church, factional leaders, representatives from all political parties, business leaders, NGOs, and the NACWG.

The goal was to create a forum for all members of society i) to contribute to the national debate and campaign against corruption and ii) to generate activism for change. The first and only meeting of the forum took place in May 2010 and was well attended, with enthusiastic proponents far outweighing the naysayers. By the time the Vice Prime Minister resigned, volunteer sub-groups created by forum participants had drafted the outline of a formal constitution and governance rules for the forum's proceedings and made suggestions as to its management. Other groups suggested topics for future debate and proposals for an independent nationwide education program.

The Forum has not met again following the VPM's resignation. The Anti-Corruption Commission initially declined to take over stewardship of the Forum due to logistical constraints. However, it has now embarked on a series of nationwide public meetings to which similar audiences have been invited and these meetings have been well attended and received.

#### **5. JISP Impact & Beneficiary Capabilities 2012**

The Vice Prime Minister did not become active in the anti-corruption arena until 2009, but during that year and in 2010, he was a vociferous campaigner. Although several of his initiatives have fallen by the wayside following his resignation, some of his ideas have been sustained and taken forward principally by the Anti-Corruption Commission.

#### **6. Going Forward**

The forthcoming national parliamentary elections will determine the composition of the legislature which will guide Timor-Leste for the next six years. Until the new government is formed, it will be difficult to gauge the level of political will to fight and prevent corruption and how many of the initiatives undertaken during the tenure of the current parliament will be continued.

#### **Recommendation # 19**

Support the following efforts through future programs:

- National Anti-Corruption Forum
- National Anti-Corruption Working Group
- Declaration of Assets Legislation
- Formulation of Guidance for Overseas Travel by Ministers and Public Officials
- Legislation Governing Political Donations
- Requirement for all Ministries and Secretariats of State to Conduct Internal Anti-corruption Activities

## H. Anti-Corruption Commission (CAC)

Dr. Aderito de Jesus Soares – Commissioner

### 1. Background

Timor-Leste ranks 147 in Transparency International's Corruption Perception index. Some would argue that this very low ranking is not justified as it is based on anecdotal and not factual evidence. However, one cannot deny that Timor-Leste has a major corruption problem, one linked to nepotism and fraud, sometimes of a substantial scale. Each Government since the restoration of independence has, publicly at least, pronounced its determination to eradicate the problem and indeed each has acted proactively to some degree. Political will, often shrouded in confusion and indecision, has nevertheless been evident throughout this time. In hindsight, it can be seen that the decision to set up a separate anti-corruption agency and remove responsibility for investigating and preventing corruption from the Provedor's mandate was the correct one, as there was a genuine conflict between the Provedor's human rights mandate and the need for aggressive anti-corruption activities.



**Aderito de Jesus Soares**  
**Anti-Corruption Commissioner**

*"JISP assistance to CAC was crucial as the program provided professional help from the very beginning of the establishment of the CAC, in February 2010. JISP was very experienced and knowledgeable regarding anti-corruption efforts in Timor-Leste, as the program had supported the PDHJ AC Division since 2005. It took us one year to set up a fully functioning office."*

*"Without JISP's help, as our first and foremost important partner, it would have been more difficult to be where we are now. The highly skilled staff was deployed in our offices during the first phase of office operations."*

*"I think this says it all. We are very sad to see them go, especially now that we have noticed how much we are struggling in their absence...."*

On February 22, 2010, Timor-Leste's first Anti-Corruption Commissioner was sworn in by Parliament. By March 2012, CAC had become operational in all facets of its mandate, notably investigation, education and prevention. Its investigation activities resulted in the first referrals of cases to the Office of the Prosecutor General and led to indictments. Much of this success is attributable to the assistance given through JISP which quickly responded to CAC's requests for professional advice and assistance. JISP support ranged from strategic advice and planning, start-up administrative support and training, investigations training, and international exposure, to procurements and the delivery of a customized management information system.

### 2. Operational Advice, Investigations Training, Production of Manuals

Responding to a request from the Commissioner, JISP recruited an experienced investigator and trainer with extensive experience in criminal investigations in Timor-Leste. He served as Senior Institutional Strategy Adviser from July 2010 until February 2012, by which time there had been a number of significant achievements.

Advice was given to the Commissioner on case identification and selection criteria and on the all-important issue of developing a strategic relationship with the Prosecutor General. Following the appointment of the Director of Investigations, relationships with Prosecutors at the line levels were also established.

The adviser assisted in the recruitment of the Commission's first ten investigators, designed a syllabus on the law, criminal investigation procedures and practical investigations training, and commenced training in November 2010, moving from intensive classroom sessions to practical exercises using actual cases. The new investigators made excellent progress and received their graduation certificates from USAID Mission Director Rick Scott in a ceremony at the Commission's offices in August. Each also received three manuals of more than 600 pages incorporating the material taught. These manuals, written in Portuguese and English, were translated into Tetun<sup>6</sup> by the end of JISP and include Standard Operating Procedures which the Adviser prepared following extensive discussions with the Commissioner and the Director of Investigations.

Among other items delivered by the adviser were:

- Standard forms to be used by CAC investigators while conducting criminal investigations
- 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
- Advice on issues of corruption prevention and public education
- Advice on procedures to collect and analyze intelligence

In August 2011, the investigators began conducting investigations under the adviser's tutelage and within the next six months, eight cases (from a case load of 33) had been referred to the Prosecutor General. Prosecutors who received these cases commented on the high quality of the investigation work.

The Commissioner sought UNDP and JISP assistance to produce the first Strategic Plan for the Commission for 2011-2014. They jointly facilitated a workshop for this purpose in February, 2011. UNDP was unable to contribute beyond this first workshop and JISP continued alone. By December 2011, the Commission had established a vision, mission, values and strategic objectives, which were extensively published.

### **3. Administration and Administration Training**

JISP deployed its Program Manager to work with the Commission's Executive Secretary in developing administrative and financial control processes. In addition, CAC's support staff all attended the Office Management and Administration Course described on page 16. The Commission has a functioning and competent support capability as a result. The Program Manager also assisted the Commission with the logistics of a number of public events and in particular those to mark World Anti-Corruption day in 2010 and 2011. She was particularly involved in arrangements for a public meeting held in the district of Manatutu in December 2011 at which the US Ambassador delivered the keynote speech.

### **4. Procurements**

As with all new agencies in Timor-Leste, the first year of operation was a challenge in this case because of poor budget planning and lack of funding to acquire essential office furniture. JISP assisted by loaning some of its own furniture and eventually donated it to CAC.

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<sup>6</sup> Bahasa, Indonesian language, was also used, as Tetun is not sufficiently developed as a language to capture the precise nuances of some legal terms.

The Commissioner wished to establish a National Anti-Corruption Learning Centre to be accessed by the public at large. To this end, in February and March 2012, JISP provided shelving and over 400 tomes of books and reference materials in Portuguese, English and Bahasa for the new Center.

JISP financed the production of CAC's second annual newsletter<sup>7</sup>. It contained a verbatim copy of the US Ambassador's speech in Manatutu and extracts from the JISP-facilitated CAC Strategic Plan 2011-2014.

## **5. Information Management<sup>8</sup>**

Based on a recommendation from the JISP adviser, the Commissioner sought USAID assistance in developing an IT-based management information system for internal CAC use. The system would be capable of receiving sensitive and confidential information and intelligence from multiple sources, analyzing it, and producing reports which would facilitate and guide operational activities. JISP deployed an IT expert between November 2011 and February 2012. Once system design and hardware and software requirements were finalized, related procurements were completed by mid January 2012. At the end of the month, the IT adviser ran a demonstration and the system was approved by the Commissioner. In February, the adviser trained staff on the system and it was formally handed over to CAC on February 28, 2012.

## **6. Overseas Exposure**

JISP provided a number of opportunities for CAC personnel to benefit from international exposure:

- Participation by the Commissioner and his Deputy in the 14<sup>th</sup> International Anti-Corruption Conference in Bangkok in November 2010
- Participation by five senior officials in 2010 and 2011 at the HKU Post Graduate Certificate Program in Corruption Studies. The two 2010 participants were awarded the certificate. Results for the three who attended in 2011 are pending at time of writing.
- Four senior officials, including the two Deputy Directors and the deputy head of CAC's Corruption Prevention Department went on a study tour to Hong Kong to gain exposure to the successful corruption prevention methodologies employed by its Independent Commission Against Corruption.

## **7. JISP Impact & CAC Capabilities 2012**

At the farewell reception on March 23, 2012, CAC's Executive Director thanked JISP for the "enormous" contribution made by JISP to the development and operationalization of CAC. There is no doubt that JISP's contribution has been effective and substantial. CAC's early successes, which demonstrate a determination to act impartially, fairly and without political interference, owe much to the professionalism and adherence to strict investigation protocols which JISP inculcated. CAC enjoys a high level of public support as does the Commissioner himself. While JISP focused assistance on the development of the agency's investigation and administrative capacity, it also paid special attention to corruption prevention and public outreach, which historically have proven to have significant effect in combating corruption.

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<sup>7</sup> Issued to commemorate CAC's second anniversary

<sup>8</sup> This system should not be confused with the National Case Management System introduced by the UNDP-AusAID Justice Facility. As of March 30, 2012, the Commissioner had not decided whether to become party to that system. His reluctance stems from the need to maintain absolute control over access to the sensitive information with which he is dealing. That control could be compromised should CAC's system ever be linked to a common system.

CAC has started off strong and, thanks to JISP assistance, has a solid base from which to maintain momentum in its anti-corruption work. In doing so, CAC will be supporting a key objective of both GoTL and USG policies.

## 8. Going Forward

Parliamentary elections are imminent. Given the likely change in the composition of government, some question as to whether the political will to tackle corruption using established mechanisms will remain. Notwithstanding the possibility, political will is unlikely to diminish, however, as the main opposition in the current Parliament has consistently supported anti-corruption legislation, the creation of CAC and the appointment of the present Commissioner, whose mandate has, in any event, at least two more years to run.

Although there can be some degree of satisfaction about the progress made to date in developing CAC into an effective anti-corruption body, much of it attributable to JISP, one must also recognize that much more needs to be done and that it will be perhaps a decade before CAC becomes a self-reliant, optimally staffed and effective agency. Conventional wisdom is that it takes a minimum of five years for an investigator to become fully effective, longer when it comes to dealing with financial and other complex crimes, which CAC will inevitably encounter. And the time and resources required to develop effective corruption prevention and public outreach capacities, while perhaps shorter, are also significant needs.

USAID's early investment of JISP resources into anti-corruption work has borne fruit and it is to be continued through the MCCTP. CAC re-contracted JISP's IT expert to ensure that staff is thoroughly trained in the JISP-delivered information management system. JISP's senior adviser is also expected to be re-contracted under the MCCTP. The anticipated growth of CAC and the concomitant need for enhanced skills will, however, create a strong demand for technical assistance well beyond the lifespan of the MCCTP, and provision of that assistance will be critical for completing the development of CAC and assuring strong prevention and investigation capacity.

### **Recommendation # 20**

Maintain assistance to CAC beyond the MCCTP, in line with the Commission's strategic objectives.

### **Recommendation # 21**

Maintain focus on Commission management, skills training, mentoring and the development of synergies between CAC's core activities of investigation, education and prevention in order to ensure that functional areas complement, rather than compete with each other for resources.

## IV. Other Technical Assistance

In addition to providing assistance to the justice system as a whole, and at USAID request, JISP undertook a number of other activities involving various institutions.

### A. Harmonization of Work (MCCTP-JISP)

In April 2010, MCCTP initiated activities with implementation led by Casals & Associates. MCCTP intends to help GoTL meet a number of prerequisite anti-corruption targets, which in turn would unlock future assistance by the Millennium Challenge Corporation. The MCCTP intends to work with the Inspector General and the Anti-Corruption Commission and its objectives with these agencies are similar to those of JISP. To avoid duplication of effort and promote coordination and mutual support, regular meetings were held between the Chiefs of Party of MCCTP and JISP together with USAID staff.

As of March 2012, MCCTP's involvement with the Office of the Inspector General involved conducting a detailed training needs assessment of the staff of the Inspector General and the Inspectorates General in the line ministries. In turn, JISP worked closely with the OIG through formal and on-the-job training and mentoring and provision of strategic advice and operational support throughout the life of the program. At the conclusion of JISP, MCCTP contracted JISP's adviser in order to assure continuity.

In relation to the Anti-Corruption Commission, agreement was reached early in the lifespan of MCCTP that JISP's Senior Institutional Strategy Adviser would continue to take the lead in basic investigations training, while MCCTP would concentrate on public outreach and prevention. Additionally, MCCTP would concentrate on training staff in asset tracing and financial investigations.<sup>9</sup> Relationships between MCCTP and JISP remained cordial and productive.

### B. Conditions Precedent

Before MCC would agree to release full funding for the MCCTP, a number of conditions precedent had to be met. USAID asked JISP to assist in facilitating the achievement of two of those conditions: i) ensure a cooperative rather than competitive working relationship between the Office of the Prosecutor General and the Anti-Corruption Commission, and ii) ensure coordination between the Inspector General and the Inspectors General of line ministries and Secretariats of State.

JISP organized meetings at the leadership and operational levels between CAC and OPG. At the leadership level, the Prosecutor General and the Anti-Corruption Commissioner agreed to cooperate regarding corruption cases and to hold regular strategic meetings between them. At the working level, arrangements were made for the Director of Investigations to meet monthly with the specialist prosecutor assigned to corruption cases and to discuss progress on referred cases and on those under investigation. CAC investigators and OPG prosecutors would also meet regularly to supplement these interactions.

The Prosecutor General has been reluctant to enter into a formal MOU with CAC. Nevertheless, on the basis of the OPG-CAC working agreement, the first of the two conditions precedent assigned to JISP was satisfied.

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<sup>9</sup> Such training may be premature; investigators need considerable grounding in basic investigations before being tasked with specialized investigative functions. This is compounded by the fact that neither Prosecutors nor Judges yet have sufficient expertise to adequately carry out their functions in this area.

As to the relationship between the Inspector General and the line ministries Inspectors General, lobbying by the Senior Audit adviser resulted in the first ever meeting between the parties. Such meetings continue and have resulted in an agreement formalized in an MOU<sup>10</sup>. Through the implementation of the MOU, the Inspectors have agreed to share specialized skills and training, joint audit activities and to share work-plans and reports. Further, the terms of the MOU have now been converted into draft legislation —the National System of Control Bill— which is expected to reach Parliament in 2012. Thus, the second condition precedent was also satisfied with JISP assistance.

### **C. Investigations Capacity Assessment**

In November 2010, USAID agreed to a JISP proposal for a Senior Adviser to carry out an assessment of the investigative capacities of Timor-Leste's law enforcement entities<sup>11</sup> concerned with criminal activity. The assessment looked at the legal framework under which the entities operate and how, in practice, they investigate and collect evidence of criminal activities. The agencies reviewed were: i) the Prosecutor General, ii) the Anti-Corruption Commission, iii) the Provedor for Human Rights and Justice, iv) the Public Service Commission, v) the Inspector General, vi) the Banking and Payment Authority (now the Central Bank) and vii) the Customs Service.

The assessment was completed and a report on its findings prepared at the end of January 2011. The picture which emerged was of confusion among actors to understand their constitutional duties within agency mandates. The Prosecutor General needs to address the apparent conflict between investigative responsibilities as part of agencies' mandates and the priorities for developing cases within OPG. A major finding of the assessment was that agencies do not embark upon their investigations with the aim of uncovering evidence of crime or providing the basic elements for a successful prosecution, but rather to obtain evidence of misconduct.

It is well established that the prospects of a successful prosecution can be severely diminished if investigations are not conducted in accordance with the law. Even though most of the agencies reviewed did in fact refer criminal conduct to the Prosecutor General at the conclusion of their investigative processes, this was usually done after much time had elapsed. Not only had suspects been interviewed and alerted, sometimes publicly, but the referred cases were often confusing and lacking focus. The assessment further established that in one particular area of criminal activity, customs offences, cases rarely reached the Office of the Prosecutor General. Such criminal activity is often very serious, yet decisions on the action to be taken, if any, are in fact made by the Ministry of Finance under which the Customs Service operates, and not by OPG. In terms of the capacities of the agencies to conduct investigations, the review established that most agencies lack sophistication and are under-resourced in terms of staff numbers and sufficient opportunities to develop essential skills.

The report was circulated to those stakeholders who had been consulted. Further distribution did not take place at the behest of the Prosecutor General but its findings and conclusions remain undisputed and they form the basis of perhaps the most earnest of the recommendations arising from JISP.

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<sup>11</sup> The only institution not assessed was PNTL.

## **D. JISP Impact**

Harmonizing the work of JISP and MCCTP was essential and it was a success. No conflicts arose between the programs and both worked harmoniously towards a common goal. Meeting of the Conditions Precedent, though attended by difficulties, was achieved and hence the full scope of the MCCTP has been made possible. The assessment of investigations capacities revealed that the present situation is one of conflict and confusion between key agencies as to how their mandates are exercised. However, this intervention led to a definition of the problem and indicated an urgent need for action.

## **E. Going Forward**

The investigation capacity assessment indicates the need for urgent action to address the issues identified. If not, prosecutions will continue to be jeopardized, and inter-agency turf wars will threaten the justice system's efficiency and effectiveness.

### **Recommendation # 22**

The working relationship between CAC and OPG should be monitored for the foreseeable future with a view to formalizing coordination in discrete areas.

### **Recommendation # 23**

Continue to press for the National System of Control Bill to become law and to be implemented.

### **Recommendation # 24**

Direct programming towards resolving procedural conflicts between agencies having investigation functions and towards developing investigation capacity across agencies. JISP made proposals on how these issues could be addressed over a two-year period. They include facilitated multi-party discussions, drafting of legal amendments, developing plans and standard operating procedures and targeted training and technical assistance. Training should focus on development of knowledge, skills and abilities, assuring that the different agencies' investigators understand how to carry out key functions within organizational mandates.

## V. Donor Coordination

Among the many donors who are and have been present in Timor-Leste, USAID has been and continues to be one of the leaders. Naturally, in providing development assistance, donors, including USAID, implement their own policy agendas and these considerations vary widely from donor to donor as do implementation, funding and logistics methodologies. Although the GoTL is keen to ensure equitable distribution of donor assistance and that the aid is compatible with the Government's own policies, in reality there are few formal mechanisms for the panacea of a strategically planned and coordinated approach from the donor community as a whole. Very often, Ministries, independent governmental bodies and NGOs have negotiated directly with donors. Whilst this has not been scientific and the best possible strategic approach, it has nevertheless resulted in minimal duplication of effort. Often, potential beneficiaries have gone out shopping for the best deal for themselves rather than feel constrained by a national policy.

Despite these problems at the macro level a myriad of mainly informal and bilateral and multilateral relationships between donors have emerged and work well. Indeed UNMIT and UNDP have each sought to perform coordination functions. USAID's has many programs running within Timor-Leste and JISP has welcomed the informative frequent Chief of Party meetings held at the Mission and elsewhere which have assured mutual assistance and lack of duplicity amongst the various USAID service providers and grantees.

The reality has been however, that coordination has been left to program implementers at the working level. This in turn has meant that great reliance has been placed on the cultivation and nurturing of working relationships between consultants and representatives working in counterparts' offices. Thus, whilst USAID and MSD consistently ensured through bilateral meetings and meetings with beneficiaries that there was no conflict between JISP activities and those of donor partners, much of the day to day liaison was at the micro level.

Insofar as the various JISP components are concerned the following coordination activities occurred:

- Provedor for Human Rights and Justice (PDHJ)

UNDP have supported PDHJ since inception but have focused almost entirely on the Human Rights Division whereas JISP concentrated on the overall structure, administration and finance systems and the development of the Anti-Corruption and Maladministration Divisions. As part of the routine administration at PDHJ, the various donors' consultants met regularly to ensure full collaboration which was best evidenced by the close cooperation which took place during the creation of the first strategic plan for PDHJ. The Provedor and his deputies attended monthly briefing provided by the donors' representatives.

MSD was tasked by the World Bank and the Finland Fund to implement specific sub-programs for which they provided funding. These respectively related to further investigations training and developing of PDHJ's international relationships, both of which were complementary to the main JISP program. After JISP concluded its input to PDHJ in 2010, the Spanish Cooperation Agency provided assistance with some of PDHJ's publicity programs. This built on groundwork undertaken as part of JISP.

- Office of the Prosecutor General (OPG)

Whilst UNDP and the Brazilian Embassy in Timor-Leste have both supported the OPG through the deployment of international lawyers there were no specific and formal arrangements for coordination between these donors and the programs being operated by USAID, the US Embassy in Dili and AusAID. As part of his functions, the Prosecutions Inspector deployed by JISP assessed the competence of all prosecutors including international lawyers assigned by UNDP and the Brazilian Embassy. However communications on this issue were routed through the Prosecutor General personally.

The Prosecutions Inspector was closely consulted by the joint UNDP/AusAID Justice Facility on the installation of a National Case Management System and this was effective.

Coordination between the Prosecutions Inspector and the US Embassy employer was effectively managed by the Embassy and USAID Mission.

- Office of the Public Defender (OPD)

In addition to JISP, the Office of the Public Defender also received assistance from UNDP, the UNDP/AusAID Justice Facility and the Brazilian Embassy in Timor-Leste. Coordination of the activities of the consultants deployed by these agencies was undertaken by the Public Defender personally but USAID and MSD were consulted regularly.

In particular the JISP deployed administration expert was seconded to a committee tasked with designing OPD's participation in the National Case Management System and her contributions were well received.

- Office of the Vice Prime Minister (VPM)

At the request of the Vice Prime Minister for the Administrative Affairs of Government a number of experts were deployed in his office between April 2009 and September 2010 governing such issues as procurement, ongoing construction projects, macro administration and anti-corruption. The donors involved were USAID, UNMIT, AusAID and the European Union. At the request of the Vice Prime Minister the USAID funded anti-corruption expert deployed through JISP chaired a committee tasked with providing the VPM with regular updates on the experts' work.

The UNMIT expert was one of two deployed to advise the VPM on anti-corruption matters. The VPM preferred these experts to work independently. Whilst this often produced dissimilar opinions and proposals, the VPM was happy with the variety of options thus presented. The JISP expert's input tended to be for practical solutions, whilst those emanating from the UNMIT expert were based on academic political analysis. Despite these differences, the two experts worked harmoniously.

- Anti-Corruption Commission (CAC)

USAID supported the development and operationalization of CAC through two programs – JISP and the MCCTP. The coordination between these two programs was effectively managed by the USAID Mission and the JISP and MCCTP Chiefs of Party and has been reported upon in Chapter IV above.

UNDP and UNMIT also provided assistance to CAC. The UNDP assistance was limited to the production of publicity materials and a short period of support for the production of CAC's first strategic plan.

UNMIT deployed two experts to CAC, both on a part-time basis. One of the experts deployed by UNMIT was the same person who had been engaged as an anti-corruption expert at the office of the VPM. His input related to non-operational matters. The second UNMIT expert concentrated on Timor-Leste's compliance with the United Nations Convention Against Corruption. Coordination of the experts' was largely undertaken by the Commissioner personally.

- Office of the Inspector General (OIG)

The OIG was designated as a beneficiary of both JISP and MCCTP. In fact MCCTP had not begun its assistance as JISP concluded but as noted, the JISP expert was redeployed by MCCTP when his contract with JISP concluded. There was close liaison between the USAID Mission, JISP and MCCTP throughout.

The coordination arrangements amongst Timor-Leste's donors may be perceived as somewhat haphazard and reliant upon good will and effective bilateral and multi-lateral communications rather than being governed by a single entity or policy. Some donors may be willing to submit to a governing regime. Others will not be. Despite this, as far as JISP was concerned, the lack of a formal coordination structure presented no practical difficulties.

**Recommendation # 25**

USAID should continue its policy of bilateral and multilateral cooperation between the donor communities in Timor-Leste and should continue to monitor and manage its relationship with partners working in the same environment.

## VI. Sustainability

Two factors presented challenges to JISP's legacy. Although the program eventually ran for almost 7 years, this was made up of an initial contract of 2 years followed by a series of cost and no cost extensions. Thus it was never possible to enter into long term support arrangements with counterparts. Secondly, JISP's interventions were in the main aimed at addressing critical and urgent shortfalls in capacity leaving little scope for long periods of advance planning.

Despite these challenges, JISP's interventions were designed for long term impact on the premise that JISP's contributions were either requested by counterparts or alternatively welcomed by them following USAID/JISP suggestions. The intention was that when JISP's contributions were completed the counterparts would be in possession of working systems and/or assets which they had the will and capacity to sustain. In this, JISP was largely successful.

Annex 1 lists the various outcomes achieved by JISP in relation to each of the counterparts which were assisted during the program. Many of these outcomes have or will have a lasting impact and will be sustained without further development assistance. Others would benefit from continued or additional donor inputs to ensure that the investments made are sustained.

Major examples of outcomes the sustainability of which are already assured include:

- Establishment of administrative and financial control systems in PDHJ, the Courts, OPD and CAC
- Capacity to undertake investigations in PDHJ
- Establishment of an equitable remuneration system for prosecutors
- The formulation of a National Anti-Corruption Policy
- Competent administrative and financial control staff in the Courts and CAC
- Establishment of Superior Councils for the Judiciary and Public Prosecutors
- Strategic Plans for PDHJ, OIG and CAC
- Meeting of conditions precedent for continuing MCCTP support

A number of other outcomes which have had an impact would however benefit from further reinforcement. Examples are:

- Creation of working relationship between OPG and CAC
- Agreement on and implementation of National System of Control between OIG and Inspectors General of line Ministries
- Establishment and localization of inspection services in the OPG and Judiciary
- Negotiation of MOU between OPG and PDHJ
- Basic Audit training for OIG staff
- Schedule planning and report writing at OIG
- Creation of National Anti-Corruption Forum and National Anti-Corruption Working Group
- Creation of an information management system at CAC
- Capacity to undertake investigations in CAC
- Computerization of financial control systems in the Courts and MOJ institutions
- Seeding for National Anti-Corruption Learning Centre hosted by CAC

It needs to be recognized that despite JISP's impact on its counterparts, they remain young and will continue their evolution for many years to come. Each will expand, recruit additional staff, acquire new assets and take on new or wider responsibilities. Thus the demand for assistance can be expected to increase. Due to the constraints mentioned it was not possible to devote JISP resources to generating counterparts' self-development potential.

**Recommendation # 25**

Further capacity development assistance to each of JISP's counterparts should be considered. This should focus on both basic skills and enhancing the skills of those already trained.

**Recommendation # 26**

A major component of future training offered to JISP's counterparts should contain assistance for self development including substantial components of 'training of trainers'.

## VII. Conclusions

JISP has been a success. Over the seven years of often intense programmatic implementation activities, JISP had a consistent impact not only within the counterpart agencies, but also on the entire justice system of Timor-Leste. While the program cannot claim sole credit for the advances made in the delivery of justice to the citizens of Timor-Leste, it is evident that JISP's expanded coverage and performance met and in some cases exceeded program objectives.

JISP trained 352 officials in a wide variety of skills, ranging from investigations, good governance, administration, and corruption prevention to financial control and management, empowering the counterparts to deliver against their mandates. JISP was responsible for the start-up, both administratively and operationally, of the Office of the Provedor and the Anti-Corruption Commission. JISP invigorated the Office of the Inspector General and initiated inspection services within the prosecution service and the judiciary. At the OPG and at the Judiciary JISP managed the start up of their Superior Councils and Inspection Services. The introduction of a comprehensive remuneration package for the prosecution service was a major milestone. JISP established a National Anti-Corruption Strategy and Policy and through the investigations capacity assessment identified pressing problems and potential future areas of conflict. Focused procurements and operational support allowed new institutions to function and were complemented by the development of administration systems in the Office of the Provedor, the Anti-Corruption Commission and the Office of the Public Defender.

However, significant as they are, JISP's achievements need to be viewed in context. Although there have been several important developments since 2005, the justice sector remains weak and underdeveloped and much remains to be done. The reality is that it will be many years before the justice sector is self-reliant on Timorese citizens with the requisite knowledge, skills and abilities. It follows that the scope for donor assistance will remain strong for many years before any reduction in the needs of Timorese institutions might be contemplated.

As noted in this report, JISP experienced occasional difficulties, but these were rapidly overcome with no lasting, adverse impact to USAID's investment. Where appropriate, lessons were learned.

MSD notes with satisfaction the confidence which USAID placed in the company's ability to deliver meaningful, tangible and lasting results, as evidenced by the number of extensions and expansions in the program's scope of work. The company wishes to express its appreciation for USAID's trust and for the advice, support and guidance it received from the Timor-Leste Mission and the Regional Contracting Office in Bangkok. In particular, a special thank you and deep appreciation are extended to Ms. Ana Lourenco Guterres, the Contracting Officer's Representative and her alternate Mr. Peter Cloutier, Office Director, Governance and Health Programs. Their professionalism, attention to detail, acumen and wisdom were exemplary and the success of JISP could not have been achieved without them.

## **Acknowledgements**

MSD wishes to acknowledge with gratitude the encouragement, support, advice and guidance provided by personnel of USAID Mission in Timor-Leste and the Regional Contracting Office in Bangkok throughout the lifespan of the program. The project could not have been successfully completed without the enthusiasm, cooperation and professionalism of JISP's national counterparts. They deserve recognition and special words of praise and have MSD's deep appreciation and respect.

## **Contractual Requirements**

This document satisfies the requirement of Clause E7 of Contract No. DFD-1-00-04-00175-00 awarded by USAID on May 10, 2005 to Management Sciences for Development Inc. to implement the Justice Institutions Strengthening Program in Timor-Leste between May 2005 and March 2012, which requires the contractor to provide a Project Completion Report covering the activities and outcomes of the program.

## **JISP Counterparts**

Ministry of Justice  
The Courts  
Court of Appeal  
Provedor for Human Rights and Justice  
Office of the Prosecutor General  
Office of the Inspector General  
Office of the Public Defender  
Anti-Corruption Commission  
Vice Prime Minister  
Prime Minister

## **Donor Partners**

United Nations Mission in Timor  
United Nations Development Program  
World Bank  
Australian Aid Agency  
New Zealand Aid Program  
Irish Aid  
Finland Fund  
Spanish Cooperation Agency

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# **ANNEXES**

## Annex I

### JISP Activities and Outcomes

	<b>Institution</b>	<b>Assistance given</b>	<b>Principal outcomes</b>
1	Ministry of Justice	<ol style="list-style-type: none"> <li>1. Financial Management Training</li> <li>2. Executive Financial Management Training</li> <li>3. Basic Administration Training</li> <li>4. Basic Audit training</li> <li>5. IT equipment supply &amp; orientation</li> </ol>	<ul style="list-style-type: none"> <li>• Staff competent in safe and accountable in financial management</li> <li>• Staff equipped to undertake functions</li> <li>• Staff competent in administration</li> </ul>
2	Courts	<ol style="list-style-type: none"> <li>1. Financial Management Training</li> <li>2. Executive Financial Management Training</li> <li>3. Basic Administration Training</li> <li>4. Basic Audit training</li> <li>5. Supply of IT equipment</li> <li>6. Supply of furniture</li> <li>7. Refurbishment of Baucau District Court</li> <li>8. Supply of generator</li> <li>9. Supply of IT equipment &amp; orientation</li> <li>10. Operationalization of Superior Council</li> <li>11. Deployment of Judge Inspector</li> <li>12. Commencement of inspections</li> </ol>	<ul style="list-style-type: none"> <li>• Staff competent in safe and accountable in financial management</li> <li>• Staff equipped to undertake functions</li> <li>• Staff competent in administration</li> <li>• Baucau District Court operational</li> <li>• Superior Council operating</li> <li>• Inspection services operating</li> </ul>
3	Court of Appeal	<ol style="list-style-type: none"> <li>1. Basic Administration Training</li> <li>2. Supply of furniture</li> <li>3. Supply of IT equipment &amp; orientation</li> </ol>	<ul style="list-style-type: none"> <li>• Initial HATAC staff supplied with furniture</li> <li>• Staff competent in administration</li> <li>• Staff equipped to undertake functions</li> </ul>
4	Provedor for Human Rights and Justice	<ol style="list-style-type: none"> <li>1. Initial furniture supply</li> <li>2. Set up and initial operation of complaints handling processes</li> <li>3. Set up and initial operations of finance and administration systems</li> <li>4. Strategic and operational advice</li> <li>5. Investigations training x 3</li> <li>6. Good governance training</li> <li>7. Exposure to international Ombudsmen networks</li> <li>8. Negotiation of MOU with Prosecutor General</li> <li>9. Advice on proposed mandate changes</li> <li>10. Supply of additional temporary office accommodation</li> <li>11. Participation in International Anti-Corruption Conference</li> <li>12. Participation in University of Hong Kong Post Graduate Course in Corruption Studies</li> <li>13. Facilitation of writing and implementation of first Strategic Plan</li> <li>14. Participation in joint investigations training with Prosecutors</li> <li>15. Team building facilitation</li> </ol>	<ul style="list-style-type: none"> <li>• PDHJ operational</li> <li>• PDHJ Investigators have minimum skills in corruption and good governance investigations</li> <li>• Relationship with Prosecutor established and regulated</li> <li>• PDHJ staff exposed to international best practices</li> <li>• Offices adequately equipped</li> <li>• Strategic plan in place</li> </ul>

5	Office of the Prosecutor General	<ol style="list-style-type: none"> <li>1. Financial Management training</li> <li>2. Executive Financial Management training</li> <li>3. Operationalization of Superior Council</li> <li>4. Deployment of Prosecutions Inspector</li> <li>5. Completion of first annual inspection</li> <li>6. Negotiation of MOU with PDHJ</li> <li>7. Negotiating remuneration package for prosecutors</li> <li>7. Participation in joint training with PDHJ Investigators</li> <li>8. Participation in International Anti-Corruption Conference</li> <li>9. Participation in University of Hong Kong Post Graduate Course in Corruption Studies</li> </ol>	<ul style="list-style-type: none"> <li>• Staff competent safe and accountable in financial management</li> <li>• Staff equipped to undertake functions</li> <li>• Superior Council functioning</li> <li>• Inspection services established</li> <li>• Law creating remuneration package for prosecutors drafted, enacted and implemented</li> <li>• Staff exposed to international best practice</li> </ul>
6	Office of the Inspector General	<ol style="list-style-type: none"> <li>1. Drafting and approval of diploma to restructure the office</li> <li>2. Strategic and operational advice</li> <li>3. High-level on-the-job audit and inspection advice</li> <li>4. Audit &amp; Inspection report drafting training</li> <li>5. Drafting, signing and implementation of MOU between Inspector General and Inspectors General of line Ministries</li> <li>6. Drafting of National System of Control law</li> <li>7. Executive Financial Management training</li> <li>8. Basic Audit training</li> </ol>	<ul style="list-style-type: none"> <li>• Office restructured</li> <li>• Audit and inspection skills enhanced</li> <li>• Audit services across government coordinated</li> <li>• Staff competent safe and accountable financial management</li> <li>• Staff equipped to undertake functions</li> </ul>
7	Office of the Public Defender	<ol style="list-style-type: none"> <li>1. Design, set up and operationalization of administration system</li> <li>2. Design, set up and operationalization of file management system</li> <li>3. Contribution to office's participation in national IT based case management system</li> <li>4. Staff training in administration</li> <li>5. Supply of office furniture</li> <li>6. Draft SOW for Public Defender Inspector</li> <li>7. Budget preparation</li> </ol>	<ul style="list-style-type: none"> <li>• Staff competent in administration</li> <li>• Office management system established</li> <li>• Files processed in orderly fashion</li> <li>• Participation of personnel from district offices in budget preparation led to more realistic budget; also key for services de-centralization</li> </ul>
8	Office of the Prime Minister	<ol style="list-style-type: none"> <li>1. Short-term strategic advice on national anti-corruption strategy</li> </ol>	N/A
9	Office of the Vice Prime Minister	<ol style="list-style-type: none"> <li>1. Strategic and operational advice to Vice Prime Minister</li> <li>2. Advice on leadership issues within the Office of the Inspector General</li> <li>3. Advice on cases suitable for VPM's intervention</li> <li>4. Drafting and publication of National Anti-Corruption policy</li> <li>5. Initial implementation of National Anti-Corruption policy</li> <li>6. Creation of National Anti-Corruption Working Group</li> </ol>	<ul style="list-style-type: none"> <li>• National Anti-Corruption Policy created</li> </ul>

		7. Creation of National Anti-Corruption Forum	
10	Anti-Corruption Commission	<ol style="list-style-type: none"> <li>1. Strategic advice and contributions to policy formation</li> <li>2. Set-up and operationalization of finance and administration systems</li> <li>3. Assistance with Investigator recruitment</li> <li>4. Investigator training, mentoring and support</li> <li>5. Production of 3 investigator operational manuals and translation into Tetun</li> <li>6. Facilitating liaison arrangements with Prosecutor General</li> <li>7. Facilitating development of first Strategic Plan</li> <li>8. Basic Administration training</li> <li>9. Assistance with event logistics</li> <li>10. Design, procurement, commissioning of IT based information management system</li> <li>11. Initial training in use of information management system</li> <li>12. Participation in International Anti-Corruption Conference</li> <li>13. Participation in University of Hong Kong Post Graduate Course in corruption studies</li> <li>14. Field trip by senior staff to Hong Kong to study corruption prevention methodologies</li> <li>15. Seeding for National Anti-Corruption Learning Centre under CAC hosting</li> </ol>	<ul style="list-style-type: none"> <li>• Office set up and operational</li> <li>• Staff competent in administration</li> <li>• Investigators equipped and trained in basic skills</li> <li>• Investigations begun</li> <li>• Investigation management system established</li> <li>• Prosecutions begin</li> <li>• Staff exposed to international best practice</li> <li>• Relationship with Prosecutor established</li> <li>• Strategic plan in place</li> <li>• Information management system created</li> <li>• National anti-corruption resource centre established</li> </ul>

## ANNEX II

### JISP Key Personnel

#### Timor Leste

Gerard Mosquera	Chief of Party (May 2005 – July 2008) Chief of Party (July – November 2009)
Brian Francisco	Deputy Chief of Party (June 2005 – July 2008) Chief of Party (July 2008 to January 2010)
Roger Batty	Senior Adviser – PDHJ Investigation training (August 2007 – May 2008) Senior Adviser – PDHJ/OPG Inter-Agency Cooperation Project (AUG08-MAR09) Senior Adviser – Office of the Prime Minister (April 2009 – November 2010) Chief of Party (November 2010 – April 2012)
Lucio dos Santos	Finance and Administration Manager
Martin Papay	FMTS and EFMTS Course Director
Luisa Cordoso	Program Manager
Augusto Barreto	Deputy Course Director
Andrew Felton	Senior Adviser – PDHJ Investigator Training
Nick Raicevic	Senior Adviser – PDHJ Good Governance Training
Dr. Arlindo Figueredo	Prosecutions Inspector – OPG
Judge Dr. Margarida Veloso	Judiciary Inspector
Billy Tarrillo	Senior Audit Adviser – OIG
Jose Fernando Brito	Senior Institutional Adviser – CAC
Esmerina Petutschnig	Administration Adviser – OPD
Joao Ferreira	IT adviser – CAC

#### Washington, DC

Dr. Alfredo Cuellar	MSD President
Tony Cardona	Chief Operating Officer Chief of Party (March 2010)
Peter Dunkelberger	Finance Director
Ronald A West	Senior Program Manager Chief of Party (January – February 2010; April - June 2010)
Chanda Chin	Project Manager (2005 – 2007)
Lesley Richards	Project Manager (2007- 2008)
Michelle Crymes	Project Manager (2008 – 2011)
Amal S. Kamel	Project Manager (2011 – 2012)
Maria Rosales	Staff Accountant
Audry Tafoya	Administration Officer

## LIST OF ACRONYMS

Alternate COR	Alternative Contracting Officer's Representative
AusAID	Australian Agency for International Development
BAC	Basic Auditing Course
C&A	Casals and Associates
CAC	Anti-Corruption Commission
CMT	Cash Management Training
COR	Contracting Officer's Representative
COA	Court of Appeal
CoP	Chief of Party
EFMTS	Executive Financial Management Training and Support Program
FMTS	Financial Management Training and Support Program
GIST	Governance Integrity Skills Training
GoTL	Government of Timor-Leste
HATAC	High Administrative, Tax and Audit Court
HKU	University of Hong Kong
IACC	International Anti-Corruption Conference
ICAC	Independent Commission Against Corruption, Hong Kong
INAP	National Institute of Public Administration
JISP	Justice Institutions Strengthening Program
MCCTP	Millennium Challenge Corporation Threshold Program
MoF	Ministry of Finance
MoJ	Ministry of Justice
MoU	Memorandum of Understanding
MSD	Management Sciences for Development Inc
NACF	National Anti-Corruption Forum
NACP	National Anti-Corruption Policy
NGO	Non Government (al) Organization
NZAID	New Zealand Aid Program
OIG	Office of the Inspector General
OMA	Office Management and Administration Course
OPD	Office of the Public Defender
OPG	Office of the Prosecutor General
PCFMT	Petty Cash Fund Management Training
PDHJ	Provedor (ia) for Human Rights and Justice (Ombudsman)
PNTL	National Police Service of Timor-Leste
PSC	Public Service Commission
PM	Prime Minister
RCO	USAID's Regional Contracting Officer in Bangkok
SIAC	Anti-Corruption Information Management System
TVTL	Timor-Leste National Television Service
UN	United Nations
UNCAC	United Nations Convention Against Corruption
UNDP	United Nations Development Program
UNPOL	United Nations Police contingent in Timor-Leste
UNMIT	United Nations Mission in Timor
UNTAET	United Nations Transitional Authority for East Timor
USAID	United States Agency for International Development
USG	United States Government
VPM	Vice Prime Minister