

Timor-Leste Public sector Capacity Development Program (PSCDP) Annual M&E Report

October 2009



Effective
Development
Group

A GRM International Company

Table of Content

Table of Content	2
1. Summary of Findings	5
Relevance	5
Effectiveness	5
Efficiency	6
Sustainability	8
Cross-cutting Issue: Service Delivery to Districts	9
2. Conclusions and Recommendations.....	11

ANNEXES

Annex 1 – PMF Background, Objectives & Methodology	14
Annex 2 – Consolidated analysis against DAC criteria	16
Annex 3 – Table of Modalities	38

List of Acronyms

ACC	Anti Corruption Commission
ADS	Australian Development Scholarships
ALAs	Australian Leadership Awards
APSC	Australian Public Service Commission
AUD	Australian Dollars
AusAID	Australian Agency for International Development
AYA	Australian Youth Ambassadors
CoM	Council of Ministers
CSC	Civil Service Commission
DAC	Development Assistance Committee
GoA	Government of Australia
GoNZ	Government of New Zealand
GoTL	Government of Timor-Leste
HR	Human Resources
HRD	Human Resource Development
HRM	Human Resources Management
INAP	National Institute of Public Administration
IT	Information Technology
LTA	Long Term Adviser
M&E	Monitoring and Evaluation
MoAF	Ministry of Agriculture and Fisheries
MoED	Ministry of Economy and Development
MoF	Ministry of Finance
MoH	Ministry of Health
Mol	Ministry of Infrastructure
MoSA&TM	Ministry of State Administration and Territorial Management
MoSS	Ministry of Social Solidarity
NDPS	National Directorate of Public Service
NGOs	Non-Government
NZAID	New Zealand Aid
NZDS	New Zealand Development Scholarships
OIG	Office of the Inspector General
OPM	Office of the Prime Minister
PMF	Performance Management Framework
PM	Prime Minister
PMG	Program Management Group
PSCDP	Public Sector Capacity Development Program

SoS CoM	Secretary of State of the Council of Ministers
STA	Short term Adviser
TA	Technical Adviser
UNDP	United Nations Development Program

1. Summary of Findings

Key findings resulting from the analysis phase of the PMF process are summarised below under the four Development Assistance Committee (DAC) Criteria of **Relevance, Efficiency, Effectiveness and Sustainability**. In addition, given the integrated focus of the current AusAID Draft Country Strategy on **service delivery to districts**, the Program opted to i) assess its current (largely indirect) contribution to service delivery, and ii) identify lessons learned and/or recommendations as to how PSCDP or other activities could replicate or scale up support to districts in the future. Supporting analysis for these findings is provided in Annex 2.

Relevance

1. The Government of Timor-Leste (GoTL) National Priorities are sufficiently broad in scope that almost all donor-funded assistance could be interpreted as relevant. Nevertheless, PSCDP activities are well aligned with GoTL National Priorities for both 2008 and 2009. PSCDP 'Program' activities fit particularly well under the 2008 Prime Ministerial 'Theme' of Administrative Reform, and it has been able to provide key support to the 2009 Prime Ministerial theme of Infrastructure through its 'Additional Initiatives' component of the Program.
2. PSCDP has operated during the reporting period in the absence of an AusAID Country Strategy. PSCDP 'Program' activities fit neatly under the current draft Country Strategy priority of "Improving GoTL accountability, transparency and integrity."
3. In the notable absence of an overarching GoTL policy framework, PSCDP has endeavoured to develop a comprehensive approach to public service reform through its 'Program' activities. By nature the contribution of 'Additional Initiatives' activities to effective and sustainable public sector reform can be more challenging to align accurately with strategic priorities. Given this, PSCDP and AusAID agreed to tighten the focus of future 'Additional Initiatives', with considerably fewer such activities proposed through the approved PSCDP 2009/10 Annual Plan.

Effectiveness

4. PSCDP has been effective in the establishment of key central agencies (eg Civil Service Commission (CSC) and the Anti-Corruption Commission (ACC)), and considerable advisory support is in place, particularly for the CSC. However, it is too early to comment on the effective functioning and capacity development progress in these institutions.

5. The effectiveness of public sector training conducted by National Institute of Public Administration (INAP) staff – albeit on a small scale – suggests an urgent need to increase support to INAP in order to meet the predicted HRD needs in TL. Any expansion of support should be conditional on GoTL clarifying the mandate and institutional structure of INAP to undertake its core function. GoTL should support its claimed commitment to INAP with the allocation of realistic and appropriate long term resources (funding and permanent staff) to undertake this predicated increase in profile and work load. It is recommended that AusAID engages with GoTL directly to secure this commitment. PSCDP also needs to be proactive in ensuring conditions/incentives which help to create and sustain INAP trainer interest and commitment, in order to limit trainer turnover – a significant issue to date.
6. Corporate services advisory support to line ministries – in particular the Ministry of Social Solidarity (MoSS) where PSCDP has had the longest involvement – has resulted in demonstrable behavioural/ leadership change amongst managerial staff. This change has yet to impact significantly on the delivery of services as technical capacity remains limited, highlighting i) the need to build capacity at multiple levels within counterpart agencies and ii) future support for CSA capacity development may be more effective if targeted towards the critical emerging needs of HRM/D (rather than the broader CSA support currently provided). This would support both INAP and CSC in their important roles of reforming the public service and clearly aligns with PSCDPs mandated responsibilities.
7. An overwhelming majority (19 out of 20) of Australian Development Scholarships (ADS) awardees in the reporting period were from outside the public sector, a trend that has been accelerating since the Scholarship PMG revised its eligibility criteria to include non-public sector applicants. The major factor is thought to be the shortage of applicants with the required language skills from the public sector. Those with higher level English language skills have likely already been attracted to international donors and/or private sector due to better salary and working conditions ('capacity stripping' effect). If scholarships are to be an effective means of improving the public sector workforce in Timor-Leste, the issue of English language skills needs to be addressed. This reinforces the need for establishing an English training centre/school, currently under consideration by AusAID.

Efficiency

8. Technical Assistance (TA) was the dominant modality employed under PSCDP for the reporting period, as demonstrated in the Table below. This analysis clearly indicates a disproportionate use of TA, and suggests that TA is the

preferred modality of the GoTL and has been used as a default modality by the Program.

Mode of Assistance	AUD 2008/9	%
International Advisers	5,027,607.79	89.20%
National Advisers	375,858.45	6.67%
Institutional Partnership	31,818.18	0.56%
Scholarships	N/A	N/A
Research	10,000.00	0.18%
Procurement	184,325.13	3.27%
Professional Development/Tertiary Education	7,036.58	0.12%
Total	5,636,646.13	100.00%

9. However, PSCDP has been able to identify a number of valuable lessons resulting in modifications for recruiting and managing TA in the Timor-Leste/PSCDP operating context, including:

- i) Refining activity design and recruitment techniques to ensure the necessary mix of skills and experience (public sector, capacity development, cross-cultural, language etc);
- ii) Recognising the need for longer-term TA contracts supporting the long-term capacity development timeframes of central program commitments such as the CSC and INAP;
- iii) Ensuring that counterparts at multiple levels are identified and made available by partner agencies in order for capacity development to take place throughout the agency;
- iv) Clearly identifying roles as in-line where capacity development is highly improbable in the short term;
- v) Enhancing existing Performance Management Framework tools to collect information on different capacity development methodologies used by TA; and
- vi) Increasing support to PSCDP advisers - through CD workshops, professional development forums, ongoing operational mentoring etc - to ensure that capacity development is better integrated into technical activities.

10. PSCDP clearly has an obligation to further explore opportunities to appropriately diversify the modes of assistance it uses. Analysis of the use of other modalities (in the limited instances they have been employed in 2008/9) was instructive in terms of identifying appropriate circumstances to expand or replicate their use in future. For example:

- i) Volunteers can effectively substitute for more expensive TA for certain positions, provided delays in mobilisation can be anticipated and appropriately managed primarily through the annual planning cycle;
 - ii) Short-term institutional partnerships can be problematic if the institution does not have the time or capacity to contextualise its experience, materials etc;
 - iii) PSCDP-funded research is most valuable when it is clearly in line with PSCDP's mandate, is able to leverage off PSCDP-specific activities and information and can be useful for GoTL; and
 - iv) Overseas formal education opportunities, professional development, study tours etc are value-for-money provided language constraints can be managed, objectives are relevant, clearly articulated and assessable, and they are not used as stand alone development methods (pre departure and return strategies are inclusive in the design to ensure learning and insights are transferred).
11. PSCDP is supporting the development of a pool of skilled national consultants. The aim is to develop a group of national consultants able to assume responsibility from international consultants over time, at sustainable (i.e. affordable to GoTL) rates. PSCDP recognises the use of national advisers may contribute to "capacity stripping" of potential government technical expertise, whereby the best and brightest are actually drawn away from government to work for donors offering salaries and conditions far in excess of that offered by the GoTL.
12. PSCDP's involvement with donor coordination occurs informally at a Program and activity level only. There is no effective forum for strategic donor coordination and dialogue relevant to public sector capacity development in Timor-Leste. PSCDP endorses recent review findings (currently under consideration by AusAID) for AusAID to support the establishment of a high level policy forum on public service reform, comprising higher level government and donor officials, or alternatively change the composition of the existing Program Management Group (PMG) accordingly, as recommended in the PSCDP Annual Plan.

Sustainability

13. Several factors of sustainability can be distinguished based on PSCDP experience:
- i) Importance of appropriate political and bureaucratic support - Sustainability of key institutions will depend on: long-term, bipartisan

political support; public perception of institutional independence and integrity; and 'ownership' of the need and benefit of initiatives supported through PSCDP. PSCDP has encountered evidence of, and threats to, each of the above factors during the reporting period.

- ii) Importance of GoTL financial and budgetary commitment – In several instances, the GoTL has absorbed some or all of the recurrent costs necessary to sustain PSCDP achievements into their annual budgets.
- iii) Influence of uncertainty and difference of constitutional and institutional structure – Sustainability of new or existing institutions requires that they are relevant and address the following: the models they are built on are appropriate to the Timor reality (eg the CSC and ACC); and that their mandates are clear and are supported by the GoTL (eg INAP).
- iv) Influence of individualities/counterparts technical and absorptive capacities – there remains a need for partner agencies to identify and commit to multiple counterparts (primary and secondary). This is essential to ensure activities have both leadership and decision making support as well as the opportunity to develop the capacity of operational staff who will eventually take responsibility for the work and sustain it.
- v) Appropriate use of TA – PSCDP was able to identify and formulate responses to a number of factors negatively influencing the sustainability of activities , including: lack of appropriate counterparts, in-line focus of some advisers, varied capacity development knowledge and skills of advisers, poorly targeted activities (particularly Additional Initiatives), and lack of contextualisation of support.

14. The flexibility and responsiveness of PSCDP additional initiatives mechanism has proven a necessary asset to implement complex activities with high political imperative and tight timeframes. However, responsiveness has come at the expense of GoTL capacity development and ownership of PSCDP actions. This trade-off needs to be properly considered by AusAID and, if approved, understood and acknowledged before PSCDP commits to new activities.

Cross-cutting Issue: Service Delivery to Districts

15. GoTL may wish to consider INAP as a vehicle for district level public sector training in support of service delivery. Training modules that have been developed by INAP are applicable to all civil servants in the districts, including those in ministries and future municipalities. However, INAP is not currently resourced to the level required for rolling out modules efficiently and expeditiously to districts. If this option was pursued, GoTL would need to

resource training delivery to districts (including large-scale training of trainers) appropriately without depleting the activities currently underway at the central level. The scale of resources required to implement such a strategy – and the likely trade-offs required – is a limitation that must be acknowledged from the outset.

16. Formal Training modules and programs alone will not suffice. There needs to be a range of methods and institutionalised processes that also involve supervisors or managers to ensure transfer and application of learning. The delivery of the INAP senior/middle management program/s will help this by increasing the awareness of supervisors and managers regarding their responsibility for staff HRM and HRD. Therefore, the delivery of the Senior/Middle management program should have flow on benefits for other training delivered, such as the administrative assistant training.

2. Conclusions and Recommendations

Key conclusions of the 2008/9 PSCSP M&E analysis can be summarised as follows:

1. PSCDP's engagement with GoTL and other stakeholders is largely restricted to Program and activity level discussions. There remains a vacuum of engagement at a more strategic policy level. PSCDP would gain from the establishment of, and AusAID's active involvement in, the following forums:
 - i) A bilateral public sector policy forum consisting of senior GoTL and GoA representatives, to ensure agreement of a) expected long-term outcomes, b) a complementary GoA program of assistance to address agreed outcomes, and c) the appropriate forum/mechanism for resolving issues impacting upon achievement of outcomes.
 - ii) A similar donor coordination forum, ideally integrated with the bilateral forum recommended above.
2. Strategic, long-term human resource development is identified as the most pressing need of the public sector in Timor-Leste. Despite positive results achieved with PSCDP support to INAP to date, the extent of HRD need in Timor-Leste demands the provision of significantly increased GoTL resources, as well as clarification of the mandate and institutional structure of INAP around its core HRD function. It is recommended that AusAID engages with GoTL directly to secure this commitment.
3. International Technical Assistance (TA) was the dominant modality employed under PSCDP during the period, accounting for nearly 90% of funds disbursed. In appropriate circumstances, other modalities (in the limited instances they have been employed to date) have successfully substituted for or complemented TA. PSCDP clearly has an obligation to further explore opportunities to appropriately diversify the modes of assistance it uses.

Other recommendations resulting from the 2009 M&E analysis include:

PSCDP Internal:

- Identify and support counterparts at multiple levels within partner agencies;
- Develop more sophisticated tools to collect information on different capacity development methodologies used by TA; and

- Increase support to PSCDP advisers by strengthening their ability to ensure that capacity development provision is inherent in technical activities.

AusAID:

- Further rationalise 'Additional Initiatives' with limited capacity development focus or alignment with PSCDP core activities; and
- Further develop the proposal to establish an English language training centre/school, currently under consideration by AusAID.

GoTL:

- In line with Points 1 & 2 above, GoTL to commit to proposed senior public sector policy forum and clarify the mandate and institutional structure of INAP.
- GoTL to consider the role of INAP in delivering public sector training to districts in support of service delivery, as well as additional resources required for INAP to fulfil such a function.

ANNEXES

Annex 1 – PMF Background, Objectives & Methodology

1. Background and objectives

This report - and the analysis it presents - is the first produced by PSCDP using its revised Performance Management Framework (PMF). The existing PMF reviewed in September 2008, and submitted to AusAID in March 2009. The final approved version incorporates and builds upon several rounds of comments and responses between AusAID Post, the AusAID Asia Programs Quality and Development Adviser, and the PSCDP Management team.

The objective of the Performance Assessment Framework is to monitor and report on the achievements of results and the management performance of PSCDP. This report analyses the achievement of Program outcomes for the period July 2008 – July 2009.

The analysis was made possible thanks to an extensive, ongoing data collection effort in-country. It was carried out by the PSCDP Management Team, with the support of the Australian Project Manager (Mark Pruden) and facilitated by the Program M&E Adviser (Laurent de Schoutheete) during a 3 days workshop held in Dili in September 2009.

2. Methodology

The revised PMF requires the gathering and analysis of two levels of information:

- i) **Activity performance** - The assessment of the performance and management of activities occurs at an individual activity level, based on the pro-formas defined in the existing PMF tools. Assessments are then collated in the Activities Database (Tool 9) for easy reference.
- ii) **Program performance** - The achievement of (and performance in achieving) expected Program outcomes is made possible i) populating pre-defined Program monitoring matrices with activity-level data and ii) analysing information collated in these matrices against the DAC criteria of relevance, effectiveness, sustainability and efficiency, which are consistent with AusAID's Quality Reporting System (impact has been omitted due to the long-term nature of information it requires). This Program-level analysis forms the principal basis of the findings, recommendations and conclusions of this Annual M&E Report.

The analysis of Program performance (referred above) has involved the following sequential steps:

1. The PSCDP management team populated pre-defined monitoring matrices (42 pages of information);
2. The Australian Project Manager consolidated the monitoring matrices, ensuring consistency of messages, and removing redundant information (12 pages);
3. The M&E Adviser facilitated a workshop with the PSCDP Management Team¹ to analyse the resulting information (3 day workshop);
4. The M&E Adviser and the Australian Project Manager discussed, validated and complemented the workshop findings with key advisers²;
5. The M&E Adviser produced a draft analysis - structured around the DAC criteria - based on the workshop and adviser discussions (cf. Annex 2);
6. The PSCDP Management Team discussed and defined conclusions with the M&E Adviser;
7. The M&E Adviser presented the results of the analysis to the AusAID Post in Dili; and
8. The M&E Adviser and the Australian Project Manager wrote up the draft final report, in consultation with the PSCDP management team.

¹ Members of the PSCDP management team who participated to the workshop were John Walsh (Program Manager), Anne Scott (Human Resource Management & Capacity Building Adviser), Maria Braz (Human Resource Management & Capacity Building Adviser), Hilary Goode (Project Coordinator) and Mark Pruden (Australian Project Manager)

² Discussions were held with the following key PSCDP advisers : Sue Smith (INAP), Sharon Riley (MoSS), Georges O'Farrell (CSC), Helder Da Costa (NPS & NAED), and Shane Cave (ACC).

Annex 2 – Consolidated analysis against DAC criteria

Criteria 1: Relevance

Criteria	What is assessed?	Indicative question
Relevance	Appropriateness/nature of activities in regards of Intermediate Outcomes	To what extent does the activity respond to identified priorities?

In response to the indicative question above, the PSCDP Management Team agreed to address the issue of relevance against three key considerations, namely:

- i) Alignment of PSCDP activities with GoTL National Strategy (as defined by the State of the Nation Report, National Priorities and Prime Ministerial ‘themes’);
- ii) Alignment with AusAID 2009-14 ‘draft’ Country Strategy; and
- iii) Alignment of activities with PSCDP mandate (as defined by the Goal and Mission in the PSCDP Head Contract and the more recently developed Program Objectives).

1. Alignment with GoTL National strategy

Since 2007 no national (mid-term) development plan has been developed in Timor-Leste. However, the PSCDP provided a number of long-term advisers to support the production of a State of the Nation Report in 2008. This Report identified a number of key themes, three of which (Private Sector Development, Rural Livestock and Public Sector Management) have been supported by PSCDP through advisers to the Ministry of Economy and Development (MoED).

The State of the Nation Report also provided baseline information for the development of National Priorities, produced/updated by the GoTL on an annual basis. In **2008**, PSCDP directly supported two of the six national priorities, specifically:

- i) Priority 5 - Improving Service Delivery: supported through a long-term Food Security Adviser in the Ministry of Agriculture and Fisheries (MoAF), a long-term Community Nutritionist Adviser in the Ministry of Health (MoH), and a long-term Global Fund Program Management Adviser in the MoH.
- ii) Priority 6 - Clean and Effective Government: supported through 13 LTAs distributed across the Office of the Prime Minister (OPM), INAP, Secretary of State of the Council of Ministers (SoSCoM), and National Directorate of Public Service (NDPS).

In **2009**, three of the seven national priorities have been supported by PSCDP:

- i) Priority 1 - Food Security and Agriculture: supported through two Long Term Advisers (LTAs) in the MoAF (Food Security and Legal).
- ii) Priority 3 - Human Resources Development: supported through 12 LTAs distributed across CSC, INAP, MoAF (Corporate Services Adviser), MoH, Ministry of Education (MoE) + 30 Scholarships processed and awarded (20 by GoA and 10 by GoNZ).
- iii) Priority 6 - Clean and Effective Government: supported through 18 LTAs distributed across CSC, INAP, OPM, SoSCoM, and Ministry of Finance (MoF - Aid Effectiveness and National Priorities Secretariat).

Over and above the annual National Priorities, the GoTL Prime Minister identifies an **annual public sector reform ‘theme’**. The Prime Minister declared **2008** the Year of Administrative Reform, underpinned by three major reform initiatives, each of which became key priorities of PSCDP support, specifically:

- **Initiative 1 - Establishment of ACC:** supported through one LTA, ST inputs and one National Adviser in the OPM.
- **Initiative 2 - Establishment of CSC:** supported through the Chair of CSC Establishment Taskforce and subsequently through the Senior Adviser to the CSC.
- **Initiative 3 - Reviewing the legislation of an Office of the Inspector General (IGO), to evolve towards Auditor General’s Office type model:** one LTA in the OPM.

The Prime Minister declared **2009** the Year of Infrastructure. PSCDP was able to provide extensive support through its additional initiatives component (Objective 4) of the Program including:

- i) Two LTAs, eight STAs and one National Adviser to support the Ministry of Infrastructure (MoI) to develop a National Infrastructure Plan;
- ii) A Political Adviser to MoI; and
- iii) A long-term Corporate Services Adviser to the MoI.

2. Alignment with AusAID 2009–14 Country Strategy

The AusAID Country Strategy is not yet finalised, though a draft has been circulated for consideration and comment. Therefore any analysis of alignment between PSCDP activities and the Country Strategy can only be done retrospectively.

PSCDP ‘Program’ activities mostly fit under Priority 3 of the Draft Country Strategy: Improving GoTL accountability, transparency and integrity. PSCDP ‘Additional Initiatives’ activities (in the reporting period) mostly fit under Priority 1: Strengthening basic health and education service delivery and Priority 2: Increasing Employment by a) increasing agricultural productivity, b) improving infrastructure, c) promoting vocational education, and d) promoting private sector development.

3. Alignment with PSCDP Mandate

While the PSCDP goal and mission has not changed since the beginning of the Program, the abolition of sector working groups and plans in 2007 has created a GoTL policy vacuum in which the Program operates. As the recent AusAID-commissioned Mick Foster report states, “what has been lost is the emphasis on a comprehensive approach to developing a civil service with the capacity to deliver medium term development goals... the PSCDP does not appear to be set within a long-term vision or strategy of how the public service will develop.” PSCDP acknowledges there is no comprehensive GoTL policy to guide and inform PSCDP activities. However, cognisant of this policy vacuum, PSCDP has developed a strategy to build civil service capacity through its ‘Program’ activities, focusing its support on the establishment and functioning of central agencies such as the CSC, ACC and INAP and supplemented by targeted corporate services advisory support (e.g. HR, IT, finance and admin) to a number of line ministries.

The ‘Additional Initiatives’ component has been utilised on several occasions during the reporting period. As previously cautioned, it is difficult to draw direct linkage between the objectives pursued under these initiatives and the broader capacity development Goal and Mission/s of PSCDP. As the Foster report states, “most of the ad hoc requests (of the “additional initiative” component) bear little or no relationship to the core objectives of the programme... To date (the ‘additional initiatives’) seem to have operated as a continuation of the facility approach, responding to ad hoc requests without a clear vision or criteria for deciding which requests should be supported.” The PSCDP 2009/10 Annual Plan has – with AusAID support - deliberately phased out a number of Additional Initiatives activities over the planning period.

Criteria 2: Effectiveness

Criteria	What is assessed?	Indicative question
Effectiveness	Achievements of activities against Intermediate Outcomes	To what extent does the activity contribute to the Intermediate Outcome?

In response to the indicative question above, the PSCDP Management Team analysed achievement against each intermediate outcome in turn (combining Outcomes 1 & 2).

3. Intermediate Outcome 1 & 2 (Central Agencies and Regulatory Framework): Establishment of the CSC and ACC

- a) **Civil Service Commission:** With the support of the Program, GoTL has established the CSC through the development, approval and passage through the Parliament of the CSC Act. Three of the five commissioners have been appointed in August 2009; the remaining two commissioners are to be elected by the Parliament in the third quarter of 2009. Consistent with the recommendation of the PMs review, PSCDP will continue to support the functioning of the CSC with the provision of four LTA international advisers, one STA international adviser and two nationals. These advisers will work with counterparts in the Secretariat to support the provision of consistent whole-of-government guidelines, policies and procedures to line ministries. Additionally, the Civil Service Act has recently been amended. Four supplementary regulations under the Civil Service Act have been developed and approved, and are in the process of being implemented. Each of these pieces of legislation will require review as a result of the establishment of the CSC.
- b) **Anti-Corruption Commission:** Three advisers of PSCDP have supported the development of the legislation providing for the establishment of the ACC. The ACC is unable to function until such time as a Commissioner is appointed.
- c) **INAP:** Seven modules³ for the INAP Administrative Assistant training program have been developed, translated, piloted and implemented, benefiting approximately 250/300 public servants from across the public sector. Two Training of Trainers (ToT) courses to support the implementation of this program have been delivered to local trainers, resulting in the delivery of training with limited assistance from PSCDP advisers. Follow-up workplace assessment surveying trainees' managers and supervisors have shown significant benefits and changes in the attitude and performance of trainees, per Text Box 1 below.

Text Box 1: Feedback from INAP Trainers and Training Recipients

Feedback from trainers was very positive. Trainers reported that the practical, active approach to learning was very different to the usual didactic style of "lecturing" that they were used to. They also identified the importance of the resources, for both participants and trainers, and how the resources, written in Tetun, would provide ongoing support, after the training and after the Program was completed. Trainers also reported that as well as developing their training skills they had also increased their understanding of public administration, the role of civil servants and fundamental administrative skills.

Feedback from participants was also very positive, mainly because they felt the case studies and activities were relevant and addressed issues they would encounter regularly in their workplace. The completion of the work-based tasks was very successful and 23 out of 25 participants completed all of the course requirements. They were also very excited about having a resource book, written in Tetun, for each module. The resource books included suggested checklists, templates and other support tools.

³ Module 1: Public Administration; Module 2: Time and Self Management; Module 3: Customer Service; Module 4: Communication and Coordination; Module 5: Writing Documents; Module 6: File Management; Module 7: Organising Meetings.

After 2 months, as part of the evaluation of the pilot, participants' supervisors completed a report on the transfer of knowledge and skills acquired by the participants during the course and the impact of the training in the work place. Again feedback was very positive with supervisors indicating enhanced skills and attitudes being displayed by participants and encouraging INAP to deliver more of these courses.

In addition, 8 modules⁴ for the INAP Senior Management course have been developed and are currently being translated into Tetum; the delivery of which is planned to commence shortly.

PSCDP support to INAP has been initially effective with the following qualifications:

1. It needs to be recognised that the scale of this support is inconsistent with the predicted HRD needs of GoTL. Consistent with the Foster review's recommendations, HRD must be supported and recognised as a critical factor in public sector reform. Additionally, INAP's ability to deliver the training programs will impact on the effectiveness of the CSC through the delivery of training to line ministries that support the implementation of CSC policies and procedures.

Based on the analysis above, PSCDP makes the following recommendations:

- i) AusAID should be encouraged to reinforce this priority at the highest level of GoTL. GoTL needs to clarify roles and responsibilities between INAP and CSC and the institutional structure of INAP.
 - ii) AusAID should raise with GoTL the benefits of the package of the training developed, and therefore the need for GoTL to provide significant additional resource to INAP and/or consider alternative methods of delivery.
2. The body of trainers trained initially has diminished due to:
 - i) Four of the original trainers were only temporary staff and due to no security of tenure have accepted positions elsewhere; and
 - ii) Two permanent INAP trainers were offered and accepted scholarships to Indonesia.

There are obvious effectiveness and sustainability issues arising from such high turnover of trained trainers. While the conditions/incentives leading to this turnover are largely beyond PSCDP control, the Program has an obligation to create and sustain counterpart interest and commitment wherever possible. Current initiatives being explored include:

⁴ Module 1: Manage governance and Public Administration; Module 2: Manage Services; Module 3: Manage plans and budgets; Module 4: Manage Financial resources; Module 5: Manage leadership skills; Module 6: Manage meetings and write reports; Module 7: Manage human resources; Module 8: Manage policy processes.

- iii) Requiring a core of future trainers to be permanent INAP staff members, with the option of supplementing this core team with permanent part-time trainers from other ministries/departments ('on-call');
- iv) Requiring that all trainers complete the course they are trained to deliver;
- v) Development of a 'career pathway' for trainers; and
- vi) Ensuring initial trainer intake numbers are sufficient to cover any future staff turnover.

4. Intermediate Outcome 3: Corporate Services Advisory Support

Three line ministries have received corporate service advisory support over the last 12 months: MoSS for 8 months, MoAF for six months and Mol for two months. Support has been fragmented due to staggered commencement dates and movement of advisers. However, a number of preliminary achievements have been made, following the application of the effective ministry checklist tool developed by PSCDP. These include for instance in MoSS:

1. Revised organisational structure developed and implemented;
2. Job analysis and description completed for planning, finance and logistics;
3. Annual Action Plan and Quarterly reporting matrices prepared in three languages;
4. Support to Ministry strategic framework;
5. Establishment of a Directorate of Inspection and Audit, including structured job description; and
6. Establishment of a procurement policy and improved linkages between planning, budgeting, finance and assets management.

While these achievements are outputs, successive CSA Advisers to the MoSS have reported demonstrable behavioural change among managerial staff resulting from the above support (while there is significant number of donor-funded advisers in the MoSS, PSCDP provides the only non-line assistance) – refer to Text Box 2 below. Feedback from MoSS counterparts has been particularly positive with additional requests being received from the ministry for adviser support in the areas of HR, IT and internal audit.

Text Box 2: Behavioural Change through CSA Support

A number of staff within the MoSS have demonstrated an increased understanding of their roles and responsibilities since the development of an organisational structure and job descriptions. As a result, senior management staff have demonstrated improved understanding of the linkages between planning, programming and budgeting, finance and logistics and asset management. This has meant, for the first time, management staff are delegating tasks appropriately, where previously they would have carried out the tasks themselves or not at all. It is important to recognise that improved managerial practice has not yet translated to significantly improved operations/implementation as too many tasks are delegated to the

capable technical staff and their remains a surfeit of technical skills which need to be addressed through the provision of tailored training programs. This observation demonstrates the need for capacity development to occur at multiple levels (i.e. management and operational) before sustainable change can be achieved.

5. Intermediate Outcome 4: Additional Initiatives

Legal Support to the SoS CoM: Following a request for additional support from the SoS CoM in early 2008, and a short-term Organizational Review managed by PSCDP, the Program expanded its support to SoS CoM from the existing three Legal Advisers to include a Senior Legal and Management adviser, a Language Services adviser and a National adviser with legal qualifications.

Since the swearing in of the IV Constitutional Government, the PSCDP Advisers supported the completion of all organic laws for Ministries (other than for OPM, Mol and SoS NR) within 4 months. In addition, some 154 decree laws, laws, projects, resolutions and policies have been drafted, reviewed and presented to CoM for consideration. However, the lack of legally qualified civil servants in Timor-Leste has meant that the PSCDP Legal advisers have necessarily operated substantially in-line. While in-line support can be justified in this context as a means of achieving critical legislation (a building block for public sector reform), any capacity development has been limited to the development of manuals and workshops of the CoM procedures for legal advisers located in Ministries.

Other limitations of PSCDPs legal support to SoS CoM include:

- i) While there are sound protocols and procedures relating to CoM in place, there is a distinct lack of discipline in applying those requirements from most Ministers – the PM and SoS CoM do not routinely require Ministers to comply with their own rules, which has resulted in a range of increases to salaries and allowances specific to single Ministries without any consultation with NDPS/CSC or MoF. Resultant industrial and budgetary implications are only now being realized.
- ii) While adviser support to the SoS CoM translation unit has resulted in demonstrable technical improvements in staff, the lack of engagement and interest by the director and most of the other staff resulted in the activity being deemed unsustainable and therefore discontinued after 12 months (refer Sustainability Section below for further information).

Due to this lack of discipline, lack of management and supervision within the Language Services unit, as well as the completion of the substantive body of legal work mentioned above, it seems to make more sense for the Program's future legal inputs being directed to the relevant functional bodies responsible for the policy – (i.e. CSC, MoSA&TM and MoAF). Subsequently,

the Program is proposing to reduce the legal advisory input from four to two from expiry of current contracts through until December 2009 (to allow a phased withdrawal of support) and not further extend the Management Adviser in the Language Services Directorate.

6. Intermediate Outcome 5: Scholarships

Since PSCDP has taken responsibility for management of Scholarships, a conscious decision was made in 2006 to open up recruitment beyond the public sector because quotas of applicants proved difficult to fill. Since that time, statistics show there are significantly more awardees coming from and returning to donor agencies and/or private sector than the public sector: 62 out of 451 (14%) ADS applications submitted in 2009 came from public sector, resulting in only one successful application from the public sector out of the 20 ADS awardees for the 2009 intake. This is partly due to lack of English language skills. However, it also reflects the reality that many of the most qualified Timorese are being drawn towards donor agencies and/or private sector due to higher salary and better working conditions.

Table 1 : 2009 ADS Demographic Summary

ADS in 2009	Public Sector	Total	% (Public Sector as % of Total)
# Applicants	62	451	13.7%
# Awardees	1	20	5.0%

Similarly, of the six ADS awardees returning to Timor-Leste in 2008 on completion of their study, four are currently working for donor agencies, with only two working for the public sector (one as a technical adviser and the other as a dentist in MoH). This reinforces the difficulty of attracting qualified people to the public sector given competing incentives in Timor-Leste.

Criteria 3: Efficiency

Criteria	What is assessed?	Indicative question
Efficiency	Modes and methodologies of assistance, and processes to support implementation of this assistance	To what extent are PSCDP processes, methodologies and modes of assistance contributing to the achievement of the Intermediate Outcomes?

In response to the indicative question above, the PSCDP Management Team chose to address the issue of efficiency by reflecting on:

- ❖ The use of International Advisers (commonly referred to as TA) as the predominant mode of assistance;
- ❖ PSCDP experience using other modes of assistance (alternate to TA), their success and how/when they can be used to best effect in future; and
- ❖ The extent to which PSCDP has supported complementarity/coordination between donors, other AusAID programs, and individual PSCDP activities.

1. International advisers

The use of international advisers is the predominant mode of assistance of PSCDP, with 49 long and short-term international advisers under contract during the reporting period.

Key lessons learned

- a) PSCDP has experienced some difficulty in recruiting candidates with the necessary complement of skills and experience for the Timor-Leste/PSCDP operating environment. Recruitment experience suggests there is often a necessary trade-off between the basic requirements of:
 - i) up-to-date public sector technical knowledge (which usually requires that the adviser has recently worked in-line in the public sector);
 - ii) capacity development capabilities (this may be acquired through advisory experience, however successful people managers from either the private or public sector should be able to demonstrate such capabilities where they have been exposed to some basic training in CD theory and concepts, and have a pre-disposition and interest in developing Human Resources)
 - iii) ability to work cross-culturally (again, often but not always a function of the extent of advisory experience);
 - iv) ability to adapt knowledge to local context (again, usually a function of the extent of advisory experience) ; and
 - v) language skills (specialist language skills may come at the expense of criteria i) – iv) above).

When PSCDP has not been able to satisfy all of the above requirements in a single TA, it has sought to supplement those complementary skills within a team, often through the pairing of international advisers with national advisers. PSCDP also provides on-going professional development in Capacity Development where advisers demonstrate lack of capabilities in this area.

- b) Capacity development is recognised as a long-term undertaking. However, highly publicised safety and security issues in the early years of the Program significantly limited the pool of consultants willing to take up long-term postings. The quality and quantity of applicants has improved significantly over the past 12 months as the security situation has improved.

While there has been a conscious move to offer longer-term contracts (such as the recent appointments on the CSC), PSCDP recognises that short term advisers will still be required in certain instances (eg organisational reviews, specialist technical inputs etc). PSCDP experience suggests that, by ensuring that GoTL staff from host institutions partner with (or at least shadow) advisers, some capacity development should still be attempted and achieved through short-term inputs.

- c) PSCDP as a capacity development program recognises that successful capacity development activities are dependent on (inter alia) the existence, availability, motivation and commitment of counterparts. PSCDP experience reinforces the necessity to identify multiple designated counterparts within host institutions. The counterparts should be chosen at two levels, i) strategic senior counterparts and ii) operational counterparts in work unit where activities are located. For instance, the PSCDP adviser in the OPM is working without any designated counterpart and therefore transfer and adoption of his advice has been minimal, not institutionalised, and as a result there is a real risk of donor-dependency. However, it is recognised that, at times, a degree of in-line placement is appropriate and necessary where skills and internal capacity is particularly low or non-existent (cf. Text Box 3 below).

Text Box 3: Necessity of In-Line Advisers

The development of a comprehensive legislative framework is clearly a critical building block for effective and sustainable public sector reform. However, Timor-Leste is based on a civil law system where Portuguese and Tetum are the official languages. Tetum is not (yet) a language that is predisposed to complex legal terminology, meaning that all legislation must be drafted in Portuguese for approval by either the CoM or National Parliament. In a country with very few Portuguese speakers, especially in the legal sector, the activities of legal advisers supporting the drafting of legislation has been predominantly in-line, until a cohort of national staff are trained with the necessary linguistic/legal training. This should not absolve them from their responsibility to produce guidelines to assist non-legal qualified civil servants to understand, draft and implement laws.

- d) International advisers on PSCDP have successfully applied a range of different methodologies to develop capacity of their counterparts (refer to Modalities Table in Annex 4). These include:
- Working groups;
 - Mentoring & coaching;
 - Workshops and symposia;
 - Training; and
 - Development of manuals, procedures and good practice notes.

Until recently, information has not been systematically collected regarding the strengths and weaknesses of these diverse methodologies under PSCDP. The PSCDP M&E Report preparation process prompted the PSCDP Activity Managers to revise reporting methods and tools in order to specifically identify the diversity and effectiveness of these CD methodologies.

2. Other modalities

Besides international advisers, PSCDP uses a range of different modalities on an as needs/best fit basis. The table in Annex 4 provides an overview of the use of these modalities per activity.

Table 2 : Breakdown of funding between modes of assistance for 2008/9

Mode of Assistance	AUD 2008/9	%
International Advisers	5,027,607.79	89.20%
National Advisers	375,858.45	6.67%
Institutional Partnership	31,818.18	0.56%
Scholarships *	N/A	N/A
Research	10,000.00	0.18%
Procurement	184,325.13	3.27%
Professional Development/Tertiary Education	7,036.58	0.12%
Total	5,636,646.13	100.00%

* PSCDP does not have data on cost of scholarships as tuition fees are paid directly by AusAID.

a) National Advisers

PSCDP recognises that its use of national advisers contributes to “capacity stripping” of potential government technical expertise, whereby the best and brightest are actually drawn away from government to work for donors offering salaries and conditions far in excess of that offered by the GoTL.

However, the use and development of national expertise enables PSCDP to contribute to the establishment of an important cohort of skilled national consultants who can be sustainably employed by the GoTL in the future, reducing the dependency on international expertise.

Further to this point, PSCDP benefits through access to:

- Local knowledge (providing appropriate cultural, social and political contextual support);
- Bridging the language, trust and relationship gaps between international TA and counterparts;
- Research skills;
- Facilitation skills;
- Translation & Interpreting skills;
- Motivated and pro-active staff

- Assistance in progressing simpler jobs/tasks on the activity plan to promote the most effective use of the International Advisers input; and
- Value for money.

The strengthened capacity of national advisers has resulted in a number of national advisers assuming significant responsibilities from international advisers (cf. Text Box 4 below).

Text Box 4 : National Advisers – Demonstrated Capacities

At different periods, 3 National Corporate Services Advisers engaged by PSCDP were left to perform their tasks without the support of International Advisers. All three were able to continue some of the tasks initiated with the international adviser and supported counterparts with influential activities, as outlined in the following examples:

- ❖ *Ministry of Infrastructure:* the PSCDP National Adviser was instrumental in assisting the Director of Corporate Services during the budget preparation to facilitate internal meetings, compile information, analyse and prepare Annual Action Plans which were ultimately presented to Ministry of Finance. The Director was very complimentary of the assistance and good work provided by the National Adviser.
- ❖ *Ministry of Social Solidarity:* the PSCDP National Adviser assisted the Ministry's strategic planning process from the planning stages through to consultation meetings with stakeholders at both national and district levels and the final production of the plan. He further assisted the development of the Inspection & Audit Unit TORs, drafted the Inspection and Audit Procedures Manual and supported the Director of Audit to complete the risk based Annual Plan framework
- ❖ *Ministry of Agriculture:* In the unscheduled absence of the International Adviser, the PSCDP National Adviser maintained momentum by working closely with the Director to progress the establishment and operation of the five corporate services working groups.

b) AYAD/Volunteers

PSCDP has mobilised one Australian Youth Ambassador in NDPS/Secretariat to the CSC who successfully developed a model for staff profiling for both the CSC and MoF. The use of the volunteer was effective for this position which required less experience but high skills and motivation, and PSCDP needs to proactively identify opportunities where high cost international advisers are not value-for-money. However, this perceived benefit needs to be weighed against i) the difficulty in influencing the quality/appropriateness of the candidate and ii) the lengthy recruitment process (about 8 months). PSCDP needs to further consider how it can identify and place high quality volunteers and other less experienced professionals in a responsive manner.

c) Institutional Partnerships

PSCDP trialled the use of the 'institutional partnership' modality due to shortcomings in the TA model in the instance of support to INAP, i.e. difficulty in sourcing a number of consultants with the right skills mix considered necessary. The Australian Public Service Commission (APSC) was approached as an alternative due to the perceived specialist expertise, skills and materials it successfully utilises in the Australian Public Sector. However, the relationship was unsuccessful due to the APSC's lack of knowledge and understanding of context in Timor-Leste, resulting in an inability to tailor curriculum materials appropriately. In addition, inconsistency of management and high turnover of resources in a short period led to duplication, repetition and poor outputs.

d) Scholarships

Over the reporting period there were 30 ADS/NZDS awardees, four Australian Leadership Awards (ALAs) candidates recommended to AusAID Canberra, and 1 Australian Centre for International Agricultural Research (ACIAR) awardee. Fields of study have been diverse. For instance in 2009, these included:

- ADS/NZDS – 6 Business, 4 IT, 7 health, 2 Journalism and Media, 2 international relation, 2 social work, 1 environment analysis, 1 education, 1 entrepreneurship innovation, 2 accounting and 2 agriculture.
- ALAS recommendations – 1 health, 1 development practice, 1 diplomacy and 1 administration
- ACIAR – 1 Rural Technology.

The strategic focus for awarding scholarships is minimal because of the limited understanding of HR development planning and succession planning within GoTL. However, a list of prioritised fields of study has been introduced for the 2010 intake. It is anticipated this list will be further refined over future years.

Out of the 110 returning graduates since the commencement of the Scholarships program in Timor-Leste (1997), 58 are currently employed in GoTL, three have been appointed ministers, one has been appointed vice-minister, four have been appointed Secretary of State and three Directors General. The Scholarships Alumni have successfully applied for AusAID funding to run their own activities, receiving A\$24,000. This grant will provide opportunities for continuous professional development for returning graduates.

e) Research

A desk-based study on deconcentration vs. decentralisation was commissioned and produced to raise the level of discussion, mainly amongst donors. To date it has not been disseminated

within GoTL (due to potential political sensitivities) and therefore has had minimal impact on the decentralisation debate in Timor-Leste.

Research is an efficient way to produce knowledge, but with uncertain impact on capacity development. To bear impact, it should focus on relevant and emerging topics in line with PSCDP mandate / GoTL priorities, and with potential interest/linkages to the external world. The dissemination and communication of results is equally crucial for informing and developing local capacities.

f) Professional Development/Tertiary Education

PSCDP is funding a Master of International Management for the Director of NDPS (now President of the Civil Service Commission), and has contributed to the participation of the President and Deputy Inspector General in an Australian Institute of Management /Melbourne Business Institute program. The provision of professional development program of this nature is seen as an efficient and effective way to increase individual capacities of senior Government officials. However, it is recognised that language remains a significant barrier to participation in international professional programs.

In addition, some Australian State governments (e.g. VIC, SA and NT) are known to negotiate directly with GoTL ministries to provide assistance by way of placement and internships, in some cases including undertaking some course work in tertiary education institutions. In some instances PSCDP has provided advice to Australian state governments; however PSCDP has generally directed them to use GoTL systems and processes to source appropriate participants (e.g. SA government to INAP).

g) Site visits and study tours

PSCDP has contributed to the participation of a MoAF officer to a food security conference in Bangkok. No feedback or follow-up was undertaken by PSCDP because of a unique funding agreement with MoAF.

Study tours can be an efficient way to build awareness and provide opportunities for observation. However, as a standalone methodology without adequate follow-up and pre-departure preparation, benefits are probably minimal. In order to maximise the benefits, intact groups or staff with common work interests and responsibilities should be grouped together and supported by an in-situ adviser. This together with additional HRD methodologies pre departure and on return to agencies will maximise the transfer and application of learning based on common frameworks and learning experienced during the tour. Furthermore, informal relationships developed can have positive impacts in producing effective changes and cross agency relationships upon return.

3. Complementarity/Coordination

a) With Other Donors

PSCDP supports the MoF Aid Effectiveness unit with an adviser whose objective is to assist GoTL to implement the Accra Action Agenda principles and manage donor coordination (cf: text box 5 below). The adviser has been instrumental in establishing both the National Priority Secretariat and the National Aid Effectiveness Directorate under MoF. Both these units coordinate donor engagement in Timor-Leste.

A number of donor coordination initiatives have occurred at program activity level. UNDP regularly sits on PSCDP Program Management Group meetings. PSCDP has also informally facilitated donor coordination meetings in agencies where other donors are known to be active, e.g. facilitation of INAP Donor Meetings, food security and community nutrition donor coordination, and the Anti-Corruption Commission. In addition, meetings have also been facilitated by NDPS/Civil Service Commission for HRM advisers across ministries and donors, i.e. MoH, MoF, MoE, etc. including PSCDP corporate services advisers.

However, there is a vacuum in donor coordination at the strategic level. While donor coordination remains the responsibility of AusAID, recent reviews (i.e. PM's and Foster reviews) findings reinforce PSCDP experience that AusAID tends to rely on AMC, i.e. PSCDP, to conduct high policy dialogue with GoTL and other donors. Clearly PSCDP has no mandated role or authority in strategic level donor coordination. As recommended by these reviews, PSCDP PMG or an alternate high level policy forum on public service reform should comprise higher level government and donor officials.

Text Box 5: PSCDP support to Aid Effectiveness Unit

The top three achievements for the PSCDP Advisers at the Aid Effectiveness and National Priorities Secretariat in the reporting period were:

1. Follow-up on post-Accra agenda initiatives on Fragile States: with the counterparts successfully organizing the first consultative meeting on monitoring the implementation of Principles of Good International Engagement in Fragile States on 2-3 March 2009;
2. Timor-Leste Development Partner Meeting: with the counterparts successfully organized the annual meeting on 2-4 April 2009 where approximately 45 delegates from overseas, Dili based development partners, GoTL and TL based diplomats attended. In this event the government officially launched the seven National priorities for 2009; in addition a report on donors spending in 2008 was published by the Aid Effectiveness Unit and circulated to TLDPM participants;

3. Worked in close collaboration with the Office of the Prime Minister and Ministry of Finance to prepare the work for the yellow Road Workshop that identified the 2010 National priorities and contributed to the 2010 State Budget with the preparation of the report on Combined Sources Budget.

b) With other AusAID Programs

There is no institutionalised forum of interaction between AusAID Programs. PSCDP has had limited interactions with other programs. If any, these are limited to sharing information on specific issues; for instance PSCDP has had informal meetings with Public Financial Management Capacity Building Program (PFMCBP) on matters of common interest such as increasing numbers of civil servants and increasing salaries and allowances.

c) Cross-fertilisation/ synergies between PSCDP activities

Activity managers in PSCDP management team act as a central hub for related PSCDP activities. The PSCDP management team also facilitates general information meetings with advisers that are likely to have common areas of interest, e.g. four meetings in the last six months. The PSCDP management team plans to re-initiate regular workshops for all PSCDP advisers to share information and deliver common professional development activities.

Criteria 4: Sustainability

Criteria	What is assessed?	Indicative question
Sustainability	Institutional capacities of counterparts, individual capacities of counterparts, enabling environment of activity	To what extent do the institutions have the capacity to replicate the benefits of the activity once this ends?

In response to the indicative question above, the PSCDP Management Team grouped perceived PSCDP sustainability issues into the following categories:

1. Importance of appropriate political and bureaucratic support;
2. Importance of GoTL financial and budgetary commitment;
3. Influence of uncertainty and difference of constitutional and institutional structure;
4. Influence of individualities/counterparts technical and absorptive capacities; and
5. Appropriate use of TA.

1. Importance of appropriate political and bureaucratic support

Key Achievements/Lessons learned include:

- a) **Maintaining political support for long-term initiatives:** There remain inherent risks in establishing any long term initiatives such as the CSC of changes and/or losses of political support resulting from change of government. However, in the case of both the CSC and ACC, both pieces of legislation establishing the institutions received bi-partisan support by the Parliament.
- b) **Institutional independence/integrity:** For public institutions such as the CSC to be credible and therefore sustainable, it needs to act independently, i.e. not be influenced by political figures and be staffed on a merit-basis. There have been two recent incidents of senior bureaucratic and political influence on the CSC which proposed discretionary transfers to the CSC Secretariat of senior officials suspected of misconduct within their own ministry.
- c) **Ownership of PSCDP assistance:** PSCDP has supported the development of a national infrastructure plan through the provision of 10 long-term and short-term advisers. This initiative was a result of an urgent political commitment to respond to GoTL designated 2009 as the year of infrastructure with limited timelines. PSCDP was able to source and mobilise advisers with technical expertise to produce a draft plan by mid-December 2008 and a final plan by end of March 2009. While the plan had some influence on GoTL decision –making to elevate “roads and water” as the number one priority for GoTL 2010 national priorities, it is recognised that it has had limited impact on the development of MoI capacities: the work was done by the advisers rather than MoI staff. There was insufficient consultation with MoI due to the tight non-negotiable timeframe, resulting in poor ownership of the final plan. Ownership was also undermined by political imperatives. For instance, the plan was presented by the Australian Ambassador to the Timor-Lest Prime Minister and it has yet to receive formal endorsement by the Minister and/or Council of Ministers. The central budget to support plan recommendations is currently under consideration by GoTL. PSCDP Management team and Advisors are committed to ensuring Counterparts are involved in all aspects of activity design, inception, advisor selection and ongoing project reporting and monitoring processes. Continued efforts such as meetings and interviews with advisers and counterparts maintain the important partnership between PSCDP management, Advisors and the target agency. These initiatives ensure agency leadership retains ownership and is empowered; contributing sustainable outcomes for agencies.

2. Importance of GoTL financial and budgetary commitment

PSCDP advisory support was provided to develop annual action plans for the CSC and ACC. GoTL has supported and funded through their budget processes the proposals contained within those annual action plans. Similarly, advisers’ support to the Community and Nutrition unit of MoH was influential over a period of time in arguing for the establishment funding and recruitment of 18 district community nutritionists. MoH approved and continues to support in their budget processes the funding necessary for those positions.

On the other hand, whilst Food security has been determined as the number one priority for 2009 and is nominated as number two priority for 2010, the Ministry sought funding from AusAID to support the Department of Food Security due to the lack of GoTL funding. More recently, the Ministry has again approached AusAID to fund the department to the tune of 80% of its necessary funding. To enhance the sustainability of the food security activity and of the cross-fertilising nature of PCSDP activities, PSCDP requested the corporate services adviser within MoAF to influence the Annual Action Plan so that the ministry realises the need to reflect the priority of food security under GoTL national priorities within their budget considerations either internally or as part of the 2010 budget bid.

3. Influence of uncertainty and difference of constitutional and institutional structure

Key Achievements/Lessons learned include:

- a) **Use of appropriate constitutional/institutional structures:** PSCDP has in certain instances supported proposals which after further consideration have been found to be unconstitutional and therefore unsustainable. For instance, the original intention of Timor-Leste PM to transition the Office of Inspector General to what should be seen as functions of an Auditor General type office (i.e. the third theme of the administrative package) encountered some constitutional difficulties with respect to overlap and/or duplication with the constitutionally based - but yet to be established - Audit Court and High Tax Administration. Consequently, the advisory support to the activity was adjusted to support the revision of the role of the Inspector General to ensure consistency with the Constitution. The uniqueness and specificity of constitutional and institutional structures in Timor-Leste makes the replication of models that have been proven successful elsewhere (without taking into account those nuances) problematic at best, impossible at worst.
- b) **Uncertain and changing institutional status:** The volatile institutional arrangements of Timor-Leste require PSCDP to operate with considerable flexibility. However this does not ensure sustainability of PSCDP activities. For instance PSCDP has put considerable resources into supporting INAP but INAP institutional future remains unclear, jeopardising the sustainability of support provided thus far. In the establishment of the CSC, little consideration was given to amalgamating INAP with the CSC. The CSC legislation establishes certain functions which duplicate those specified in the organic law of the MoSA/TM as functions of INAP. This is an issue that should have been addressed as part of harmonising the two laws but was not done so as a result of political sensitivities. This has created some tensions between the two institutions and will need to be resolved sooner rather than later. There are also suggestions from some senior GoTL Officials that INAP should and will become an autonomous body and/or likely take on the form of a university.

4. Influence of individualities/counterparts technical and absorptive capacities

Key Achievements/Lessons learned include

- a) **Multiple counterparts across strategic and operational levels:** PSCDP experience shows the necessity for host agencies to designate multiple counterparts per activity. This is fundamental to tackle the risk of staff movement, optimising the benefits of advices and ensuring adequate retention of knowledge once advisers leave the institutions. These multiple counterparts need to be positioned at the strategic and operational levels to ensure that implementation of legislation and policies occur and to maximise the sustainability of activities.
- b) **Mutual responsibility:** Motivation and commitment from counterparts is crucial for the sustainability of PSCDP activities. For instance, as a result of an organisation review conducted in SoSCoM, additional support was provided by PSCDP to SoSCoM, including an adviser to support the translation unit. There has been demonstrable improvement in the understanding of legal and technical terminology, the standardisation of the use of Tetum words, greater compliance with the official GoTL approved policy on Tetum phraseology and some enhancement of records management and IT skills. However the lack of engagement and interest by the director and most of the other staff resulted in the activity being deemed unsustainable and therefore discontinued after 12 months.
- c) **Balancing management and technical capacity:** Even with good leadership and management skills from counterparts, there is still a need for technical support to be provided, particularly in areas that are newly established in the public sector. For instance, the initial involvement of the Director of Inspection and Audit in MoSS in the establishment of the functions, including job design and description, has developed his capacity and ownership of the unit. The Director has exhibited sound leadership and management in the new role and is able to explain the functions of the unit with confidence. Whilst the signs of sustainability are positive, it is anticipated that additional advisory support in the technical aspects of the unit will need to continue for some time. It is recognised by the PSCDP management group that there are real challenges in achieving the important balance with Advisors who have strong technical backgrounds and experience (sometimes to the detriment of capacity development). Mitigation of this common global problem is being addressed through additional support by the PSCDP management group to Advisors (and counterparts on request) increasing their understanding and application of capacity development practice and techniques.

5. Establishing safeguards that ensure sustainability of capacity developed by TA

Key issues negatively influencing the sustainability of TA support (variously referred to above) during the period, and responses taken by PSCDP to mitigate these issues include:

- a) **Issue: Lack of counterparts, or appropriate counterparts** (see Point 4 above).

Response: PSCDP produced and is encouraging use by AusAID of an activity selection criteria checklist – which includes considerations of sustainability such as the existence of appropriate counterpart - to any requests from GoTL or emanating from AusAID itself. A similar checklist is applied as part of the design document for all Program activities.

- b) **Issue: In-line focus of some advisers** (see Point 3 under Effectiveness section above).

Response: PSCDP has over time phased out of the majority of in-line support. However, where in-line roles have been deemed as necessary, PSCDP has clearly identified the role as in-line (as opposed to advisory) so that expectations are understood by all parties. In these cases, consideration has been given to complement the in-line work with targeted capacity development activities that contribute to strengthening the capacity of the institution and its systems and processes even though an adviser may not be providing capacity development to specific counterparts.

- c) **Issue: Differing appreciation of capacity development tools/methodologies amongst TA** (see Point 1 a) under Efficiency above)

Response: PSCDP has changed the focus of the activity manager roles to strengthen capacity development, sustainability and performance management aspects of the activities. They have since supported the development of individual activity Capacity Development plans as part of Adviser workplans. These are developed based on Capacity Development assessments conducted with counterpart groups and include additional graded monthly ratings. Furthermore the PSCDP management group will conduct regular briefings, workshops and forums to build a shared understanding of capacity development resources, new thinking, expectations and available tools/methodologies and provide individual professional development support where necessary.

- d) **Issue: Lack of focus or cohesion of some Additional Initiative activities** (see Point 3 under Relevance above)

Response: Both PSCDP (through its Annual Plans) and recent review teams have continually pointed out to AusAID the need to carefully manage the number and scope of Additional Initiatives to promote Program cohesion.

- e) **Issue: Contract lengths not consistent with capacity development timeframes** (see Point 1 b) under Efficiency above).

Response: PSCDP has recently begun offering advisers two years contracts for long-term PSCDP initiatives (such as the CSC).

- f) **Issue: Lack of contextualisation of inputs, involvement of (and ownership by) counterparts** (see

Response: Refer to Text Box 6 below for an example of good practice.

Text Box 6: Contextualisation of INAP Adviser Support and Inputs to Promote Sustainability

The Program supported INAP in the development of the Administrative Assistance course, targeting Level 3 civil servants. Development of the course involved: completion of a training needs analysis that included numerous focus groups and consultation with central agencies and

line ministries; design of the course; development of seven modules including a work-based strategy. INAP staff were closely involved in the development of each module, particularly in researching the content issues, developing case studies and designing learning activities.

A Training of Trainers (ToT) program was delivered to 8 INAP trainers. This consisted of an intensive 2-day ToT for each modules, both in content and delivery, as well as a general introduction to adult learning principles and training techniques. The ToT program totalled 15 days. At the same time feedback provided by the trainers on the content and materials was incorporated into the pilot materials. The pilot consisted of 25 staff from a range of ministries and government agencies including the office of the President, Prime Minister and Parliament. The INAP trainers delivered the full course over some 15 days (this included review and assessment days). PSCDP advisers supported the pilot as observers, provided very limited support to the trainers mainly in regard to the delivery process and feedback during breaks or the end of each day.

INAP staff continue to conduct various modules from the course unaided by Program Advisers. Unfortunately, the body of trainers trained initially has diminished due to i) four of the original trainers were only temporary staff and due to no security of tenure have accepted positions elsewhere, and 2) two permanent INAP trainers were offered and accepted scholarships to Indonesia.

Since then the Program assisted INAP to review and update content in one of the modules. A 2-day ToT was ran for 17 INAP staff to update existing staff and orient new staff. The ToT served to reignite INAP staff's enthusiasm and interest in the delivery of the Administrative Assistant course. INAP staff identified the maintenance and review of the materials as important and the need for further support in this regard. Since the delivery of the ToT a number of INAP staff have since requested that further ToTs, going into more detail, would be helpful.

PSCDP and Service Delivery to Districts

Service delivery to districts has been identified by the PSCDP management team as an emerging cross-cutting priority of the AusAID Draft Country Strategy in Timor-Leste. While it is not a direct focus of current PSCDP 'Program' activities, the Program recognises the critical link between central agency and regulatory reform and service delivery. PSCDP therefore used this opportunity to assess PSCDP as a vehicle for current and possible future service delivery to districts. Several lessons and implications for PSCDP alignment to this theme were drawn:

1. Policy development systems and processes (i.e. institutions, legislation, manuals, terms and conditions of employment, etc) in Timor-Leste are still centralised and substantively at the stage of development and/or early implementation.

2. PSCDP activities are in the main not directly delivering services to districts. However, while currently centralised in Dili, it is anticipated that CSC/CSA/INAP activities will have indirect (and in some cases direct) impact on GoTL service delivery in districts by way of:
 - Professional development of public servants;
 - Better understanding of management and supervision functions; and
 - Better HR, financial and procurement policies and procedures, budget management and execution and policy development.
3. In addition, examples of PSCDP activities in districts include:
 - Support to INAP: training course provided by INAP included Districts staff member of Ministry Agriculture and Fisheries and Mol (Watsan);
 - Support to MoH Community Nutrition directorate: 18 Districts Nutritionists have been put in place in 13 districts including Dili; and
 - Support to MoAF Food Security directorate: one Food Security extension officer and Food Security committees established in each districts.
4. In particular large-scale training-of-trainers, at least in large ministries, appears an appropriate mechanism to expedite training benefits to districts. Ideally trainers should be recruited from district (or Ministries) to tackle social and cultural issue. Alternatively, partnership/s with NGOs at district level to provide trainers and training to districts public servants could be sought.
5. Training modules that have been developed by INAP are applicable to all civil servants in the districts, including those in ministries and future municipalities. However, INAP is not resourced to the level required for the delivery of modules efficiently and expeditiously to districts. GoTL should accept responsibility to resource training needs to districts appropriately without depleting the activities currently underway at the central level.
6. Training workshops alone will not suffice. The delivery of training should be supported by additional methods such as Recall days and Project Study groups together with an institutionalised follow-up process. When district civil servants return from training to their district, there needs to be reinforcement of learning and follow-up to ensure transfer and application of learning to the job takes place.. TA is not appropriate to undertake management supervision of civil servants returning from training. That responsibility should be for immediate supervisors or managers of the trainee. TA could intervene in a mentoring/coaching to those managers and supervisors. This highlights the need for the senior/middle management program to be completed and rolled out at the same time as the existing administrative training, during which managers and supervisors would develop an understanding of their roles and responsibilities regarding staff management and support.

Annex 3 – Table of Modalities

Counterpart Agencies	Act. #	Activities Name	International Advisers	National Advisers	AYAD/Volunteers	Institutional Partnership	Scholarships	Research	Professional Development/ Tertiary Education	Visits & Study Tours	Working Groups	Mentoring & Coaching	Workshops and Symposia	Training	Manuals, Procedures and Good Practices Advices
OPM	ACT039	Policy Advisor	1	1					Aust. Institute of Mgmt		1				
	ACTCSC	Civil Service Commission Adviser (Completed)	1						Aust. Institute of Mgmt		1				CSC Guidelines, Q&A for CSC
	ACTACC	Anti Corruption Specialist (Completed)	1								1				
SoS CoM	ACT015	Senior Mgmt & Policy Adviser (Completed)	1									Yes	1	Language training	Procedures manuals
		Legal Advisers	3	1							Several, per ministry	Yes	1	Language training	Procedures manuals Regulation on legal procedures
		Management Adviser – Translations (Completed)	1									Yes		IT, Languages, Translation	
NDPS/CSC Secretariat	ACT025	HR Adviser (Completed)	1	1	1							Yes			HR Manual. Q&A for new legislation
	ACT051	HR Management Adviser	1	2											
		HR Development Adviser	1												
		Internal Governance Adviser	1												
		Legal And Disciplinary Procedures Adviser	1												
		Senior Adviser to CSC	1												
MoSATO	ACT004	Legal Adviser	1												
MoSATO/ INAP	ACT026	HR&M Adviser (Completed)	1	2		APSC					1	Yes		2 ToT	
		Curriculum Development & Training Adviser (Completed)	3									Yes			
	ACT045	Style Guide Development (Completed)	1	1							1	Yes		1 ToT	Update procedures
MSS	ACT043	Corporate Service Mgmt Adviser	1	1								Yes			

Counterpart Agencies	Act. #	Activities Name	International Advisers	National Advisers	AYAD/Volunteers	Institutional Partnership	Scholarships	Research	Professional Development/ Tertiary Education	Visits & Study Tours	Working Groups	Mentoring & Coaching	Workshops and Symposia	Training	Manuals, Procedures and Good Practices Advises
MoF / MoED	ACT029	2008 National Priorities Secretariat (completed)	1	1											
MoF	ACT050	2009 National Priorities and Aid Effectiveness Adviser	1									Yes			
MoAF	ACT034	Food Security Adviser	1							FS Officer in Bangkok	Several	Yes	FS officers in districts		
	ACT049	Legal Adviser	1									Yes			Procedures for legislation analysis and review
	ACT047	Corporate Services Adviser	1	1								Yes			
MoH	ACT020	Community Nutritionist (Completed)	1	1								Yes			
	ACT014	Global Fund	1									Yes			
TVET	ACT038	TVET x 2 (Completed)	1	2											
MoJ	ACT041	Land & Property Consultant (completed)	1												
MoI	ACT046A	Political Adviser (Completed)	1									Yes			
	ACT046B	National Infrastructure Plan (Completed)	10	1							1	Yes	Several on plan development		
	ACT046C	Corporate Services Adviser	1	1								Yes			
PSCDP	In-house	Policy Protocol (completed)													
	ACT023	Capacity Development for GoTL Senior Officials							MSc.of Int. Mgmnt						
	ACT037	Workshops & Seminars											Several		
	ACT040	Applied research						1 on Decentralisation & Deconcentration							
	Scholarships	Scholarships					30 ADS/NZDS awardees 4 ALAS awardees 1 ACIAR awardee								