

# Timor-Leste Public Sector Capacity Development Program (PSCDP)

## Annual M&E Report 2010

December 2010



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## List of Acronyms

AAP	Annual Action Plan
ACC	Anti Corruption Commission
ACIAR	Australian Centre for International Agricultural Research
ADB	Asian Development Bank
ADS	Australian Development Scholarships
ALA	Australian Leadership Awards
AUD	Australian dollars
AVI	Australian Volunteers International
AYAD	Australian Youth Ambassadors for Development
CBR	Community Based Rehabilitation
CoC	Chamber of Commerce
COM	Council of Ministers
CS	Country Strategy
CSC	Civil Service Commission
DAC	Development Assistance Committee
DFID	UK Department for International Development
DG	Director General
DNAF	National Directorate for Administration and Finance
DS	Disability Service Unit
FAO	Food and Agriculture Organisation
FSIS	Food Security Information System
GoNZ	Government of New Zealand
GoTL	Government of Timor-Leste
GPS	Global Positioning System
HLF	High Level Forum
HR	Human Resources
HRD	Human Resources Development
HRM	Human Resource Management
IELTS	International English Language Testing System
INAP	National Institute for Public Administration
IT	Information Technology
JICA	Japan International Cooperation Agency
LTA	Long Term Adviser
M&E	Monitoring and Evaluation
MCC	Millennium Challenge Corporation
MoAF	Ministry of Agriculture and Fisheries
MoE	Ministry of Education
MoF	Ministry of Finance

MoH	Ministry of Health
Mol	Ministry of Infrastructure
MoSATM	Ministry of State Administration and Territorial Management
MoSS	Ministry of Social Solidarity
MTCI	Ministry of Tourism, Commerce and Industry
NDAE	National Directorate for Aid Effectiveness
NDPEAC	National Directorate for Planning and External Assistance Coordination
NGO	Non Governmental Organisation
NRC	Norwegian Refugee Council
NZAID	New Zealand Agency for International Development
NZDS	New Zealand Development Scholarships
OECD	Organisation for Economic Cooperation and Development
OPM	Office of the Prime Minister
OVP	Office of the Vice Prime Minister
PFMCDP	Public Financial Management Capacity Development Program
PM	Prime Minister
PMF	Program Monitoring Framework
PMG	Program Management Group
PMIS	People Management Information System
PSCDP	Public Sector Capacity Development Program
QDPM	Quarterly Development Partners Meeting
QRM	Quarterly Report Matrix
SEDNA	Secretary of State for Natural Disasters and Social Assistance
SMC	Senior Management Course
SOP	Standard Operating Procedures
SoS	Secretary of State
SoSCOM	Secretary of State for Council of Ministers
STA	Short Term Adviser
TA	Technical Advice
TL	Timor-Leste
TLDP	Timor-Leste Development Partners Meeting
ToR	Terms of Reference
ToT	Training of Trainers
UG	Under Graduate
UN	United Nations
VPM	Vice Prime Minister
WB	World Bank
WFP	World Food Program

# 1. Introduction

## 1.1 Objectives of the report

As detailed in the Timor-Leste Public Sector Capacity Development Program Performance Management Framework, the objective of this annual report is twofold:

1. It provides a summary of the program progress and performance against the 2009/2010 and 2010/2011 Annual Plans;
2. It outlines future considerations for the remainder of the current phase of the program, i.e. from January 2011 – 14 July 2011.

## 1.2 Content of the report

This report analyses the achievements of the Program for the year 2010. It follows the release of the AusAID paper outlining the Proposed Reform of PSCDP to June 2011, which is reflected in the 2010/2011 Annual Plan, and several reviews and design missions aimed at developing the new design for the second phase of the program.

Key findings of the analysis are summarised in the next section. Opportunities and considerations for the remainder of the first phase are presented in Section 3. Additional information and figures supporting the findings and analysis are provided in the Annexes.

## 2. Program Performance in 2010

As defined in the PMF, findings are presented under four Development Assistance Committee (DAC) criteria: relevance, effectiveness, efficiency and sustainability.

### 2.1 Relevance

#### 2.1.1 Overall Program

PSCDP remains highly relevant and is closely aligned with the development priorities of both the Government of Timor-Leste and Australian Government. PSCDP directly contributes to the third objective of the Australia Timor-Leste Country Strategy, which seeks to improve government accountability, transparency and integrity. Specifically it contributes to the intermediate outcome of 'strengthened regulation of civil service recruitment, pay and conditions outlined' through the establishment of a Civil Service Commission and associated work. PSCDP also contributes indirectly to the first and second objectives of the Country Strategy to strengthen basic service delivery and increase employment. Effective service delivery and private sector development both require a functioning system of public administration. Government accountability is also important for the contribution it makes to ensuring that public resources are translated into public goods, and to providing key services and infrastructure which underpin economic development and employment.

PSCDP activities have until recently been divided for contractual, management and administrative purposes into three categories, namely:

- 'Program Activities' – activities supporting Central Agencies which most directly contribute to the establishment of sustainable Civil Service functionality in Timor-Leste;
- 'Additional Initiatives' – ad hoc requests from GoTL to AusAID, primarily targeting line ministries (excluding Corporate Services support which has been captured under 'Program Activities'); and
- Scholarship Management – in the main Australian Development Scholarships (ADS) and Australian Leadership Awards. The Program also manages NZDS on behalf of the GoNZ.

A PSCDP Reform paper developed by AusAID in May 2010 set a new direction for the Program, including the cessation of support to 'Additional Initiatives' and a re-focusing of corporate services support to line-Ministries to concentrate on strengthening HRM functions (with future HRM support to be provided through outreach advisers notionally located within the CSC). As detailed in the 2010/2011 Annual Plan, since 01 July 2010, the five former objectives have been collapsed into the following three objectives:

- Objective 1: To strengthen capacity of personnel, systems and processes of central agencies;
- Objective 2: To support the establishment and implementation of a regulatory framework for the Public Sector, including human resource advice to build line ministry capacity; and
- Objective 3: To enhance the pool of professional skills and knowledge of Timor-Leste through the Scholarships Programs.

The list of 2010 activities shown in Annex 2 reflects this change with a net decrease of support provided to non-central agencies. This strategic shift has also meant that, since 1 July 2010, PSCDP is operating more as a program rather than a more reactive “facility-type” approach. The Program’s shift to be more programmatic and strategic in focus is in keeping with the original design intent and contract for PSCDP.

### **2.1.2 Program Activities**

As detailed in the Annual Plan, PSCDP has refocused its support on central agencies which most directly contribute to the establishment of sustainable and functional Civil Service in Timor-Leste. These include the following institutions:

- **Civil Service Commission (CSC)**

The recently established CSC is the key institution to lead the reform in the public administration with the aim to professionalize and establish an effective and efficient civil service.

- **INAP & Ministry of State Administration and Territorial Management (MoSATM)**

INAP is the government’s primary institution responsible for training civil servants and therefore has the potential to greatly impact on GoTL civil service performance. PSCDP support in INAP is helping to develop appropriate core training materials, and strengthen the management and delivery of training across the civil service.

In MOSATM, PSCDP supports the development and analysis of policy and legislation as required by the ministry mandate, including decentralisation, local authorities and electoral laws. In addition, a new governance policy advisory position was established and commenced in early October to help support the GoTL’s ongoing administrative reform efforts.

- **Anti-Corruption Commission (ACC)**

An informal arrangement has enabled PSCDP to support the establishment of the new Anti-Corruption Commission in 2010. PSCDP support has helped to establish the legislative basis for the ACC and the initial recruitment of its staff. Since this informal PSCDP support is coming to an end, other donors (principally MCC) are expected to provide ongoing support.

- **Office of the Prime Minister (OPM)**

The adviser role in OPM was designed to provide support to the three key priority initiatives announced by the PM for the Year of Administrative Reform, including the establishment of the CSC and Anti-Corruption Commission. With those institutions both substantively established and operating (albeit at early stages) this support has taken on more of an administrative/coordination/liaison type role, in particular in support of initiatives emanating out of the State Government of Victoria.

- **Office of the Vice Prime Minister (OVPM)**

PSCDP support to OVPM was strongly linked to Prime Minister's administrative reform program, announced in 2008. The Vice-Prime Minister played an important role in enhancing transparency and good-governance in Timor-Leste, with specific responsibility for the activities of the Inspector-General and government audit; supervision of administrative reform; inter-ministerial coordination; infrastructure oversight; and cooperation and coordination with the Anti-Corruption Commission and Civil Service Commission respectively. This activity was terminated early due to the resignation of the Vice Prime Minister on 6 September and his subsequent departure from office on 20 September 2010. The Prime Minister announced his decision to not replace the VPM and consequently close the office.

- **Ministry of Finance (MoF)**

PSCDP support to the MoF National Planning Secretariat and National Aid Effectiveness Directorate is directly in line with the principles of the Paris Declaration and Accra Agenda for Action. Australian support is helping GoTL to strengthen its capacity to effectively set the development agenda, coordinate aid donors and contribute to global policy debates on aid effectiveness in fragile states. It should be noted the actual funding of this support is from alternate sources via AusAID, Canberra (the Fragility and Conflict Unit) and is not a draw on the Program imprest account.

### **2.1.3 Corporate Services Support**

PSCDP provided support to select line ministries (MoAF, MoSS and MoI) to strengthen their corporate support functions. This support was intended to help cushion the impact of the World Bank's decision to withdraw finance advisory support from line ministries (under PFMCDP), to help agencies manage delegation of additional procurement responsibilities, and to help address HRM challenges. In keeping with PSCDP's new direction and revised outcome structure, future support to line ministries will have a sharper focus on strengthening HR functions and implementation of policy through adviser outreach support from CSC.

### **2.1.4 Additional Initiatives**

PSCDP provided support to a number of residual additional initiatives during the reporting period. Following an AusAID policy paper to refocus PSCDP, support for additional initiatives has now been phased out. Residual activities still active during the reporting period included:

**Ministry of Agriculture and Fisheries (MoAF)** – Support for food security, which was identified as the second priority of GoTL's National Priorities for 2010.

- **Ministry of Social Solidarity (MoSS)**

In addition to Corporate Services advisory support, the Program provided a Community Based Rehabilitation (CBR) National adviser and a Disabilities Policy adviser to support the development of a National Strategy for Community Based Rehabilitation, draft Disabilities policy and referral systems.



### **2.1.5 Scholarships**

PSCDP has continued to manage the Australian Development Scholarships (ADS) and Australian Leadership Awards, which represent a key component of Australia's support for national capacity development. PSCDP also manages the New Zealand Development Scholarships on behalf of the New Zealand Government.

## **2.2 Effectiveness**

Findings on the effectiveness of program achievements are presented below per categories of activities, i.e. Program Activities, Corporate Services Support, Additional Initiatives (all of which have ceased although some were active in the course of the reporting period) and Scholarships.

### **2.2.1 Program Activities**

#### ***Support to Civil Service Commission***

PSCDP has played an instrumental role in helping establish both the Civil Service Commission (CSC) and Anti-Corruption Commission (ACC). Both of these institutions are still very young and it is too early to judge their effectiveness or broader impact on civil service reform. Even so, there has been significant progress and many early achievements since the CSC was first established in July 2009. Key achievements of the CSC in its first year of operation include:

- Development of the legislative framework to establish the Civil Service Commission and its powers. Standing orders for the CSC and the organic structure of its Secretariat have also been approved.
- The full board of Civil Service Commissioners (five members) has been appointed, and recruitment of CSC secretariat staff is also well advanced (more than 50 out of 75 vacant positions now filled). Management within the Secretariat has been strengthened with the recent appointment of three remaining National Directors – the full Secretariat executive is now in place.
- Regular CSC meetings, as well as a proper mechanism to issue decisions and guidelines in accordance with the law, have been established.
- CSC has produced a five year Strategic Plan, contributed to the national priorities process and made its first Annual Report to Parliament. Although the Annual Report was substantially prepared by international advisers, a number of key secretariat staff now understands basic project planning and implementation as well as the tasks required to produce the Annual Report. The report to Parliament was led by the President of the Commission.
- A new interagency consultative committee has been established which is helping to inform development and dissemination of new CSC policy on training and development across line

ministries. This mechanism has already been used to successfully discuss and progress training and development matters, in particular the Training and Development Framework.

- CSC staff are now able to explain the different functions and responsibilities of the Commission and the Secretariat. Information and consultation sessions on the role of the CSC have also been held in some districts.
- PSCDP helped the government address the challenges created by the significant growth in the temporary employees by developing a policy on the conversion of temporary employees to permanent civil servants. Implementation of this policy has commenced.
- A review of the career regime has been undertaken, with the aim of standardizing the approach across the government. An approved process with respect to approving special career regimes has been developed, submitted to COM and referred to a sub-committee for further consideration.
- A review of civil service allowances has been completed, with the aim of introducing greater consistency in the application of allowances across the civil service – CoM has approved and implementation has commenced.
- CSC has successfully resolved just over half of the disciplinary cases (58 out of 107 cases) submitted to the Directorate of Discipline.<sup>1</sup>
- New policies, including a Training and Development Framework, and Scholarships and Study Assistance policies have been developed. Policy development on orientation, induction and core training is also underway. The program is also working to link up INAP training programs to the Training and Development Framework. Once implemented, these policies will help strategically guide human resource development across the civil service.
- Several new systems and procedures (eg. records management, commission papers, meeting procedures) have been developed, together with new templates to support and publish Commission decisions, such as agendas, minutes, briefing papers etc. These are expected to help staff apply new policies and procedures consistently.
- Counterparts are actively engaging in policy decisions and using the policy development process model developed by the Program. For example, counterparts have undertaken a review of scholarship management and in-country study opportunities across the civil service.

### ***Support to INAP***

PSCDP program support to INAP has focused on developing core training modules and building the capacity of training staff to conduct training. Significant achievements include:

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- <sup>1</sup> Decisions to date have dealt with issues such as termination for abandonment of job; fine; short / long term suspension; termination etc. Key statistics: 24 - terminations; 9 – acquitted; 5 – reprehension; 1 – fine; 4 - suspension (short term); 8 - inactivity (long term suspension); 2 - appeals granted; 2 - appeals denied; 3 - preventive suspension.

- A total of 14 contextualised and high quality training modules and materials covering core skills in administration and senior management have been developed in Tetum. According to a recent independent review: “there is now an excellent suite of training modules, which INAP staff are using frequently”.
- The Senior Management Course was successfully piloted between February and June 2010. The pilot drew on local expert resource persons/trainers (mostly senior Timorese government officials) who helped deliver the modules and provided expert advice during the training.
- New M&E tools have been developed, and trialled with the senior management course and administrative training (conducted in two districts). The use of M&E assessment tools has helped to strengthen the ability of INAP trainers to identify gaps in training and delivery approach.
- A stock take and mapping exercise has been undertaken to identify available training modules and map these to the government’s Learning and Development Framework. PSCDP advisors also supported meetings and workshops with CSC on the draft Training and Development Framework.
- Meetings between counterparts in CSC and INAP have resulted in the Director of INAP making a presentation to the Training and Development Inter-Agency Consultative Committee in August outlining the future possibilities for management training in the Public Administration of Timor-Leste. A recent review found that INAP was able to respond in some way to the career regime training requirements because of PSCDP assistance.
- A Training Resource Manual which consolidates the outputs from other capacity building activities, other than the training modules, has been developed. The manual includes training tools, activities, procedures and processes which could be used by INAP managers and trainers in their future work.
- A series of capacity building workshops were run with counterparts on topics such as “management by walking around”. These workshops resulted in a marked increase in INAP campus cleanliness and facility presentation. Even so, the findings of the recent INAP review suggest that management skills would benefit from further strengthening.
- As part of a broader strategy to increase training skills (both within INAP and across the civil service), PSCDP has funded 20 participants to complete Certificate IV in Workplace Training and Assessment. Certificate IV is an internationally recognised formal qualification in “training of trainers”. This program was made available to INAP staff, CSC staff and to selected staff from line Ministries. Certificate IV training has helped to strengthen the skills of INAP’s trainers to deliver core training to civil servants and evaluate training course delivery. Certificate IV training has also helped to establish a pool of qualified professional trainers within GoTL who can support, where appropriate, delivery of induction and orientation programs within line ministries. Importantly, the course has received excellent reviews from those who attended and there is a demand for more of these courses to be

funded in the future. Plans are afoot to conduct another two programs before the end of the Phase I of the Program.

### ***Support to MOSATM***

- The Organic Law of MoSATM was reviewed and sent to the Council of Ministers (CoM) for approval. The review clarifies roles and responsibilities and takes into account recommendations of the (former) Vice Prime-Minister on anti-corruption. Once approved, the new Organic Law is expected to better adapt MoSATM's mission to the Government's policies, practices and objectives.
- Four resolutions of the Government have been developed and presented by MoSATM, and approved by the CoM. Some resolutions are expected to contribute to improved efficiency, effectiveness and performance of the civil service (eg. changing the day of compulsory rubbish collection to Saturday so that civil servants are not required to leave their post to collect rubbish during working hours)
- Many subsidiary regulations on the decentralization process have been drafted and almost finished, although due to political changes, all regulations will need to be changed. Internal regulations have been developed which aim to address issues such as anti-corruption, transparency and correct management of public funding (e.g., Procurement Unit within the Ministry, reinforcement of the General Inspector and DG's competencies, rules to control National Directorates' financial expenditures and budgeting). These changes are expected to bring more coordination, efficiency, effectiveness, accountability and transparency to the Ministry's performance and expenditure.
- PSCDP is currently in the process of recruiting two national legal interns, one of whom will work closely with the MOSATM legal adviser. In the longer term, it is hoped that these legal interns will be offered permanent positions within the civil service, thereby contributing to the development of sustainable legal capacity within the GoTL, and reducing the reliance on in-line international advisory assistance.

### ***Support to Office of Prime Minister***

Advisory support in 2010 has helped to facilitate support for a range of initiatives including:

- An initial scoping study for the development of a drainage and sanitation master plan for Dili. Once implemented, the plan is expected to reduce flooding of low lying areas, improve sanitation and contribute to better health outcomes.
- A study tour on the Australian superannuation/taxation system and the organisation of visits by Australian superannuation experts. Expert advice on superannuation is expected to lead to better outcomes under any future superannuation scheme established in Timor-Leste (eg. GoTL is now considering development of a contributory scheme);
- Engagement with Victorian Minister for Transport on development of a traffic management plan;

- Support for the Balibo Fort accommodation project, including fund-raising and securing a lease for the site. Around one quarter of target funding has been raised to date (\$70,000 out of \$300,000). The development of the Balibo fort accommodation initiative is expected to contribute to local tourism;
- Establishment of Timor-Leste's first united Chamber of Commerce. The new Chamber of Commerce is expected to increase opportunities for local businesses to compete in the global market and influence the development of policies which are conducive to private sector development. The GoTL has provided a \$200,000 grant to support the operational expenses of the new CoC in its first year;
- Helping to facilitate relationships between the OPM and Australian government, and between the Prime Minister and Steve Bracks.

#### ***Support to Anti-Corruption Commission***

- By way of an informal arrangement, PSCDP supported the Anti-Corruption Commission to recruit new staff. Progress has been slower than hoped due to initial recruitment bottlenecks within the CSC. Recruitment has now been delegated to the ACC. By the end of November, it is anticipated that 28 out of 36 staff will be recruited and in place, including nine (9) investigators who were recently appointed.
- In addition, PSCDP support has helped to support the development of funding proposals to seek other donor funding (MCC funds). PSCDP advisory support helped develop a \$1.4m proposal to leverage MCC funding (of which \$700,000 is expected to benefit the ACC). A final decision on funding is expected in December 2010.

#### ***Support to OVPM***

- Prior to the closure of the activity, the VPM's Office had made steady progress and provided significant policy input on a range of issues relevant to public sector reform. For instance, the OVPM had undertaken preparatory activities to establish procurement institutions and provide advice and policy on procurement processes, reform and appeals.
- The VPM also provided policy advice on several civil service reform issues to the Council of Ministers, resulting in Council of Ministers' recommending further engagement of the VPM in this area going forward. These included, for example, policy advice on developing a workforce strategy for the civil service, addressing recruitment bottlenecks, and concerns over engagement of civil servants under the goods and services budget. A process was also commenced to enable formal engagement of the Vice Prime Minister in decentralization policy to support the Ministry of State Administration and Territorial Management with high level coordination activities.
- Council of Ministers approved Government Resolution 11/2010 on the National Anti Corruption Policy in Public Administration on 18 February. The resolution lists the activities to be undertaken across the Government to prevent and reduce corruption. The Vice Prime Minister launched a National Anti Corruption Forum to support communication

between civil society and government on issues of anti corruption along with three working groups to provide focused attention to specific issues.

- The Office was hampered, however, by a lack of adequate resources (particularly in the area of procurement management). The lack of sufficient resources to deal with procurement left the OVPD vulnerable to criticism, and eventually led to a loss of confidence, resignation of the VPM and closure of the office. Another key constraint was the significant number of civil service policies, processes and challenges with limited available resources to address them.
- PSCDP advisory support helped facilitate the orderly closure of the VPM's office, including preparation of final documentation to support any future transfer of functions to other government departments, help ensure staff redundancies were handled fairly and ensure an effective audit trail.

### ***Support to MoF - National Planning Secretariat and Aid Effectiveness Directorate***

As illustrated in Case Study 1 presented in Annex 5, PSCDP support in 2010 has contributed to the following achievements:

- Establishment and strengthening of the National Aid Effectiveness Directorate (NDAE) within the Ministry of Finance. The National Aid Effectiveness Directorate is now playing a lead role in a number of areas to strengthen aid effectiveness and donor coordination in Timor-Leste, including:
  - Coordinating the Government's National Priorities process;
  - Supporting the quarterly Donor Partner Meetings;
  - Collating and analyzing data on donor aid flows in order to better link these to the national budget process; and
  - Facilitating Timor-Leste's leadership and contribution to major international policy debates on aid effectiveness.
- PSCDP supported GoTL to host the International Dialogue on Peace-building and State-building in April, which was very well received with more than 100 delegates from 40 countries attending the meeting, along with representatives from the United Nations, Asian Development Bank, World Bank and the Organisation for Economic Cooperation and Development (OECD), and a group of 30 mostly high-income donor nations. The Dialogue broke new ground as the first global platform to give fragile states a voice on issues surrounding aid effectiveness. The Dialogue produced the landmark Dili Declaration, which identifies seven goals for peace-building and state-building, together with concrete commitments for governments and international assistance to improve support in these processes.
- The Dialogue also heralded the establishment of the g7+ group, which has come together to share their experiences and build consensus on development responses that are both effective and tailored to the context of conflict-affected and fragile states. The purpose of the group is to:

- Promote urgent reforms on global policy
- Encourage better international partnerships by implementing and influencing global policy
- Change the way international actors engage with and in fragile and conflict affected nations, and
- Achieve formal recognition and become engaged in global dialogue in which g7+ countries and regions have traditionally been exempt.

## **2.2.2 Corporate Services Support**

### ***Ministry of Agriculture and Fisheries (MoAF)***

PSCDP support in the MoAF corporate services area has contributed to the following achievements:

- Establishment of a new HR Department and appointment of 11 new HR staff (plus the Chief of Department). HR staff have begun to show a strong team approach and are working together with a common focus.
- Training of HR staff has been conducted in key aspects of HR, including PMIS. In addition PSCDP facilitated selection of staff to attend training, with 53 senior administration staff identified across all directorates and districts trained in core administration skills.
- The filing system has been strengthened and a secure storage room set aside. In the future, vital information on all staff will be retained in a secure and confidential manner, and will also be more easily retrieved using a database. Once fully implemented, the new filing system and personnel files will ensure important records are no longer lost and the Ministry can meet audit requirements.
- A new timesheet system to monitor staff presence has been introduced, including tools and training managers in their use. An immediate reduction in unauthorised time off was evident in trials has been sustained for over four months. The new system has strong support from senior management and is being promoted as a model for other departments.
- A proposed new car and motor bikes management policy was developed - the first of its kind in the Civil Service – with the aim of ensuring the department's 552 vehicles are better managed and private use eliminated. If implemented, the policy has the potential to save the Ministry significant costs and free up vehicles. The Ministry of Finance, who has the mandate for State asset management, has viewed the policy and expressed interest in adopting it as a national model. While the Minister has agreed to make the policy a decree for planned implementation in 2011, it is yet to be signed and there are indications there may be some resistance from MoAF management staff who will lose some of their vehicle privileges, if the policy is implemented.

### ***Ministry of Social Solidarity (MoSS)***

Achievements in MoSS in 2010 have included:

- Visible improvement in the performance of the National Directorate for Administration and Finance (DNAF). A review of the organisational structure helped to clarify roles and responsibilities, improve lines of communication, and create dedicated departments in the areas of finance, procurement, planning, HR and Administration. Job descriptions, SOPs have also been developed and implemented
- The management team of DNAF took on board proposed recommendations. Advisory support ensured that the solutions offered were contextualized to the needs of the directorate, which helped ensure strong ownership of changes.

### ***Ministry of Infrastructure (Mol)***

The National Adviser provided critical support to the Director General of Corporate Services, including development of job descriptions for new HR and Procurement staff.

## **2.2.3 Additional Initiatives**

PSCDP provided support to a number of residual “additional initiatives” during the reporting period. Following an AusAID policy paper to refocus PSCDP, support for additional initiatives has now been phased out. Key achievements in 2010 include:

***Ministry of Agriculture and Fisheries (MoAF)*** – Development of a Food Security Monitoring System which is expected to strengthen efforts to monitor and address food security issues.

Development of 2 critical decree laws for the Livestock area, namely: (1) Decree Law for Slaughterhouses and (2) Decree Law for Registration of Animals, as well as all the relevant power-point presentations and official notes to the Council of Ministers.

***Ministry of Social Solidarity (MoSS)*** – Support to develop a National Strategy for Community Based Rehabilitation, draft Disability Strategy and appropriate referral systems.

***Secretary of State for Council of Ministers (SoSCOM)*** – Support to develop legislative procedures and legal drafting rules with the aim of progressively standardising the Timorese legal framework.

Annex 3 provides further information on “additional initiatives” that were active during the reporting period.

## **2.2.4 Scholarships**

PSCDP has undertaken significant marketing program throughout the country in 2010 to advertise the Scholarships programs it manages. As illustrated in the tables below, improved marketing has resulted in a substantial increase in eligible applicants, improved representation from rural districts, and a significant increase in the number of annual ADS scholarships (from around 8 scholarships in 2001 to at least 30 scholarships recipients in 2010).



***Scholarships expressions of interest and applications - 2010 Overall***

<b>Intake</b>	<b>No of ADS awards</b>	<b>No of NZDS awards</b>	<b>No of interested applicants</b>	<b>Eligible to apply</b>	<b>Submitted applications</b>	<b>Sat for IELTS</b>
<b>2007</b>	8 *	3 *	868	460	264	66
<b>2008</b>	12	6	848	516	253	66
<b>2009</b>	20	10	1150	852	451	90
<b>2010</b>	20	10	1300	997	526	90
<b>2011</b>	30	10	980	840	389	120

\* Due to quality of applications and representation made by PSCDP, the number of awards was increased to 12 ADS and 6 NZDS

***Scholarships expressions of interest by districts – 2011 Intake***

<b>No.</b>	<b>Districts</b>	<b>PhD F</b>	<b>PhD M</b>	<b>PG M</b>	<b>PG F</b>	<b>UG M</b>	<b>UG F</b>	<b>Total per Districts</b>
1	Dili	3	5	60	30	54	38	190
2	Baucau	2	2	45	23	48	30	150
3	Bobonaro	1	1	25	10	49	18	104
4	Lospalos	0	0	14	7	26	16	63
5	Viqueque	1	0	14	5	26	10	56
6	Manufahi	0	0	2	2	20	18	42
7	Covalima	0	0	10	6	25	15	56
8	Ainaro	0	0	5	3	16	11	35
9	Aileu	0	0	4	3	20	8	35
10	Liquiça	0	0	4	2	20	12	38
11	Manatuto	0	0	6	4	26	8	44
12	Ermera	0	1	18	8	58	18	103
13	Oe-cusse	0	0	10	4	38	12	64
<b>Total</b>		<b>7</b>	<b>9</b>	<b>217</b>	<b>107</b>	<b>426</b>	<b>214</b>	<b>980</b>

### ***Scholarships are contributing to Timor-Leste's leadership***

Scholarships play a strategic role in building capacity and a stronger civil service. While it is difficult to quantify the impact that scholarships have on capacity building, many former ADS and NZDS graduates are making an important contribution to national development, with many taking up senior positions within government and the private sector. The following table gives some indication of the contribution former ADS and NZDS alumni are making to Timor-Leste's leadership.

#### ***Distinguished ADS and NZDS Alumni***

<b>Distinguished Alumni</b>	<b>Position held</b>
H.E Mr. Nelson Martins	Minister of Health
H.E. Mrs. Madalena Hanjam	Vice Minister of Health
H. E. Mr. Pedro Lay	Minister of Infrastructure
H.E. Mr. Joao Cancio Freitas	Minister of Education
H.E. Mr. Marcos da Cruz	Secretary of State for Agriculture and Arboriculture
H.E. Mr. Valentino Varela	Secretary of State for Livestock
Mr. Apolinario Magno	Director General, Ministry of Education
Mr. Lourenco Fontes	Director General, Ministry of Agriculture and Fisheries
Mr. Carlito Martins	Director General, Ministry of State Administration and Territorial Management
Mrs. Angelina Baptista	Director of Health Safety Environment, National Petroleum Authority
Mr. Gualdino do Carmo da Silva	President of National Petroleum Authority
Ms. Cipriana de Sousa	Auditor, National Petroleum Authority
Mr. Emanuel Angelo Lay	Director of Commerce, National Petroleum Authority
Mr. Jose Goncalves	Director JPDA, National Petroleum Authority
Mr. Rui Soares	Director of Exploration and Production, National Petroleum Authority
Mr. Mateus da Costa	Director of Acreage Release, National Petroleum Authority
Mr. Miguel Pereira de Carvalho	Director of Local Development and Territorial Management, Ministry of State Administration and Territorial Management
Ms. Francisca Flora Baptista	International and Market Manager, ANZ
Mr. Marcus Amaral	Dean of Faculty of Education, East Timor National University
Mr. Benjamin Corte - Real	Former Rector of East Timor National University

Each year the Program produces the following four reports to AusAID:

- Annual Statistics report (January)
- ADS/NZDS Selection Process and Result report (February)
- Annual Student Progress report (April)
- Pre-departure briefing report (May)

## **2.2.5 General Constraints to Achieving Objectives**

In acknowledging the achievements of the Program, it is not to suggest that there have not been many and varied constraints and issues arising that have impacted on the Program delivering outcomes to the level anticipated nor to within the time lines originally proposed. Some examples of these constraints follow:

- There are certain requirements specified in CoM protocols but no one applies those requirements prior to accepting submissions for CoM consideration. Even allowing for this breakdown in complying with the protocols, it would be reasonable to assume that institutions (such as CSC) would want to remove themselves from future criticism where decisions made are not properly costed and/or budgeted for – this would involve engagement, consultation and sharing information with MoF – something CSC seems very reluctant to do and vice versa. The Program continues to strongly recommend appropriate consultation by way of a Program designed policy development cycle and verbally. This also seems to apply across all Ministries/Agencies etc – there is a general lack of coordination/consultation and being seen as part of a broader Government.
- There were a number of opportunities for the Program to influence better cooperation and consultation across central agencies and Ministries through the support being provided to the Vice Prime Minister. This was particularly encouraging in view of the above comments. In addition the VPM's participation and Chairing of the PMG lifted the level of debate and highlighted issues that might not have been canvassed other than for his involvement. The VPM's sudden resignation significantly impacted on both the level of debate at PMG and sound practices of consultation and cooperation between central agencies that he was initiating – one example being the consideration of a proposed allowance regime by CSC, MoF, some representatives of Ministries and the VPM.
- The total lack of discipline in applying agreed systems and procedures surrounding matters being considered by CoM continues to be an issue of concern. Again this was a matter high on the VPM's agenda to such an extent that the Program, at his invitation, prepared ToR for a Senior Management Adviser/Cabinet Secretariat TA position, which was included in the Program 2010 Annual Plan. This proposal was politically sensitive, was previously discussed with and offered to the SoS COM. It is considered, that with the resignation of the VPM, this TA proposal will not be taken up as a priority by the GoTL.
- The legal system (or lack thereof). There are numerous examples where Ministries bring matters to CoM which should be brought by another institution (e.g. special career regimes from any number of Ministries). From a common law perspective it seems incongruous that other Ministers can bring laws to CoM which affect delegations or policy on matters which are the legislative responsibility of another

Ministers - or in the case of the CSC law/functions the PM. The Program has raised this issue on numerous occasions with legal advisers with resultant limited interest – in fact their position is that ‘Ministers can bring anything they want to CoM – it is up for CoM to decide if it is OK’. The lack of discipline of CoM and genuine consultation (both mentioned above) only exacerbates the problems caused by this lackadaisical approach to maintaining control on jurisdictional responsibilities.

- The casual (almost accidental) way in which prior legislation is ‘revoked’ makes it difficult if not impossible for any decision maker or legislator to be certain as the currency of any legislation that they are administering or reviewing.
- There is a general perception that once a decree law is gazetted (in Portuguese) then the new/revised policy is implemented. In most cases the relevant institution then moves on to the next issue. For example, the CSC responded to CoM priorities by developing policies on transition of temporaries to permanent status and allowances. Once approved the CSC has devoted almost their entire attention (including most of the Secretariat staff) to reducing the backlog of recruitment and selection exercises. The Program has developed a simple (yet effective, if applied properly) tool for policy ‘implementation’ - much like the policy development cycle mentioned above- but without the Program actually driving the recommended processes these matters would be allowed to float and the effective date would arrive and little in the way of implementation would have been achieved. For example, the allowance regime takes effect on 1 January – yet Ministries would be unaware of its content – there are increases in allowances for overtime, per diems and transfers and new allowances for shift and isolation – all of which will have an effect on Ministry budgets, individual civil servants’ entitlements and require amendments to systems, procedures and processing of such claims by payroll.

## 2.2.6 Joint Review of Adviser Positions

- The most recent Annual Plan highlighted a paper developed by AusAID (after significant discussions with the Program Management) - **Proposed Reform of PSCDP to June 2011** – which set a new direction for the Program through to July 2011, including the cessation of support to ‘Additional Initiatives’. To a certain extent, this paper and the Annual Plan pre-empted the Joint Review of Adviser Positions funded by the Australian Aid Program in Timor-Leste. The Program has significantly reduced the number of TA engaged on the Program.
- The Program and a range of counterparts contributed to the Review. It is of particular interest to note that the Review singled out PSCDP for mention on two separate occasions – highlighting sound management practice adopted by PSCDP in regard to adviser management and flagging some other projects as requiring improvements and positively contrasting the work and relationships with counterparts of PSCDP advisers in MoAF with advisers from another program.
- Analysis of the Review show all recommendations relate to AusAID and/or RDTL (one recommendation goes so far as to say *AusAID should not delegate discussions with RDTL about senior adviser positions to implementing partners.*
- One recommendation relates to Tetun language training – the Program makes certain recommendations regarding additional language training at page 32 of this Report.

- As the Review outcomes have been agreed between AusAID and RDTL there are a number of things outstanding that AusAID needs to address, including:
  - An exit strategy for the TA positions to be phased out
  - Until a cross government co-ordination function (yet to be determined) is clarified AusAID will work closely with relevant RDTL authorities to improve the use of advisers in the aid program by integrating good practice into existing processes of priority setting, program design and planning, and monitoring and review. This will require the development of shared guidelines to be completed in the first quarter of 2011
  - The development of a 'business case template' to consider adviser positions.

PSCDP will continue to work closely with AusAID and RDTL to support the implementation of the recommendations of the Review. For example, the Program previously developed a checklist template for AusAID to consider 'Additional Initiative' request from GoTL - this document and process might well be a reasonable starting point for the proposed development of a 'business case template'.

## 2.3 Efficiency

Findings on the program's efficiency include the following issues:

- The program governance structure;
- The program management systems and processes;
- The use of different modalities to deliver support;
- PSCDP complementarity/coordination with other donors' activities.

### 2.3.1 Program Governance

PSCDP is governed by a Program Management Committee, which includes representatives of GoTL and AusAID. The committee is chaired by a senior representative of GoTL. In 2010, PMG committee members consisted of the Vice-Prime Minister (Chair), Secretary of State for Administrative Reform, President of the Civil Service Commission and a senior AusAID representative. With the closure of the VPM's office, committee membership has been reduced to three (two remaining GoTL representatives and the AusAID representative). The Program is currently considering additional membership to the PMG to replace the VPM.

### 2.3.2 Program Management

The recruitment of a new Activity Manager and Capacity Development Adviser mid-2010 has strengthened the capacity of PSCDP management team to effectively manage and monitor performance of the range of activities it covers, while transitioning its support towards a new focus on central agencies. In terms of recruitment, a strong emphasis is placed on assessing potential candidates' experience and approach to both capacity development and team work (assessed through both interview and thorough referee checks). On a number of occasions, PSCDP has re-advertised adviser positions rather than appoint applicants who were not

considered to meet the selection criteria to a satisfactory level. In other cases, PSCDP has appropriately addressed matters of poor performance or breaches of the Code of Conduct by some Advisers.

PSCDP have also instituted more active monitoring of adviser progress on capacity development, with one-to-one reviews of adviser progress and forward work plans conducted every six months with the PSCDP management team. The methodology for capturing adviser performance information has also been simplified to improve the quality of information, and better identify and address any constraints to achieving effective capacity development. Refinements to adviser work planning and reporting have also helped sharpen the focus on outcomes. The PSCDP management team ensures there is effective communication sharing between advisers working across different agencies on inter-related issues.

On resignation of a CSC HRM Adviser the Program was able to expeditiously source two short term HRM Advisers (both of whom had been previously successful in merit based recruitment exercises) to meet priority activities before the CSC as determined by CoM decisions (i.e. transition of temporary staff to permanent status, procedures to manage requests for special career regimes and whole of service allowances).

### 2.3.3 Modalities of support

Low levels of capacity within the civil service continue to pose a constraint to development. As a result, there are continued requests from the GoTL for donors to fund technical advice. While TA is the form of support the GoTL most often demands, international experience suggests that TA is rarely successful when provided in isolation. As illustrated in the tables below (and in greater detail in Annex 4), PSCDP has worked hard to address this by pursuing many different avenues to broaden out the forms of support provided under the program.

#### *Expenditure by form of aid (\$)*

<b>Expenditure (\$m)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11 (estimate)</b>
<b>Technical assistance (of which):</b>	<b>\$3,008,230</b>	<b>\$3,814,521</b>	<b>\$5,403,466</b>	<b>\$3,381,730</b>	<b>\$2,913,779</b>
- <i>International Advisers</i>					\$2,705,444
- <i>National Advisers</i>					\$208,335
<b>Other non-TA (of which):</b>				<b>\$46,854</b>	<b>\$654,300</b>
- <i>INAP refurbishment</i>					\$265,000
- <i>INAP training positions</i>					\$50,000
- <i>Cert IV training</i>					\$50,000
- <i>Government Internship program</i>					\$70,000
- <i>Distance Education Initiative</i>					\$142,500

- Research / review				\$46,854	\$76,800
<b>Scholarships (ADS, ALAs)</b>	<b>\$1,571,408</b>	<b>\$1,519,922</b>	<b>\$1,412,724</b>	<b>\$2,222,933</b>	<b>\$2,974,186</b>
- Value of ADS Scholarships	\$1,571,408	\$1,519,922	\$1,412,724	\$2,222,933	\$2,889,813
- ADS management costs					\$84,373
<b>TOTAL</b>	<b>\$4,579,638</b>	<b>\$5,334,443</b>	<b>\$6,816,190</b>	<b>\$5,651,517</b>	<b>\$6,542,266</b>

***Expenditure by form of aid (% of total)***

<b>Expenditure (as % of total)</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11 (estimate)</b>
<b>Technical assistance</b>	65.7%	71.5%	79.3%	59.8%	44.5%
<b>Other non-TA</b>				0.8%	10.0%
<b>Scholarships (ADS, ALAs)</b>	34.3%	28.5%	20.7%	39.3%	45.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

As the tables on the preceding page clearly show, support provided as TA has been steadily declining (technical assistance now accounts for less than half of all expenditure on capacity building activities). The program is also actively promoting new complementary forms of assistance other than TA. These are outlined below.

- ***National advisers***

National advisers have been critical to the success of PSCDP. As pointed out in the previous M&E report they are essential to overcome language barriers, and equipped with better understanding of political / cultural nuances and context. There have been many examples where national advisers have been able to smooth the progress of new policies by effectively navigating government decision making process and influencing decision-making. In particular, the coupling of an international adviser with a national adviser has proven in many cases very effective in delivering contextualized technical assistance. While the risk to attract best and brightest individuals as national advisers away from government is real (capacity stripping), the long-term benefit of building up a cadre of future local consulting expertise diminishes this risk. The Program recently held a workshop to identify opportunities to use national advisers even more strategically in the future. One such opportunity will be to draw on national advisers to assist with dissemination of information on new CSC policies across government.

- ***Development of training modules***

PSCDP has worked with the government's leading training institute, INAP, to develop 14 locally contextualised training modules in Tetun. These modules cover key issues such as financial management, HR, code of conduct, and are now being successfully delivered to civil servants by INAP's trainers.

- ***Vocational training (training of trainers)***

Certificate IV in Training and Assessment was provided to 17 national counterparts and 3 national advisers, with 2 further courses in the pipeline. The purpose of the training is to provide GoTL counterparts with internationally accredited qualifications in training. This is expected to raise the profile and credibility of INAP – the government’s national training institution – and strengthen the skills of Timorese counterparts to deliver training programs and support professional development across the civil service.

- ***Supporting representatives from the Civil Service Commission to attend relevant international conferences***

PSCDP supported four representatives from the CSC to attend the Pacific Civil Service Commissioner’s conference in Vanuatu, together with a side trip to learn about latest developments in the Queensland Civil Service Commission. Representatives from Timor-Leste included the President, two of the Commissioners, and one National Director. The Pacific Civil Service Commissioners conference included representatives from 15 pacific nations. The conference provided delegates with an important opportunity to discuss some of the strategic issues for public services in the region, share their experiences and knowledge, facilitate ongoing support networks and relationships, bring together resources and avoid duplication of effort. A range of issues were explored at the conference, including: “changing patterns of leadership and its influences on public services”; the need to perform with accountability and transparency; and the need to improve service delivery. The presentation by the Queensland Civil Service Commission provided delegates with information on a range of key topics, including: workforce policy and planning; ethics and integrity; managing senior executive recruitment, development and performance; leadership and development; and appeals processes.

- ***Research***

PSCDP has funded research into “Public Service Commissions in Post-Conflict Fragile State Contexts: Barriers and Pathways to Success”. The research identifies barriers and pathways to success in the establishment of and support to public service commissions in post-conflict and fragile state contexts, and highlights good practices that have recorded a measure of success elsewhere. This research is being used to help guide AusAID’s decision making on future support to modernisation of the Timor Leste public service.

- ***Transitional salary supplementation***

A good example of PSCDP’s support in this area is the proposed engagement of additional training positions within INAP. INAP’s capacity to deliver training is currently hamstrung by a lack of qualified trainers and staff mobility issues. Several of INAP’s staff are engaged on temporary or contract basis, which poses risks to the sustainability of PSCDP program support. More broadly, staff mobility and vacancies are pervasive problems across the civil service, further underscoring the need to have a strong national training institution able to train new staff. In response, PSCDP is proposing to significantly boost INAP’s training capacity by funding six ‘permanent’ training positions. Positions will be recruited through GoTL systems, with initial seed funding provided by PSCDP. Funding for the positions is expected to be progressively absorbed within the GoTL budget over the next 24 months.



- ***Legal internships***

The Government of Timor-Leste continues to be heavily reliant on international staff to perform in-line functions in the legal sector. To respond to this challenge, PSCDP is engaging two Timorese legal interns who will work together with current PSCDP Legal Advisers in CSC and MoSATM. This opportunity will provide interns with practical on-the-job experience and enable them to apply their education and knowledge of the law while under the mentorship and direction of experienced international legal adviser. It is expected that the Government of Timor-Leste will assume responsibility for the positions after a 12 months period. It is hoped that this approach will lead to the development of sustainable legal skills within government.

- ***Government Graduate Internship Program***

The innovative new Government Graduate Internship Program will support recent graduates to pursue a career with government. Graduates will be placed into government internships (funded by PSCDP) for a period of up to 12 months, with graduate's skills and interests to be matched with Ministry needs. Graduates will be provided with the opportunity to give back to their country, and will receive ongoing professional development training. PSCDP has been instrumental in negotiating multi-donor support for this program, with both the Australian and New Zealand governments committing funding to the pilot program. It is hoped that the Government of Timor-Leste will be able to build on the success of the initial pilot and expand the program to other scholarship programs in future years.

- ***Infrastructure refurbishment***

There is currently only one training room within INAP. PSCDP is exploring options to refurbish existing training facilities and possibly expand facilities.

- ***Distance learning***

In recognition of the challenges created by sending key counterparts away for overseas training, the program is also supporting distance education opportunities for senior managers within the civil service. The President of the CSC recently completed a Masters of International Business program and the program is funding certain subjects of a similar Master Program for the Vice-Minister of Health.

- ***Volunteer programs***

PSCDP facilitated the placement of an AYAD to work with the Civil Service Commission in the area of HRM. Advice has recently been received that another AYAD has been sourced from the next AYAD intake and will in all likelihood replace the current HRM AYAD support in the CSC.

### **2.3.4 Complementarity / Coordination with other Donors**

PSCDP works collaboratively with a number of other donors. In the Civil Service Commission, PSCDP is working with multilateral donors, such as the UN and World Bank to share

information on new government policies and ensure that financial implications are being considered in the national budget. PSCDP also works with other major donor funded programs including NZAID (eg. education), and AusAID funded WB Health Sector Support Program to share information in the area of HR policy. In INAP, PSCDP is working collaboratively with the ADB to strengthen management and planning practices.

## **2.4 Sustainability**

With the end of Phase 1 and the start of a new phase in mid 2011, a number of challenges can be identified in relation to the sustainability of PCSDP achievements and/or the institutions it supports. This section presents some of the broader civil service reform challenges facing Timor-Leste, as well as the specific challenges facing the two key institutions PSCDP supported in 2010: the CSC and INAP.

### **2.4.1 Overall Public Sector**

- One of the most resounding challenges for the effective functioning of the public sector in Timor-Leste is the lack of an overall GoTL strategy on civil service reform: several key reform priorities have been identified but there is yet no broader strategic policy on civil service reform. Within such a policy, there is a need for government to consider the fundamental role of some agencies and how they are best placed to support the broader civil service reform agenda.
- A second structural challenge that characterises the public service in Timor-Leste is the lack of an overarching GoTL HRD strategic framework and the consequential weakness of the HRM and HRD approach within line Ministries. There is no consistency in the approach to resourcing HR functions or in the application of HRM and HRD practices. In particular, issues such as workforce planning, leave planning, management of staff resourcing and vacancies need further strengthening.
- Thirdly, interagency coordination is a major condition for effective public services. It requires clarity of roles and responsibilities and political will to cooperate. While the current context is challenging, due to its interactions with the various agencies, PSCDP continuously supports the coordination and harmonisation of the roles and responsibilities across central agencies. For instance PSCDP supports the interagency consultative committee meetings and encourages cooperation between CSC and INAP (eg. closer integration between the work of INAP on the development of professional training modules and the work of the CSC in developing an overarching Training and Development Framework).

### **2.4.2 Support to CSC**

While much has been achieved in its first year of operations, the CSC faces major challenges:

- The credibility and authority of the Civil Service Commission is still to be established within government. Although some ministries are beginning to understand the role of

Commission this is by no means uniform. Many DGs and Ministers are still not fully aware of the CSC's role and mandate, or that some of their previous powers now rest with the Commission. Moreover, some Government members (Ministers and SoS) are on occasions still performing CSC tasks and insist in considering CSC as an advisory body. The fact that CSC currently issues most of its policy decisions as decree laws also impacts its ability to act independently (as decree laws must be approved by COM).<sup>2</sup>

- More broadly, there is a need for the CSC to clarify structural issues related to its mandate and become a strong voice on public sector reform issues (i.e. providing clear, consistent and unambiguous advice to departments on legal and policy matters regarding human resource management and development). In particular there is a need for the CSC to:
  - Clarify whether it should continue to function as an implementing agency or shift towards more of a policy/regulatory and oversight role?
  - Consider whether it will delegate a range of functions to line ministries (eg. recruitment up to a certain grade), while retaining an overall regulatory role on issues such as merit protection, performance management, discipline etc). Some functions, such as the decision making authority for appointments, promotions and determining disciplinary penalties, may remain the responsibility of the CSC. Delegation needs to be considered within the context of the overall resources available to the CSC.
  - Foster stronger collaboration between the Civil Service Commission and the Ministry of Finance, particularly in terms of reviewing the financial implications and the impact of CSC decisions or policy on the national budget. For example, a recently proposed food allowance is in effect a salary increase and the Commission was planning to recommend it to the Council of Ministers without considering any economic evidence about the need for further salary. The proposed allowance had the potential to add \$6.76 million to the salary budget for civil servants - an increase of 8.4%. Fortunately, the proposal was abandoned following a meeting between CSC, VPM, MoF and MOSATM. Nonetheless, this example illustrates the need for early consultation and more considered analysis of the potential financial implications of CSC policy proposals.
  - The same can be said for a range of proposals that are considered by the CoM without proper consultation with the CSC and MoF – one such example being the recently approved special career regime for Teachers, which significantly increased salaries for teachers, introduced increments three or four times the quantum of other civil servants and arguably illegally delegated certain function assigned by the Parliament to the CSC to the MoE. This CoM decision was made in defiance of a previous CoM decision regarding processing such requests, contrary to CoM standing orders that such matters be consulted and costed and is an example of a lack of discipline and process in CoM procedures.

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<sup>2</sup> Although the CSC Act identifies the areas that CSC can provide decisions and guidance on, it does not adequately define the legal mechanism for such decisions. An amendment to the law to define the appropriate legislative mechanism should help to resolve this problem. However, there is a broader challenge in that any CSC policy which is not issued as a decree law may not be taken seriously by line ministries when it comes to implementation – a common problem across the GoTL.

- In addition, there is a need to strengthen the dissemination and implementation of new CSC policies and decisions, including:
  - Ensuring that key secretariat staff understand new policies and laws, and are able to communicate and provide appropriate and consistent advice with regard to these policies and decisions to line ministries.
  - Strengthening communications with line ministries and at district level to ensure civil servants are well informed about policies and laws that impact on their work, such as conditions of service, recruitment, operating procedures etc.
  - Ensuring greater equity with respect to the development of government allowances (eg. some changes to proposed allowances disproportionately benefited senior managers over more junior staff). Some proposed allowances also equate to a de-facto wage increase, but without any link to improved performance or administrative efficiencies.
  - Addressing disciplinary matters in a consistent manner. Before the establishment of the Civil Service Commission ministries (in most cases Ministers) were responsible for dealing with disciplinary cases. With the creation of the CSC this responsibility now resides with the CSC. However, there is still some confusion within ministries about who is responsible for initiating disciplinary cases, what processes should be followed, on which basis decisions should be made, and when matters should be referred to the CSC. CSC staff also currently lack adequate technical skills to conduct disciplinary investigations on more complex issues. There is also no independent appeals mechanism for disciplinary matters (ie. commissioners hear the case, but there is no alternative mechanism for appeals other than to the Courts). There are models in practice in other countries that would address this challenge, without requiring the establishment of a new body.<sup>3</sup>

### ***Intricacy and complexity of the legal environment in Timor-Leste***

The legal environment in Timor-Leste is highly complex. The legal framework itself is still a work in progress, with new laws and regulations under constant development. The requirement to produce all legislation in Portuguese – a language that relatively few within the population understand – has meant that Timor-Leste continues to be heavily reliant on international legal advisers with Portuguese language skills to prepare draft legislation. These lawyers have come from many different backgrounds, and not all of them have the highly technical legal drafting skills needed to produce good legislation. The legacy has been the creation of a highly complex legal framework, which is full of inconsistencies, contradictions and overlaps.

Partly in response to these challenges, PSCDP funded a number of legal adviser positions in the Secretary of State – Council of Ministers from 2007 onwards. The aim of this support was

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<sup>3</sup> For example, one of the five commissioners could be assigned responsibility for hearing disciplinary matters, and make recommendations (with natural justice mechanisms ensured) to the CSC – at which time the Commissioner would not participate in the decision making of the Commission.

to harmonise the various organic and other laws of GoTL to ensure that there was no duplication or overlap of responsibilities between Ministries, agencies or other institutions and that the proposed laws comply with requirements from the Constitution and other higher order laws.

PSCDP has encountered many instances where new decree laws have been promulgated which have not taken into account previous legislation, leading to duplication and overlap between two institutions of state and, in some instances, contradictions. One such example is where the Parliament established the Civil Service Commission with certain responsibilities. A later decree law approved by the Council of Ministers (i.e. a lesser law in terms of the hierarchy of laws in Timor-Leste) with regard to a Special Career Regime for Teachers purportedly assigned a number of competencies previously assigned to the CSC by the Parliament to the Ministry of Education. Any reasonable interpretation of these laws would conclude that this later assignment of competencies by a lesser law is illegal.

Another example is the legislation to establish the Civil Service Commission (CSC). A lack of adequate consultation in developing the new legislation led to duplication and overlap of responsibilities with INAP. This has in turn caused considerable consternation within INAP, and has had a deleterious impact on the working relationships between the CSC and INAP, and between MoSATM and the CSC. The legislation establishing the CSC clearly intends for the CSC to assume certain responsibilities that had previously resided with the National Institute of Public Administration (INAP). It is unclear whether the issue of harmonization of the CSC decree law and the Ministerial Order establishing INAP's role and responsibility (or in this case the lack of harmonization) was an oversight or the legal drafter consciously elected to ignore the issue to expedite the consideration of the legislation, in the knowledge that any consultation regarding transferring certain responsibilities from INAP to the CSC would be met with considerable resistance.

An interesting but at the same time alarming concept which exacerbates difficulties in interpreting laws and more particularly the currency of the law is what is quaintly described as 'tacit revocation'. The Program understands revocation of previous laws can be total or partial - express or tacit. Tacit or silent revocation occurs with the approval of a subsequent normative act containing provisions that cannot be reconciled with those of a previous normative act. Unlike express revocation, tacit revocation makes no mention of the fact that any previous normative act (or part thereof) is revoked. This concept appears to be used to address any unintended contradictions between laws but makes it almost impossible for any administrator or decision maker to be certain as to whether any law they are administering is in fact current or has been revoked by some later law. From a common law perspective and from most other jurisdictions which have well resourced central law offices (e.g. Parliamentary Counsels/legislative drafting offices) responsible for harmonizing laws and maintaining an up to date database of all laws including any amendments, the loose concepts as described above and the resulting confusion seems to be an unsatisfactory outcome but at the same time reinforces the perception that little attention is paid to the law in Timor-Leste.

The time-consuming nature of developing legislation and the fluidity of the political environment represent other significant challenges in developing legislation. Sudden changes in Government policy (e.g. decision to delay decentralization process) have directly affected

### 2.4.3 Support to INAP

While PSCDP support to INAP has been effective in developing relevant training materials, there remains some doubt over the capacity of INAP to deliver the courses sustainably. As outlined in the recent PSCDP Functional and Organisational Review of INAP completed in November 2010, the institution faces many challenges in meeting its mandate including:

- There continues to be a lack of clarity about the roles of INAP and the Civil Service Commission, as well as insufficient coordination between the two agencies (although recent discussions and meetings have made some progress on the latter).
- There is a lack of overall strategic focus for INAP's training programs. Currently INAP receives ad-hoc requests from ministries and donors to develop and deliver customised training as well as delivering donor programs. This dilutes INAP's focus on delivering core training needs across the civil service. The ever changing environment in Timor-Leste public administration, and the need to respond to current and emerging training and development priorities, is also increasingly testing INAP's ability to respond to government and other stakeholders in an efficient and effective manner. A recent independent review recommends that "until such time as the capacity of INAP is strengthened and improved, INAP should focus on delivering a small number of core training courses and do these really well. This approach will help INAP to rebuild their reputation and improve their standing in the Civil Service."
- INAP is under resourced, with an insufficient number of qualified permanent trainers to meet the most basic training needs of government. Currently, there are only five temporary trainers who must meet the training needs of up to 26,000 staff. Given their temporary employment status, there is no guarantee that they will continue to perform in these roles, which poses further threats to sustainability.
- Existing training facilities are inadequate, with only one room suitable to conduct training.
- INAP runs many of its training programs on a "fee for service" basis. Currently, fees are charged for any training course that is not included in INAP's Annual Action Plan, irrespective of whether the course is delivered to a government agency or a private entity. It is understood INAP trainers who lead fee-based training courses receive an incentive payment in addition to their normal salary to conduct training. This has created a perverse incentive for INAP to pursue fee paying courses, rather than focus on their primary mandate (i.e. development of core skills of civil servants). There has also been a tendency for senior managers within INAP to monopolise fee based training opportunities. The impacts of this are two-fold:
  - a. firstly, senior managers have less time to devote to managing the agency, and
  - b. secondly, more junior staff who have been specifically trained to deliver the training programs are under-utilized.

- PSCDP advisory efforts to date have consciously focused on developing high quality materials. Much of these materials were developed in isolation of counterparts resulting in little transfer of capacity in terms of skills needed to design and write curriculum and training materials – skills that are generally bought into an organisation on a needs basis.

## 3. Opportunities and future considerations

### 3.1 Update on recommendations from M&E report March 2010

#### Recommendations for PSCDP

- R1. PSCDP should emphasise the need to achieve the right balance of technical skills and people skills during advisers' recruitment as it may have impacts on the advisers' ability to appropriately liaise and effectively engage with counterparts, particularly with regards to successful capacity development, and other PSCDP team/activity members.
- ⇒ Selection criteria for new advisory positions identify the need for both technical and people skills. In addition, a strong emphasis is placed on assessing potential candidates' experience and approach to both capacity development and team work (assessed through both interview and thorough referee checks). On a number of occasions, PSCDP has re-advertised adviser positions rather than appoint applicants who were not considered to meet the selection criteria to a satisfactory level. PSCDP have also instituted more active monitoring of adviser progress on capacity development, with one-to-one reviews of adviser progress and forward work plans conducted every six months with the PSCDP management team. The methodology for capturing adviser performance information has also been simplified to improve the quality of information, and better identify and address any constraints to achieving effective capacity development. This analysis has continued to identify a number of key challenges to effective capacity development, including vacancies of key counterpart positions, language constraints, reliance on advisors to perform in-line functions, and a very high proportion of temporary staff in the civil service. Many of these challenges are beyond the direct control and influence of the program.
- R2. PSCDP should strengthen the induction process of adviser and counterparts to clarify respective roles and responsibilities of all parties, i.e. AusAID, GRM, PSCDP, counterparts, and advisers. In particular a common understanding should be developed around the issues of capacity development and advisers' management.
- ⇒ In response to this recommendation, PSCDP revised the Performance Management Procedure for activities/advisers to clearly spell out the roles and responsibilities of AusAID, PSCDP, counterpart institutions and the adviser. This revised document was tabled and discussed at a PMG meeting to remove any doubt about the roles and responsibilities of the various parties to activities/advisers located in GoTL institutions. Additionally induction briefings have been strengthened to clarify the roles of all

parties and to develop a common understanding of capacity development needs and expectations. PSCDP have continued to strengthen the team based approach to capacity development, with advisers encouraged to work with multiple counterparts. All ToRs specify multiple counterparts. PSCDP have also continued to place a strong focus on investing in systems and processes (eg. HR manuals, standard operating procedures etc) which support broader institutional capacity development. A pervasive challenge is ensuring sufficient time and energy is invested in implementing and embedding new systems and processes to ensure they become common practice. This is a particular challenge with the use of short term TA, where new systems or policies are developed, but there is typically insufficient time to fully institutionalize them.

- R3. PSCDP should reinforce and formalise its approach to capacity development through a revision of its performance management procedures framework. This framework should then be disseminated systematically amongst advisers, AusAID and counterparts.

⇒ The performance management procedures framework has been revised to streamline and improve reporting on capacity development. The revised reporting format focuses on assessing the capacity of the entire work unit, rather than specific individuals. This revised document was tabled and discussed at a PMG meeting. Similarly, all advisers are briefed on using a broader work unit approach to capacity development and to adopt multi-faceted approaches to capacity development which include skills transfer as well as the development of supporting systems and processes.

- R4. PSCDP should explore better arrangements to increase the level of advisers' proficiency in Tetum language, particularly for those with contracts of 6 months or more duration (LTA).

⇒ PSCDP requires all new long term advisers to undertake at least one week of intensive Tetun training at Dili Institute of Technology. Of the two LTA positions taken up since Feb 2010, both advisers have successfully completed Tetun language training. However, this investment is sufficient to obtain only a very basic level of communication. It is recommended that AusAID consider endorsing expanded investment in adviser language training (eg. at least one week of part time language training every 3 months). This would equate to an investment of two full weeks over a 12 month contract at an approximate cost of around \$8,000-\$10,000 per LTA adviser (based on estimated opportunity cost of time away from the workplace and course fees). This investment will provide significantly greater opportunities to engage with counterparts, build relationships and reduce the need for interpretation etc.

- R5. PSCDP should facilitate additional pre-application career counseling and in-country IELTS test preparation for scholarships candidates.

⇒ PSCDP has significantly strengthened IELTS test preparation support for the upcoming 2011 selection round. Pre-test support will be increased from one day to four full



days, and will provide applicants with intensive preparation in each of the four core skills tested through IELTS (i.e. reading, writing, listening and speaking). Pre-test preparation support will be offered to 120 shortlisted applicants without a current suitable IELTS test result through the Lorosae English Language Institute.

- ⇒ In terms of career counseling, PSCDP supported a highly successful two day University Expo in September 2010. The Expo was attended by 13 universities from Australia and New Zealand, with hundreds of potential students coming from around the country to participate. The Expo provided prospective students with the opportunity to meet directly with university representatives to explore possible future studies and careers. The ADS team also provided potential applicants with a wide range of information as part of the annual application process, including advice on available university courses and potential careers.

R6. PSCDP should investigate the use of other scholarships opportunities (distance or action learning) similar to the one currently being undertaken by the CSC President and/or tailored Scholarship programs to be delivered in country to selected counterparts (e.g. in-country masters mentoring program).

- ⇒ PSCDP has developed two proposals on scholarships. The first proposal is a new Government Internship Program. This innovative new program aims to encourage recent graduates to pursue a career with government. Graduates will be placed into government internships (funded by the Program) for a period of up to twelvemonths, with graduate's skills and interests to be matched with ministry needs. Both the Australian and New Zealand governments have committed to supporting the pilot internship program. It is hoped that the Government of Timor-Leste will be able to build on the success of this initial pilot and expand the program to other scholarship programs in future years.
- ⇒ PSCDP has also developed a new proposal to provide distance education to civil servants. The aim of this program is to provide a complementary mode of post-graduate tertiary education for senior civil servants that will allow them to continue to perform their role at senior levels of government while obtaining relevant skills and knowledge. It is expected that the program will offer an articulated post-graduate course in either management or public administration, progressing from Graduate Certificate through to Graduate Diploma and Masters. The program will also provide dedicated tutorial support to those undertaking the course. Australia will provide financial support to cover the cost of university fees, travel costs and other relevant on-costs (eg. computer, internet, tutorial support etc). It is expected that the program will go out to tender early next year.

## **Recommendations for AusAID**

R7. AusAID should engage with GoTL in a policy dialogue (initially through the reconstituted PMG) to influence the development of a comprehensive and consistent public

administration reform strategy with a clear focus on improved service delivery by all TL institutions.

R8. AusAID should initiate discussion with CSC to determine public administration scholarships study fields in line with GoTL Human Resource needs in generalist areas.

⇒ The CSC has identified priority areas for fields of study. PSCDP have incorporated these into the ADS marketing campaign and selection process for 2011.

### **Recommendations for GoTL**

R9. GoTL should strengthen its long-term financial, institutional and political commitment to INAP and/or make explicit decisions on alternative options.

⇒ The GoTL has increased its commitment to INAP and training and development in a number of ways. It is understood a \$500,000 central fund has been established to help fund training and development needs, with funding to be administered by the Ministry of Finance but only sourced by INAP. A draft Training and Development Framework has also been developed and endorsed by a Consultative Committee comprised of senior representatives of all Ministries by the CSC with advisory support from PSCDP. The GoTL is currently in the process of revising the decree law for the Ministry of State Administration, including INAP. The Minister for State Administration has acknowledged the need to increase the number of trainers at INAP, however a government wide freeze on creating new positions in 2011 is likely to limit progress towards addressing INAP's human resource constraints. PSCDP is investigating alternate salary payment arrangements for six (6) trainer positions in INAP to be funded by the Program.

R10. GoTL should consider providing internships in GoTL institutions for scholarships recipients, particularly those who were not employed immediately prior to the awarding of the Scholarship, during their study (in situations where they return to TL during semester breaks) and once they are back in Timor-Leste.

⇒ See response to earlier recommendation (under PSCDP recommendations). The PMG approved the proposed Government Graduate internship 'pilot' program, and an invitation to submit an expression of interest has been sent to returning ADS and NZDS graduates. The Secretary of State for Administrative Reform is keen to see this initiative extended to all returning graduates in future years. First placements are expected to be offered in 2011.

## **3.2 Opportunities for building on success in 2011**

The current phase of the program will come to an end on 14 July 2011 and a second phase is under design. The Program contributed to the Concept Design Framework mission in September, as did a number of counterparts. Additionally, counterparts participated in

workshops that further discussed the Concept Design Framework and informed the development of a Concept Design Paper, which will ultimately be the basis of a tender process early in 2011. The coming year (2011) will therefore be a period of transition which will necessitate some ongoing adjustment. Based on the content of the Annual Plan 2010-11 and on lessons learned over the past year, the following section outlines the main areas of focus for PSCDP for the remainder of Phase 1.

## **Support to the Civil Service Commission**

The focus of PSCDP's program support is closely aligned with the priorities identified in the Civil Service Commission's Strategic plan. Specific planned outcomes and outputs for 2011 include:

- Supporting the Secretariat to review and put in place an effective operational structure to meet its mandate.
- Establishing a consistent employment management framework, including:

### Career Regime

- Revised degree law on career regime approved by CSC and COM, including:
  - An agreed process for approving special career regimes
  - Career regime in line with CSC Act and decoupled from mandatory qualifications and subsequent requalification courses
  - Job descriptors (Schedule 2) reviewed and clarified

### Conversion of temporary to permanent staff

- All eligible temporary employees commence the agreed process to transition to permanent civil servants

### Conditions of service

- Revised decrees law on recruitment and selection, performance evaluation and leave management are approved by COM
- HR manual chapters developed, together with an implementation plan for socialisation

### Job descriptions

- A standard template for job descriptions established for use across government.
- Common position descriptors developed which are linked to the career regime.
  - Standard position descriptors for Ministry HR functions developed
- Ensuring policies, guidelines, directions and manuals developed and published in a form accessible to all civil servants and other stakeholders, including
  - Operating procedures and manual are in place for both the Commission and Secretariat by end of 2010

- At least 8 out of 16 procedures finalised by end Dec 2010 (eg. Secretariat/ Commission Reporting, Secretariat meetings, Minutes and decisions (including translations), Policy development, Annual Report )
  - Policy implementation and interpretation precedents established (i.e. standard processes to develop, implement and socialise policies, and ensure CSC Secretariat is capable of providing consistent policy advice based on the law/policy to all Ministries).
- Increase awareness of Secretariat staff of all the relevant public administration legislation
- CSC supported to increase awareness of all relevant public administration legislation including the Civil Service Code of Conduct, terms and conditions of service, disciplinary proceedings, and the role of CSC across government
  - Effective implementation and dissemination procedures established, including workshops conducted by Secretariat staff, consultative committee meetings, distribution of brochures, engagement with line ministry HR staff etc
- Developing a comprehensive HRD strategy
  - Training and development framework finalised and decree law approved and implemented. Operational procedures / templates and implementation plan also developed
  - Scholarships and study leave policies approved and in place
  - Graduate internship program piloted for returning ADS graduates to better capture expertise within the civil service
- Establishing HRM Units in ministries and agencies
  - Standard job descriptions for generic HR units developed
  - Selected line ministries supported to establish functional HR units
  - Line ministries supported to implement policy on conversion of temporary to permanent status
- Ensuring employee grievance and disciplinary matters are handled in a fair, timely and transparent manner
  - Standard templates developed for common disciplinary decisions
  - Establish mechanism to ensure independent appeals
  - Introduce an improved system for investigation and case management
- Ensure that Secretariat is able to draft general dispatches and decisions emanating from the Commission meetings
  - Develop a manual of standard decisions and develop templates in the official languages
  - Map out the process to write decisions and socialise with Secretariat staff
  - Identification and placement of legal intern to assist with drafting of commission decisions

- Support the adequate implementation throughout the government line ministries and agencies of all policies and regulations emanated from CSC, which will require that:
  - Policies and regulations translated into Tetum
  - Preparation of Q&As for all relevant policy & regulations
  - Intensive dissemination sessions and workshops at the central and district level
- Improved and strengthened working relations and cooperation between CSC and INAP/MoSATM.
- A recommendation from an earlier MRG report highlighted the need to offer longer term contracts to advisers, particularly in institutions where it is clear that AusAID (through the Program) will be offering long term support. The four international adviser positions in the CSC were consequently offered two year contracts. With the benefit of hindsight, a better option may have been to offer contracts of one year plus one year – subject to satisfactory performance. On the face of it such a proposal offers two opportunities to consider the performance of the adviser – after three months when a standard three month probation clause applies and at the 12 months mark when the Program may elect to re-visit the market in accordance with longstanding Program policy, in circumstances where performance is judged to be less than satisfactory.

### **Support to the INAP**

PSCDP will continue to support the development of the capacity of INAP staff, and strengthen cooperation between CSC and INAP. Major focus areas for 2011 include:

- Fund and train up to six trainers (including three senior trainers), with the aim of establishing a qualified pool of permanent trainers within INAP
- Expand provision of administration training in the districts, in support of broader decentralization agenda
- Link the INAP training modules with the CSC Training and Development Framework to help ensure a strategic overall approach to HRD
- Assist INAP to bed down the new organic law (once enacted) and strengthen INAP management and planning processes (in collaboration with the ADB)
- Explore options to refurbish and expand training facilities in order to expand INAPs capacity to conduct training.

### **Scholarships**

In addition to the many improvements already implemented, PSCDP is proposing to further strengthen scholarship program, by supporting the establishment of an alumni association for returning graduates. The four annual reports (previously mentioned on page 19) will be

prepared and forwarded to AusAID. The Program is also aware that AusAID is presently reviewing their M&E reporting framework for their broader scholarships program. The Program will monitor the progress of this review and incorporate any additional requirements into future reporting.

## ANNEXES

## Annex 1 – Basis of Information

The report follows the methodology outlines in the PSCDP PMF. The analysis was made possible thanks to an ongoing data collection and reporting effort in-country carried out by the PSCDP Team, which has resulted in the monitoring matrix 2010 presented in Annex 3. In particular, the following documents have formed the basis of information for this report:

- Stock-take review “PSCDP Achievements and Expected Outcomes”, submitted to AusAID in September 2010;
- Six-monthly Adviser reports submitted to PSCDP in October 2010;
- Counterparts Reports on PSCDP Advisers performance;
- PSCDP briefing notes on Program assistance modalities.

In addition, the analysis builds upon a series of discussions with PSCDP advisers and team members facilitated by the PSCDP M&E Adviser and the Australian-based Project Manager. These consultations involved the following staff and advisers:

Name	Position
Domingo Monteiro	Adviser to Office of the Prime-Minister, delegated to the Anti-Corruption Commission
Nivio Maghalaes	Adviser to Ministry of Agriculture and Fisheries
Simon Fenby	Adviser to the Office of Prime Minister
Alberto	PSCDP Activity Liaison Officer
Karen Davies	Author of the INAP Review

Due to several recent PSCDP reviews and design missions, Program counterparts have already been consulted extensively on matters related to PSCDP’s performance and future focus. The M&E report therefore relies on other sources of information, many of which are also based on extensive counterpart consultations, rather than conduct further counterpart interviews for this specific report. It is noted that counterparts’ opinions are duly taken into account through reports generated with the routine interviews by PSCDP liaison officers, and counterparts were also consulted extensively for the INAP review, the Concept Design Mission, the Concept Design workshop and the TA review.



## Annex 2 – PSCDP Activities in 2010

ACT No.	Ministry/Agency	Activity Name	National (N)/ International (I)	Start Date	End Date
ACT 023	GoTL	Professional Development of Civil Servants	Offer of Long Distance Training opportunities to program counterparts (ongoing - 1 complete and 1 ongoing)		
ACT026A	MoSATM - INAP	HRD and Training Advisers	I	1-Nov-09	31-Oct-10
ACT026A	MoSATM - INAP	HRD and Training Advisers	N	20-Nov-07 12-May-08	14-Jul-11
ACT034	MoAF	Food Security Adviser	I	16-Sep-09	15-Sep-10
ACT039	OPM	Senior Policy Adviser	I	25-Feb-08	24-Feb-11
ACT039	OPM	National Policy Adviser	N	26-May-08	24-Feb-11
ACT040		Applied Research on Governance and Civil Service Reform	I	1-Mar-10	31-May-10
ACT043	MoSS	Corporate Services Adviser	I	24-May-09	16-Apr-10
ACT04	MoSS	Corporate Services Adviser	N	31-Mar-07	30-Jun-10
ACT046C	MoI	Corporate Services Adviser	I	23-Sep-09	22-Jun-10
ACT046C	MoI	Corporate Services Adviser	N	2-Mar-09	30-Jun-10
ACT047	MoAF	Corporate Services Adviser	I	2-Feb-09	1-Aug-10
ACT047	MoAF	Corporate Services Adviser	N	8-Feb-10	7-Feb-11
ACT049	MoAF	Legal Adviser	I	28-May-09	27-May-10

ACT 050 (ACT029)	MoF	Adviser for the GoTL Initiatives for Post Accra Agenda	I	10-May-09	31-Dec-11
ACT051B	CSC	HRD Adviser	I	24-Aug-09	23-Aug-11
ACT051C	CSC	HRM Adviser (Vacant - under recruitment)	I		
ACT No.	Ministry/Agency	Activity Name	National (N)/ International (I)	Start Date	End Date
ACT051D	CSC	Internal Governance Adviser	I	10-Aug-09	9-Aug-11
ACT051E	CSC	Legal and Disciplinary Adviser	I	10-Aug-09	9-Aug-11
ACT051D	CSC	HRM Floaters to line Ministries - 1 position recruited and 2nd position under recruitment	I	7-Dec-10	6-Dec-11
ACT051	CSC	National Adviser (2 on board and just finished recruitment for another 3 but not start date defined yet)	N	01-Aug-08 10-Sept-09	14-Jun-11 31-Dec-10
ACT052	MoSATM	Legal Adviser	I	10-Aug-09	14-Jul-11
ACT053A	MoSS - SEDNAS -DS	Disabilities Policy Adviser	I	8-Nov-09	7-Jun-09
ACT053B		Community Rehabilitation Program	I	17-Aug-09	16-Aug-10
ACT054A	OVPM	Senior Policy Adviser	I	1-Mar-10	17-Nov-10
ACT054B		Governance Adviser	I	14-Mar-10	8-Oct-10
ACT055	INAP	Organisational and Functional Review	I	23-Aug-10	22-Nov-10
ACT055	INAP	National Adviser	N	23-Aug-10	22-Nov-10
ACT056B	GoTL	Certificate IV Training and Assessment	1st Training Program delivered by NRC (Norwegian Refugee Council) from June to September 2010. 2 new programs on the pipeline for the first six months of 2011.		
ACT056C	INAP	Recruitment of 6 INAP Trainers	N - Not yet started		

ACT056D	INAP	Management and Organisational Development Adviser	I - Not yet started		
ACT057A	CSC	GoTL Internship Program	Not yet started		
ACT0757B	CSC & MoSATM	National Legal Interns	Not yet started		
ACT058	CSC	Distance Education	Not yet started		
ACT059	MoSATM	Senior Management Adviser	I	9-Oct-10	13-Mar-11

## Annex 3 – PMF Monitoring Matrix 2010

The following matrix contains information that covers PSCDP implementation from February 2010 to November 2010.

Relevance	Efficiency	Effectiveness	Sustainability
<b>Civil Service Commission</b>			
<ul style="list-style-type: none"> <li>The Prime Minister declared 2008 the Year of Administrative Reform, with the establishment of an independent, apolitical Civil Service Commission, one of the 3 major reform initiatives announced.</li> <li>CSC is the key institution to lead the reform in the public administration with the aim to professionalize and establish an effective and efficient civil service.</li> </ul>	<p>PSCDP has supported a significant number of activities in CSC's first year of operations:</p> <ul style="list-style-type: none"> <li>CSC's Secretariat structure has been reviewed</li> <li>Six (out of a planned total of 16) new standard operating procedures have been developed</li> <li>Review and finalise a policy for the conversion of approximately 4,500 temporary employees to permanent civil servants (excludes the 6000+ teaching staff who will be converted under a separate agreed arrangement), including implementation plan.</li> </ul>	<ul style="list-style-type: none"> <li>Review of current functions and resources will result in a better alignment of Secretariat functions with the Commissions' mandate and strategic plan (to be considered by Commission at November meeting).</li> <li>New systems and procedures (including records management, commission papers, meeting procedures, minutes etc) are expected to strengthen the operations of the Commission and Secretariat, and help ensure policies and procedures are applied consistently.</li> <li>CSC produced its first annual report to Parliament.</li> <li>All eligible temporary employees will be converted to permanent status by a process which provides for fair and equitable treatment of employees (by July 2011). Once completed, this is expected to provide the government with a more accurate picture of human resources across the civil service. It is also expected to contribute to improved job security and staff morale.</li> <li>At the same time the Council of Ministers approved a "freeze" on Ministries/ Agencies adding new positions to their organisational structures in 2011, which has put a</li> </ul>	<ul style="list-style-type: none"> <li>Counterparts are now actively engaging in policy decisions and using the policy development process model developed by the Program (eg. counterparts have undertaken a review of scholarship management and in-country study opportunities across the civil service).</li> <li>The CSC now has a framework to better manage and control future temporary employment in the civil service through improved employment management policies and practices.</li> <li>Once implemented, the transfer of temporary staff to permanent positions has the potential to significantly strengthen the sustainability of future donor investments in capacity development.</li> </ul> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>Operational planning (AAP) processes continue to be weak. The Commission and Secretariat do not actively monitor progress or report on the AAP, and there is still no monthly reporting to the Commission by the Secretariat.</li> <li>The sustainability, in budgetary terms, of increasing the permanent staff ceiling to around 25,000 following the conversion process has not yet been fully assessed (eg. impact of future policies, such as Pension Scheme, are not yet known). In longer term, questions such as "what is the appropriate size and composition of the civil service" still need to be answered although the recent freeze on</li> </ul>

Relevance	Efficiency	Effectiveness	Sustainability
	<ul style="list-style-type: none"> <li>• Develop a mechanism for development and consideration of special career regimes by the Government.</li> <li>• Develop a regime of general allowances for civil servants.</li> <li>• Review the Leave Decree Law, including developing information schedules on leave entitlements for use in induction programs and as a management resource tool.</li> <li>• Develop a draft Training and Development Framework and associated draft decree law.</li> <li>• A total of 58 out of 107 disciplinary cases have been processed to date.</li> <li>• Develop relevant training material for inclusion in the HR Operations Manual.</li> </ul>	<p>check on growth in the civil service.</p> <ul style="list-style-type: none"> <li>• The effectiveness of the new career regime provisions has been challenged by both the Ministry of Education and Ministry of Finance submitting special career regimes.</li> <li>• A clear regime has been established which clarifies staff entitlements for overtime, per diems, shift work and relocation.</li> <li>• Revisions to the Leave Decree law are expected to provide greater consistency in the application of key conditions of service.</li> <li>• The development of the Framework is nearing finalization, and drafting of the decree-law has commenced. Core skills relating to each category of civil servant have been researched and drafted. The Consultative Committee is driving and informing this process.</li> <li>• Resolved discipline cases include dealing with issues such as abandonment of job; issuing fines and suspensions and in some cases termination.</li> <li>• Work is underway to develop a range of HR policies, although none have yet been fully implemented. The HR manual is still in draft form, with only a few sections developed.</li> </ul>	<p>additional positions recognises for the first time this is an issue that needs to be better managed.</p> <ul style="list-style-type: none"> <li>• CSC is a new institution and is yet to establish its credibility within government. There is growing pressure from line ministries for the CSC to address bottlenecks in recruitment, with slow progress in this area threatening to undermine CSC's credibility. Efforts to address the bottleneck have drawn resources away from disseminating and implementing other new policies decisions. Consequently, there is still a lack of information and clarity on CSC regulations in line ministries. PSCDP's proposal to boost HRM advisory support is intended to help address this constraint.</li> <li>• CSC's independence has been eroded due to the practice of issuing policy directives as decree laws (which, by default, gives the Council of Ministers final decision making power).</li> <li>• More broadly, the Government of Timor-Leste has identified several key reform priorities, but is yet to develop a broader strategic policy on civil service reform. Within such a policy, there is a need for government to consider the fundamental role of some agencies and how they are best placed to support the broader civil service reform agenda. For example, should the CSC continue to function as an implementing agency or shift towards more of a policy/regulatory and oversight role?</li> <li>• Disciplinary proceedings continue to be hampered by a lack of qualified staff to undertake investigations.</li> <li>• CSC needs to strengthen dissemination and implementation of all policies and legislation approved so far in line ministries and in the government in general. The longer term sustainability of PSCDP short term policy advisory inputs is contingent on the Civil Service Commission</li> </ul>

Relevance	Efficiency	Effectiveness	Sustainability
			being supported to roll out and implement new policies across government. Significant ongoing investment will be required to ensure the Civil Service Commission is getting out consistent and clear messages, and to ensure that line ministries have the skills, knowledge and capacity to effectively implement new policy decisions.
<b>INAP</b>			
<ul style="list-style-type: none"> <li>• INAP is the government's primary institution responsible for training civil servants and therefore has the potential to greatly impact on GoTL civil service performance.</li> <li>• The approval of a Career Regime regulation by the Council of Ministers originally required the development of three (3) separate foundation training courses for Civil Servants, which PSCDP has been supporting. While the legislative requirement now only extends to level A and B the need for fundamental civil service training at all levels is unarguable.</li> </ul>	<ul style="list-style-type: none"> <li>• A total of 14 contextualised and high quality training modules and materials covering core skills in administration and senior management have been developed in Tetum.</li> <li>• The Senior Management Course was successfully piloted between February and June 2010. The pilot drew on local expert resource persons/trainers (mostly senior Timorese government officials) who helped deliver the modules and provided expert advice during the training.</li> </ul>	<ul style="list-style-type: none"> <li>• According to a recent independent review: "there is now an excellent suite of training modules, which INAP staff are using frequently" <ul style="list-style-type: none"> <li>- Training based on the Level E (formerly Level 3) Administration modules has been successfully delivered to over 500 civil servants, including significant training in the districts.</li> <li>- The Senior Management course was piloted with 18 participants from a range of agencies and in various positions including DG, National Director, Supervisors and Chiefs of Department.</li> <li>- Modules provide participants with training in fundamental skills, including: managing governance and public administration; leadership skills and service delivery; planning and budgeting; human resources; meetings and communication; policy processes; and managing financial resources.</li> </ul> </li> <li>• The use of M&amp;E assessment tools has helped strengthen the ability of INAP trainers to identify gaps in training and</li> </ul>	<ul style="list-style-type: none"> <li>• INAP trainers and two chiefs of department (counterparts and sub-counterparts) participated in the pilot program. The aim was to familiarise them with the content and the new training approach adopted, in particular, the use of expert resource persons, and the role of the module coordinator in guiding the resource person and running the activities. This approach was intended to strengthen ownership of the modules and delivery approach.</li> <li>• Immediately after the pilot, INAP set up and ran two block management training courses for grades C-D, using five of the SMC modules, along with other INAP training materials. In these new courses, INAP used CSC to identify the participants. They also adopted the new strategy of using expert resource persons for some modules. However, much of the training was delivered by INAP management, with no involvement of the trainers. Also, the delivery tended to use a traditional presentation method of slides and talking, rather than discussion and activities in a more participatory approach.</li> <li>• The administrative course is being delivered fairly regularly by INAP in several districts and they plan to run more in the future.</li> </ul> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• Human resource constraints (eg. the fact that there</li> </ul>

Relevance	Efficiency	Effectiveness	Sustainability
	<ul style="list-style-type: none"> <li>During and after the pilot, modules were monitored and evaluated from a range of perspectives. This included completion of a draft M&amp;E tool which was trialled in two districts where the administrative training was held.</li> <li>A stock take and mapping exercise has been undertaken to identify available training modules and map these to the government's Learning and Development Framework. PSCDP advisors also supported the inaugural meeting and workshop with CSC on the draft Training and Development Framework.</li> <li>A Training Resource Manual has been developed.</li> <li>A series of capacity building workshops were run with counterparts on topics such as "management by walking around".</li> <li>As part of a broader strategy to increase training skills (both within INAP and across the civil service), PSCDP has funded 20 participants to Certificate IV in Workplace</li> </ul>	<p>delivery approach.</p> <ul style="list-style-type: none"> <li>INAP has been supported to identify how the modules could be used in the future, and to identify links to the Training and Development Framework.</li> <li>Meetings between counterparts in CSC and INAP have resulted in the Director of INAP making a presentation to the Training and Development Inter-Agency Consultative Committee outlining future possibilities for management training in the Public Administration of Timor-Leste. The recent review found that INAP was able to respond in some way to the career regime training requirements because of PSCDP assistance.</li> <li>The Training Resource manual includes training tools, activities, procedures and processes which could be used by INAP managers and trainers in their future work.</li> <li>Workshops resulted in a marked increase in INAP campus cleanliness and facility presentation. Even so, the recent INAP review suggests that management skills would benefit from further strengthening.</li> <li>Cert IV was offered to INAP staff and selected staff from line Ministries. Importantly, the course received excellent reviews from those who attended and there is a demand for more of these courses to be funded in</li> </ul>	<p>are only six trainers to meet the training needs of some 25,000 civil servants) severely limit INAP's ability to deliver on its mandate. INAP's training facilities are also limited. Expectations that INAP will deliver on a range of other ad-hoc requests and activities (eg. facilitation of sporting events, coordinating and planning conferences, delivering donor training programs) also limit INAP's capacity to deliver core training, and increase the burden on their already stretched and inadequate human resources.</p> <ul style="list-style-type: none"> <li>INAP has tended to place a greater priority on delivering fee-paying courses (linked to incentive payments), rather than the broader core training needs of the civil service.</li> <li>PSCDP provided training of training (ToT) programs for a group of six temporary trainers, who would deliver the Level E (formerly Level 3) Administrative Assistants course. Unfortunately five of these trainers have now moved on to other positions. This has impacted on overall sustainability of program investments.</li> <li>PSCDP advisory efforts to date have consciously focused on developing high quality materials. Much of these materials were developed in isolation of counterparts resulting in little transfer of capacity in terms of skills needed to design and write curriculum and training materials.</li> <li>Donors need to align their efforts with the GoTL priorities and ensure that they do not distract INAP from attending to their core business.</li> <li>A recent independent review notes that "training is not the panacea for all of the ills in the Civil Service but this is not well understood and is generally not accepted." The review recommends that "until such time as the capacity of INAP is strengthened and improved, INAP should focus on delivering a</li> </ul>

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	<p>Training and Assessment. Certificate IV is an internationally recognised formal qualification in “training of trainers”.</p>	<p>the future. Plans are afoot to conduct another two programs before the end of the Program.</p> <ul style="list-style-type: none"> <li>• Cert IV training has helped strengthen the skills of INAP’s trainers to deliver core training to civil servants. INAP trainers who completed the training are also applying skills to evaluate training course delivery.</li> <li>• Cert IV training has also helped to establish a pool of qualified professional trainers within GoTL who can support, where appropriate, delivery of induction and orientation programs within line ministries.</li> </ul>	<p>small number of core training courses and do these really well. This approach will help INAP to rebuild their reputation and improve their standing in the Civil Service.”</p>
<b>Ministry of Finance – National Aid Effectiveness Directorate</b>			
<ul style="list-style-type: none"> <li>• Australia’s support in this area is directly in line with the principles of the Paris Declaration and Accra Agenda for Action.</li> <li>• Australian support is helping to the Government of Timor-Leste’s strengthen its capacity to effectively set the development agenda, coordinate aid donors and contribute to global policy debates on aid effectiveness in fragile states.</li> </ul>	<p>PSCDP advisory support has helped:</p> <ul style="list-style-type: none"> <li>• Establish and strengthen the National Aid Effectiveness Directorate (NDAE) within the Ministry of Finance.</li> </ul>	<ul style="list-style-type: none"> <li>• The National Aid Effectiveness Directorate is now playing a lead role in a number of areas to strengthen aid effectiveness and donor coordination in Timor-Leste, including: <ul style="list-style-type: none"> <li>- Coordinating the Government’s National Priorities process</li> <li>- Supporting the quarterly Donor Partner Meetings</li> <li>- Collating and analyzing data on donor aid flows in order to better link these to the national budget process</li> <li>- Facilitating Timor-Leste’s leadership and contribution to major international policy debates on aid effectiveness</li> </ul> </li> <li>• The Dialogue broke new ground as the</li> </ul>	<ul style="list-style-type: none"> <li>• The National Aid Effectiveness Directorate is supported heavily by donor funded advisers, the majority of whom are effectively working in-line. A new Director has been appointed to oversee the NDAE, although he also has other major responsibilities within the Ministry. As a result, the PSCDP advisor continues to perform a largely in-line role.</li> </ul>



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	<ul style="list-style-type: none"> <li>Timor-Leste hosted the International Dialogue on Peace-building and State-building in April, which was very well received with more than 100 delegates from 40 countries attending the meeting, along with representatives from the United Nations, Asian Development Bank, World Bank and the Organisation for Economic Cooperation and Development (OECD), and a group of 30 mostly high-income donor nations.</li> <li>Timor-Leste helped to establish the g7+ group, which is an independent and autonomous forum of fragile and conflict affected countries and regions that have united to form one collective voice on the global stage.</li> </ul>	<p>first global platform to give fragile states a voice on issues surrounding aid effectiveness. The Dialogue produced the landmark Dili Declaration, which identifies seven goals for peace-building and state-building, together with concrete commitments for governments and international assistance to improve support in these processes.</p> <ul style="list-style-type: none"> <li>The Dialogue also heralded the establishment of the g7+ group, which has come together to share their experiences and build consensus on development responses that are both effective and tailored to the context of conflict-affected and fragile states. The purpose of the group is to: <ul style="list-style-type: none"> <li>Promote urgent reforms on global policy</li> <li>Encourage better international partnerships by implementing and influencing global policy</li> <li>Change the way international actors engage with and in fragile and conflict affected nations, and</li> <li>Achieve formal recognition and become engaged in global dialogue in which g7+ countries and regions have traditionally been exempt.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Timor-Leste has made a substantial contribution to the g7+. Timor-Leste's President, H.E. Jose Ramos-Horta, announced a contribution of \$500,000 to support the g7+ Secretariat at the g7+ Summit of Heads of State in New York in September 2010, and the g7+ Secretariat is housed alongside the Aid Effectiveness Directorate of the Ministry of Finance in Dili, Timor-Leste. Timor-Leste's Minister of Finance, the Hon. Emilia Pires, is Chair of the g7+ and Co-Chair of the International Dialogue with DFID, United Kingdom. These commitments strengthen the likelihood the g7+ initiative will be sustainable.</li> </ul>
<b>Office of The Prime Minister (OPM)</b>			
<ul style="list-style-type: none"> <li>The adviser role in OPM was designed to provide support to the three key priority initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Advisory support has helped to facilitate support for a range of initiatives including: <ul style="list-style-type: none"> <li>An initial scoping study for</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Development of a Drainage and Sanitation Master plan for Dili is expected to reduce flooding of low lying areas, improve sanitation and contribute</li> </ul>	<ul style="list-style-type: none"> <li>A contributory superannuation scheme is likely to be more financially sustainable in the long term. If adopted, it would avoid potentially large unfunded liabilities.</li> </ul>

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announced by the PM in support of the Year of Administrative Reform, including the establishment of the CSC and Anti-Corruption Commission.	<p>the development of a drainage and sanitation master plan for Dili</p> <ul style="list-style-type: none"> <li>- A study tour on the Australian superannuation/taxation system</li> <li>- Visits by Australian superannuation experts</li> <li>- Engagement with Victorian Minister for Transport on development of a traffic management plan</li> <li>- Balibo Fort accommodation project, including fund-raising and securing a lease for the site.</li> <li>- Establishment of Timor-Leste's first united Chamber of Commerce</li> </ul> <ul style="list-style-type: none"> <li>• Supporting the OPM through the preparation of English correspondence</li> <li>• Contributing to the Dili Dialogue on Peace-Building and State-building and g7+ meetings.</li> <li>• Helping to facilitate relationships between the OPM and Australian government, and between the Prime Minister and Steve Bracks.</li> </ul>	<p>to better health outcomes. The Council of Ministers has approved Stage 1 of the project at a cost of \$1.5m in 2010-11.</p> <ul style="list-style-type: none"> <li>• Expert advice on superannuation is expected to lead to better outcomes under any future superannuation scheme established in Timor-Leste (eg. GoTL is now considering development of a contributory scheme).</li> <li>• Around one quarter of target funding has been raised to date (\$70,000 out of \$300,000). Development of the Balibo fort accommodation initiative is expected to contribute to local tourism.</li> <li>• The new Chamber of Commerce is expected to increase opportunities for local businesses to compete in the global market and influence the development of policies which are conducive to private sector development. The GoTL is considering providing funding of around \$200,000 to support the new CoC.</li> </ul>	<p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• Language issues, IT infrastructure and support and limited human resources all impact upon the achievement of activity objectives. The lack of human resource capability includes both international and national staff. Because there is no Department of Prime Minister to support the Prime Minister to undertake his roles, the workload on the limited number of staff in the Office can constrain the ability to pursue reforms and provide advice.</li> <li>• Existing staff within the OPM lack the capacity to draft English language correspondence or speeches. As a result, this function continues to be largely in-line.</li> <li>• The secondment of the PSCDP national adviser to the ACC has continued to limit the ability of the international adviser to strengthen systems, skills and capacity within the PM's office.</li> </ul>
<b>Anti-Corruption Commission</b>			
<ul style="list-style-type: none"> <li>• An informal arrangement has provided PSCDP support to help establish the new office of the Anti-corruption Commission</li> </ul>	<ul style="list-style-type: none"> <li>• Supported the Commission to recruit new staff. Progress has been slower than hoped due to recruitment bottleneck within the CSC. Recruitment has now been delegated to the ACC, which has</li> </ul>	<ul style="list-style-type: none"> <li>• By the end of November, it is anticipated that 28 out of 36 staff will be recruited and in place, including nine (9) investigators who were recently appointed.</li> <li>• PSCDP advisory support helped develop</li> </ul>	<p>PSCDP support has helped to establish the legislative basis for the ACC. Support has also helped with initial recruitment.</p> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• The ACC is yet to establish itself as a credible entity</li> </ul>

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	<p>helped to speed up the process.</p> <ul style="list-style-type: none"> <li>PSCDP support has helped to support the development of funding proposals to seek other donor funding (MCC funds).</li> </ul>	<p>a \$1.4m proposal to leverage MCC funding (of which \$700,000 is expected to benefit the ACC). This support included providing information to satisfy MCC funding requirements. A final decision on funding is expected in December 2010.</p>	<p>which is capable of undertaking corruption investigations. PSCDP support is coming to an end, however, other donors (principally MCC) are expected to provide ongoing support.</p>
<b>Office of The Vice Prime Minister (OVPM)</b>			
<ul style="list-style-type: none"> <li>PSCDP support in this area was strongly linked to Prime Minister Gusmão's administrative reform program, announced in 2008.</li> <li>The Vice-Prime Minister played an important role in enhancing transparency and good-governance in Timor-Leste – issues which have the potential to impact significantly on the stability of the country, and which are required to sustain economic growth, reduce poverty and attain the Millennium Development Goals.</li> <li>The Vice Prime Minister's Office had specific responsibility for the activities of the Inspector-General and government audit; supervision of administrative reform;</li> </ul>	<ul style="list-style-type: none"> <li>This activity was terminated early due to resignation of the Vice Prime Minister on 6 September and his subsequent departure from office on 20 September 2010. The Prime Minister decided to leave the position vacant and close the office.</li> <li>Prior to the closure of the activity, the VPM's Office had made steady progress, and had provided significant policy input on a range of issues relevant to public sector reform, for example on allowances. The Office was hampered, however, by a lack of adequate resources (particularly in the area of procurement management).</li> <li>Briefing materials prepared by the PSCDP adviser indicate that, at the time of closure, the VPM's office had completed procurement processes for \$35 million in goods and services (fuel supplies). In relation to capital development, tenders were launched for all of</li> </ul>	<ul style="list-style-type: none"> <li>Prior to closure, the Office of the Vice Prime Minister (OVPM) had become increasingly engaged in issues of public administration reform. For example, the Vice Prime Minister met regularly with key Government institutions, including the Civil Service Commission, in relation to civil service reform, decentralization and anti-corruption.</li> <li>The VPM also provided policy advice on several civil service reform issues to the Council of Ministers, resulting in Council of Ministers' recommending further engagement of the VPM in this area going forward. A process also commenced to enable formal engagement of the Vice Prime Minister in decentralization policy to support the Ministry of State Administration and Territorial Management with high level coordination activities.</li> <li>Briefing material indicates that the costs of tender bids managed by the VPM's office were considerably lower than equivalent prices for Government contracts in 2009.</li> <li>At the time of closure, the OVPM had undertaken preparatory activities to establish procurement institutions and</li> </ul>	<ul style="list-style-type: none"> <li>PSCDP advisory support helped facilitate the orderly closure of the VPM's office, including preparation of final documentation to support any future transfer of functions to other government departments, help ensure staff redundancies were handled fairly and ensure an effective audit trail.</li> </ul> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>Activities which do not have a strong partner elsewhere in Government are expected to cease. The closure of the Vice Prime Minister's Office calls into question the sustainability of assistance provided to date. It is as yet unclear to what extent the functions of the VPM will be taken up by other government departments.</li> <li>The lack of sufficient resources to deal with procurement left the OVPM vulnerable to criticism, and eventually led to a loss of confidence, resignation of the VPM and closure of the office.</li> <li>Another key constraint was the significant number of civil service policies, processes and challenges with limited available resources to address them.</li> </ul>

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inter-ministerial coordination; infrastructure oversight; and cooperation and coordination with the Anti-Corruption Commission and Civil Service Commission respectively.	<p>the \$78 million in projects, with around 11% totally finalised.</p> <ul style="list-style-type: none"> <li>• Council of Ministers approved Government Resolution 11/2010 on the National Anti Corruption Policy in Public Administration on 18 February. The resolution lists the activities to be undertaken across the Government to prevent and reduce corruption.</li> </ul>	<p>provide advice and policy on procurement processes, reform and appeals.</p> <ul style="list-style-type: none"> <li>• The Vice Prime Minister launched a National Anti Corruption Forum to support communication between civil society and government on issues of anti corruption along with three working groups to provide focused attention to specific issues.</li> </ul>	
<b>Ministry of State Administration and Territorial Management</b>			
PSCDP is helping to support the development and analysis of policy and legislation as required by the ministry mandate - including decentralisation, local authorities, electoral laws etc.	<p><b>Governance and policy advice</b></p> <ul style="list-style-type: none"> <li>• A new governance policy advisory position was established and commenced in early October. This position was created to help support the GoTL's ongoing administrative reform efforts.</li> </ul> <p><b>Legal advice</b></p> <ul style="list-style-type: none"> <li>• Legal advice is directly and daily provided to the Ministry, Directors and Secretaries of State and represents the basis for the major part of their decisions/activities.</li> <li>• Review Organic Law of MOSATM</li> </ul>	<ul style="list-style-type: none"> <li>• It is too early to assess the effectiveness of support in this area.</li> <li>• The Organic Law of MoSATM was reviewed and sent to the Council of Ministers (CoM) for approval. The review clarifies the roles and responsibilities of the Director-General (DG), each National Directorate and autonomous entities'. The District Administration's role is also clarified. Recommendations of the Vice Prime-</li> </ul>	<ul style="list-style-type: none"> <li>• It is too early to assess the sustainability of support in this area.</li> </ul> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• Legal advice is still largely provided as an in-line function, primary due to the absence of a counterpart with the required legal drafting skills. PSCDP is currently in the process of recruiting two national legal interns, one of whom will work closely with the MOSATM legal adviser. In the longer term, it is hoped that these legal interns will be offered permanent positions within the civil service, thereby contributing to the development of sustainable legal capacity within GoTL.</li> <li>• Legislative development is time-consuming and affected by the fluidity of the political environment. For example, the final decision about what changes should be made on the MoSATM Organic Law took</li> </ul>

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	<ul style="list-style-type: none"> <li>• Four (4) Resolutions of the Government have been developed and presented by MoSATM, and approved by the CoM;</li> <li>• Several subsidiary regulations on decentralization process have been drafted and almost finished, although due to Government's political changes all regulations will need to be amended.</li> <li>• Many internal regulations have been set up and are expected to respond to the Government's demands on anti-corruption, transparency and correct management of public funding (e.g., Procurement Unit within the Ministry, reinforcement of the General Inspector and DG's competencies, rules to control National Directorates' financial expenditures and budgeting.</li> </ul>	<p>Minister on anti-corruption have been taken in to account. Once approved, the new Organic Law is expected to better adapt MoSATM's mission to the Government's policies and practices, particularly; also, is expected to clarify MoSATM's role, competencies and goals.</p> <ul style="list-style-type: none"> <li>• Some of the resolutions satisfy law demands on subsidiary legislation and some bring more efficiency and effectiveness to the public sector and, particularly, bring the improvement of civil service's performance (eg. changing the day of the general cleaning campaign to Saturday so that it does not disrupt working hours)</li> <li>• Subsidiary regulations will help to address a range of issues, including: <ul style="list-style-type: none"> <li>- Municipal Planning (municipal development and municipal financial investment)</li> <li>- Procurement</li> <li>- Budgeting and financial management of the Municipalities</li> <li>- Relations between Sucos and Municipalities.</li> </ul> </li> </ul>	<p>more than 8 months. Also, some of the Government's policies change suddenly (e.g., decentralization process was postponed) which affects MoSATM role, priorities and working plan.</p>

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<b>Ministry of Agriculture and Fisheries – Corporate Services Management</b>			
<ul style="list-style-type: none"> <li>Following the closure of the bilateral AusAID-funded Ministry of Finance project (PFMCDP) and devolution of some procurement responsibilities to line ministries, it was agreed that PSCDP would continue to support line ministries to strengthen their corporate support functions.</li> </ul>	<ul style="list-style-type: none"> <li>Ministry supported to engage new staff and establish a new HR Department. Eleven new HR staff appointed (plus the Chief of Department)</li> <li>Program of basic training provided in-house to the HR Department on all aspects of HR in the Timor-Leste civil service context. Training delivered by national adviser over ten week period based on the draft HR manual.</li> <li>Six HR staff trained in PMIS administration and provided four (4) counterparts trained in management use of the system</li> <li>Filing systems have been strengthened and a secure storage room set aside</li> <li>A new system for monitoring staff attendance has been introduced, including training management in their role and provision of tools (eg. timesheet system).</li> </ul> <p>Helped facilitate staff to attend training: 53 senior administration staffs identified across all directorates and districts were trained in core administration skills.</p> <ul style="list-style-type: none"> <li>A proposed new car and motor bikes management policy was developed - the first of its kind in</li> </ul>	<ul style="list-style-type: none"> <li>New HR Department has been established and staff trained in basic HR principles. Staff are beginning to apply these principles, for example by providing advice on HR matters to Ministry staff that come to visit the new HR Department.</li> <li>New HR file management practices will ensure that vital information on all staff will be retained for the first time, in a secure and confidential manner. It will be possible to retrieve personnel data on all employees, improving knowledge and decision making. Leave approvals and absences, as part of the time-sheet system, will be retained in the files.</li> <li>Attendance of Ministry staff has improved and unauthorized absences eliminated in early trials. The new system has strong support from the DG and is being promoted as a model for other departments.</li> <li>Basic administration practices have been improved across the Ministry</li> <li>Policy aims to ensure the department's 552 vehicles are better managed and private use eliminated. If implemented,</li> </ul>	<ul style="list-style-type: none"> <li>The Ministry now has a team of people to focus on HR matters and specialise in core HR Management and HR Development services. HR staff have begun to show a strong team approach and are working together with a common focus.</li> <li>Once fully implemented, the new filing system and personnel files will ensure important records are no longer lost and the Ministry can meet audit requirements in the future.</li> <li>An immediate reduction in unauthorised time off was evident in trials has been sustained for over 4 months. Management including the Director General has embraced the system and are monitoring their staff.</li> </ul> <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>Minister agreed to make the policy a decree for planned implementation in 2011. The Ministry of Finance has also expressed interest in adapting it as a national model. Even so, the policy is yet to be implemented and there are indications there may</li> </ul>

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	the Civil Service.	the policy has the potential to save the Ministry significant costs and free up vehicles.	<p>be some political resistance.</p> <ul style="list-style-type: none"> <li>Lack of funding for basic office supplies (eg. purchase of hanging files) has hindered progress.</li> </ul>
<b>Ministry of Agriculture and Fisheries – Food Security</b>			
<ul style="list-style-type: none"> <li>Food Security is the second priority of GoTL's National Priorities for 2010.</li> </ul>	<ul style="list-style-type: none"> <li>A Food Security Monitoring System has been developed, with collaborative engagement of MOAF (as the technical agency) and Ministry of State Administration (engaged in monitoring through their monthly suco reporting).</li> <li>Monitoring formats have been developed and are currently being piloted in all sucos across 2 districts (Bobonaro, Manufahi) and partial implementation in 4 districts (Manatuto, Baucau, Aileu and Oecussi) in about 10 or 12 sucos.</li> <li>Funding (USD\$66,000) has been secured from UN Millennium Development Goals programme to support suco monitoring and strengthening the district reporting</li> <li>A Technical Guide to Crop Storage (with extension flyer) have been completed and translated into Tetum. A policy paper on "The Importation, Processing, Storage, Marketing and Distribution of Rice and Maize" has also been developed.</li> <li>A food security website has been established</li> </ul>	<ul style="list-style-type: none"> <li>Once fully implemented in all 13 districts, the new Food Security Monitoring System will allow food security problems to be identified in a timely manner, together with an appropriate and targeted response developed at a local level.</li> <li>Workshops have provided food security officers with improved knowledge on issues such as: familiarisation workshop with district staff; action plan development; data collection; crop cutting and data interpretation; warehouse stock in districts; suco level data gathering; introduction to FSIS monitoring; Food crop assessment methodology (with FAO); introduction to monitoring and evaluation; GPS and crop area measurements; market price survey methodology (with agribusiness); rice and maize storage options; and Excel and internet training</li> </ul>	<ul style="list-style-type: none"> <li>MoAF is showing increased ownership and leadership at all levels, rather than following the lead of UN Agencies, such as WFP. For example: <ul style="list-style-type: none"> <li>Key Ministries (MoSATM, MoSS, MoH, MoE, MTCI) and other agencies are "on-board" for the Food Security Monitoring activities</li> <li>The Head of Food Security Unit is taking more responsibility for meetings, field work and training and has a good understanding of the overall objectives and contribute ideas at workshops</li> <li>There is increased commitment and ownership by the Director of Policy Planning and Programme Services, and by the Director General of MoAF for food security issues, as evidenced by their leading key meetings.</li> <li>District Food Security Officers have initiated the implementation of the food security monitoring system and they will be the key for the effective implementation of the system</li> </ul> </li> </ul> <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>Inadequate budget support to Food Security activities including budget support to the Food Security Officers at the district level to conduct their activities</li> <li>The continuity of the benefits achieved so far is contingent on MoAF re-establishing the National Food Security Committee</li> <li>There is a lack of engagement and cooperation from MTCI for constructive dialogue with Food</li> </ul>



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	<a href="http://www.foodsecuritytl.org">www.foodsecuritytl.org</a> <ul style="list-style-type: none"> <li>Monthly food security newsletter was produced.</li> </ul>		Security Unit or other agencies regarding food security problems.
<b>Ministry of Social Solidarity – Community Based Rehabilitation (CBR)</b>			
<p>The National Directorate for Social Assistance in the Ministry of Social Solidarity (MoSS) contains the following goal in the Strategic Plan for 2009 to 2012 for people with disabilities in Timor Leste:</p> <p><i>“Goal 4: All people with disabilities are socially protected</i></p> <p><i>4.1. “Put in place a national policy on Social Protection for People with Disabilities</i></p> <p><i>4.2. “Implement programmes on Social Protection for People with Disabilities based on the policy”</i></p>	<ul style="list-style-type: none"> <li>Institutionalised weekly planning meetings with weekly actions plans which is used by all members.</li> <li>Key policy documents have been developed and officially launched by Minister of Social Solidarity including: <ul style="list-style-type: none"> <li>Directorate of current CBR agencies in Timor-Leste;</li> <li>Timor-Leste National Strategy for CBR (in both English and Tetum)</li> <li>Timor-Leste CBR Training Framework</li> </ul> </li> <li>Templates and tools (report format, internal step-by-step guide for interviews, sample reports ) for monitoring progress work of CBR agencies have been developed.</li> </ul>	<ul style="list-style-type: none"> <li>All CBR agencies and other relevant stakeholders have now in their possession 3 documents that will provide them some guidance and information about agencies working with disability; the format of training to be conducted and what is the national strategy supported by GoTL. All 3 documents are contextualised to the Timor-Leste reality and available in Tetum for easy reference.</li> <li>Staff members are able to apply the template/tool for monitoring progress and are conducting regular visits to the CBR agencies to monitor their activities, and maintain good communication and coordination amongst agencies</li> </ul>	<ul style="list-style-type: none"> <li>There is ongoing commitment from the Ministry of Social Solidarity to continue to support the CBR work</li> <li>MoSS/Disability Unit staff are able to support the social workers (social animators) with proper, effective referral system and information for their clients, (eg. referring children with disabilities to access mainstream schools.</li> <li>At the completion of the activity national Adviser adsorbed by the government budget to support the ministry with the work of Disability Olympics and provide continuity to the CBR work.</li> </ul>
<b>Ministry of Social Solidarity – Corporate Services Management</b>			
<b>See MoAF-Corporate Services Management Adviser</b>	<ul style="list-style-type: none"> <li>Visible improvement in the performance of the National Directorate for Administration and Finance. The review of their organisational structure have helped to clarify role and responsibilities, improved lines of communication , and dedicated departments with clear mandate</li> </ul>	<ul style="list-style-type: none"> <li>Clear organizational structure and relevant Ministerial Diploma approved for the restructuring of the National Directorate of Administration and Finance.</li> <li>Monthly detailed financial reports are now prepared by Finance and used for budget management assisting in MoSS recording a 97% budget execution result</li> </ul>	<ul style="list-style-type: none"> <li>Two primary counterparts are driving the re-structures process, internally as well as externally with all other relevant stakeholders, e.g. CSC, MoF</li> <li>Planning Section can now routinely prepare the reporting requirements of GoTL, including AAPs and National priorities Progress Report. The QRM report has been formatted and a workshop to be run in February for Focal Points will assist planning to collate more information.</li> </ul>



Relevance	Efficiency	Effectiveness	Sustainability
	<p>and staff in the areas of finance, procurement, planning, HR and . Administration.</p> <ul style="list-style-type: none"> <li>For each area of work, job descriptions were developed, SOPs developed, workshop conducted to institutionalise changes and processes</li> <li>The management team of DNAF took on board the recommendations and proposal presented by the advisers and through continuous engagement and consultations the solutions offered were contextualised to the needs of the directorate and owned and defended by the team (strong ownership of the changes incurred)</li> </ul>	<p>this year and written commendation from the Ministry of Finance.</p> <ul style="list-style-type: none"> <li>The restructure of DNAF has brought to light some significant improvements. The Director has explained to all DNAF managers about the new recruitment process according to the Civil Service Act. The HR Manager has facilitated submissions to CSC on the establishment of departments or sections where they do not meet the new criteria.</li> <li>A new asset management procedure is being implemented and the structural changes are focussed on improving procurement and logistics systems through increased accountability and clear responsibilities. Workshop on new procedure conducted and responsible officer comfortable with the changes introduced.</li> </ul>	<ul style="list-style-type: none"> <li>Reporting deadlines that often resulted in crisis situations are now routinely planned and managed by the Planning Section and Counterparts.</li> <li>Comments have been made by internal and external parties that the corporate services functions of MoSS have improved over the last 18 months. In particular the management exercised by primary counterparts and the work they drive making ongoing improvements through implementation of the SOPs. It is clear that the performance of primary counterparts has been noticed and favourably looked upon along with the resulting improved corporate service management</li> </ul>
<b>Ministry of Infrastructure – Corporate Services Management</b>			
See MoAF-Corporate Services Management Adviser	<ul style="list-style-type: none"> <li>In the absence of an International Adviser, National Adviser was critical to assist the Director General of Corporate Services with administrative responsibilities of the department</li> <li>Development of job descriptions for new HR and Procurement staff</li> </ul> <p><b>Issue 1:</b> The absence of an international adviser affected the</p>	<ul style="list-style-type: none"> <li>Assisted Human Resources Unit with the recruitment of two new staff for the positions of HR and Procurement as per new corporate services department structure.</li> <li>Coached and mentored planning staff in the collections, collation and preparation of the following reports for Mol: <ul style="list-style-type: none"> <li>2010 AAP</li> <li>Quarterly , six monthly and annual reports</li> </ul> </li> <li>Coached HR staff with the implementation of PMIS requirements</li> </ul>	<ul style="list-style-type: none"> <li>Coordinate training for CS department on the following areas: <ul style="list-style-type: none"> <li>Free balance for finance staff</li> <li>PMIS for HR staff</li> <li>Procurement guidelines for Procurement staff</li> </ul> </li> </ul> <p>which resulted in clear understanding of roles and responsibilities. However for the benefits achieved so far to be truly sustainable continuous mentoring/coaching still necessary.</p>

Relevance	Efficiency	Effectiveness	Sustainability
	establishment and strengthening of certain critical Corporate Services functions, e.g. budget, procurement	<ul style="list-style-type: none"> <li>• Training administrative officer in drafting response, invitation letter and handling correspondence and organising meetings.</li> <li>• Supported CS staff during national priorities meetings and subsequent follow-up actions</li> </ul>	
<b>Secretary of State Council of Ministers</b>			
The translation of the legislation approved by CoM, written in Portuguese to Tetum is critical to assist proper dissemination and implementation by all stakeholders. There were significant problems associated with systems and procedures regarding the functions of translation within SoSCoM.	<ul style="list-style-type: none"> <li>• The approved Legislative procedures and Legal Drafting Rules developed by the advisers have determined the progressive legislative standardization of the Timorese legal framework. However the lack of proper monitoring and rigour in the implementation of these rules may jeopardise all the good work achieved.</li> </ul>	<b>Challenges:</b> <ul style="list-style-type: none"> <li>• Capacity Building in the legal area, especially in drafting, requires more that contact with advisers. Counterparts need to be qualified in civil law system as well as having good command of Portuguese language.</li> <li>• The quality of translators with command of Portuguese and Tetun as well as knowledge of law will determine the quality of legislation translated.</li> <li>• Advisers should attend to the need and welfare of the Timorese, avoiding imposing solutions of their own countries. Sensibility to the Timorese question and problems is required. An open mind and flexibility on approaches should be kept at all times.</li> <li>• The importance of multidisciplinary teams while drafting and reviewing legislation, e.g. legal advisers and economists, managers and accountants, etc is crucial as it will make the law stronger and relevant</li> </ul>	<ul style="list-style-type: none"> <li>• With on the job training and mentoring of 2 national legal assistants in the Legal Support Unit, many minor tasks previously dependent on the international adviser are now delegated to them. E.g. analysis of projects of diplomas, official orders drafting, understanding of legislative procedures, draft simple resolutions, increase in fluency in spoken and written Portuguese They are performing efficiently these tasks. However it will be a long time before they are able to draft legislation without assistance of international advisers.</li> </ul>

## Annex 4 – Table of Modalities

ACT No.	Agency	Adviser Name	Position Title	International Adviser	National Adviser	AVI	Other non-TA positions Research/Review	Mentoring & Coaching Workshops / symposia	Training	Manuals, procedures, policies, legislation and Good Practices Advises
ACT015	SoS CoM	G. Lopes	National Legal Adviser (completed)		1			✓		
ACT026A	MoSATM / INAP	M. Curtins, D. Hockings, N. Granadeiro & X. Soares	Curriculum Developers & Training Advisers (international positions completed)	2	2			✓	✓	7 Modules for the Senior Management Course; Trainers Guide; Training Assessment Tools;
ACT034	MoAF	P. Jarvis	Food Security Adviser (completed)	1				✓	✓	Food Security Monitoring System; Technical Guide to Crop Storage; Policy "Importation, Processing, Storage, Marketing and Distribution of Rice and Maize"; Food Security website and newsletter
ACT039	OPM	S. Fenby & D. Monteiro	Policy Adviser	1	1			✓		
ACT046C	Mol	B. Fonseca	National Corporate Services Adviser (completed)		1			✓		
ACT047	MoAF	S. Mathews; N. Magalhaes; D. Guterres	Corporate Services Adviser (International adviser and 1 national adviser completed)	1	2			✓	✓	✓ Several policies on logistics, records management; management of staff attendance

ACT049	MoAF	I. Palma	Legal Adviser (completed)	1 (STA)								Decree Law for Slaughterhouses; Decree Law for register of Animals
ACT050	MoF	H. da Costa	Adviser to the GoTL Initiatives on Post-Accra Agenda	1								
ACT051	CSC	F. Guterres, J. Avelar, D. Pereira + 3 new under recruitment	National Adviser		6							
ACT051B	CSC	Sue Smith	HRD Adviser	1					✓	✓		Policy on Training & Development and Scholarships
ACT051C	CSC	K. Grey; G. O'Garrel; D. McConnel + 3 new + Paul Wilcox (AVI)	HRM Adviser (3 completed and 3 under recruitment)	6 (2 of each were STA)		1			✓			Policy on Conversion of Temporary employees to Permanent civil servants and relevant implementation plan; Mechanism for development and consideration of special career regimes; Decree Law of general allowances for civil servants; Review of Leave Decree law and development of information schedules on leave entitlements for use in induction programs; developed parts of the HR Manual
ACT051D	CSC	David Meehan	Internal Governance	1					✓			Standard Operation Procedures for records

												management, commission papers, meetings procedures, minutes, use of generator, etc; Standard templates and process to put together the Annual Plan
ACT051E	CSC	Jose Luis Reali	Legal & Disciplinary Adviser	1					✓			Decree law on general allowances for civil servants; Review Leave decree law' decree law on transition of temporary employees to permanent public servants;
ACT052	MoSATM	Mara Goncalves	Legal Adviser	1					✓			Review Organic Law MoSATM; Strengthen internal regulations: procurement unit, competencies of DG and Internal Audit; rules to control National Directorates financial expenditure and budgeting. Development of subsidiary regulations on decentralisation
ACT053A	MoSS/SED NA/DS	Vivienne Topp	Disability Services Adviser (completed)	1					✓			Draft Disability Policy
ACT053B	MoSS/SED NA/DS	Dulce da Cunha	Community Rehabilitation Adviser (completed)		1				✓			Directorate of current CBR agencies in Timor-Leste; Timor-Leste National Strategy for CBR and Timor-leste CBR Training Framework
ACT054A	OVRM (office folded)	Milena Pires	Senior Policy Adviser (resigned)	1					✓			

ACT054B	OVRM (office folded)	Jenny Asman	Governance Adviser (completed)	1					✓			
ACT055	Outside of Timor	Greg Wilson	CSC Desk research					1				CSC Report
ACT056A	MoSATM / INAP	K. Davis; A. Piedade	INAP Review		1			1				INAP Review Report
ACT056B	GoTL	NRC	Cert IV Training & Assessment (1 phase completed)								1 (delivered to 18 GoTL officials, 3 National Advisers and 2 staff from NGOs)	
ACT056C	MoSATM / INAP	TBA	Trainers (new, under recruitment)				6					
ACT056D	MoSATM / INAP	TBA	Management & Organisational Dvlpmnt Adviser (new, under recruitment)	1								
ACT057A	GoTL	GoTL Internship Program	ADS/NZDS (new)				8 to 10					
ACT057B	CSC & MoSATM	TBA	National Legal Interns (new)				2					
ACT058	GoTL	TBA	Distance Education (new)								✓	
ACT059	MoSATM	Jenny Asman	Senior Management Adviser (new)	1					✓			

## Annex 5 – Case Studies

### Case Study 1 – Support to GoTL Aid effectiveness agenda

#### Initial situation

Following the abolition of both the Capacity Development Coordination Unit and the National Directorate for Planning and External Assistance Coordination (NDPEAC) in 2007, there was no central aid coordination unit to help manage the Government's approach to planning or donor coordination. There was also no global platform for fragile states to share lessons on aid effectiveness. This created significant challenges for government and donors alike, especially in terms of aligning and harmonising development assistance.

#### PSCDP contribution

Australia, with support from PSCDP, has been a major supporter of the Government of Timor-Leste's efforts to strengthen aid effectiveness and contribute to the global policy debate. PSCDP advisory support has helped to establish and strengthen the National Aid Effectiveness Directorate (NDAE) within the Ministry of Finance, which is now playing a lead role in a number of areas to strengthen aid effectiveness and donor coordination in Timor-Leste.

#### Resulting situation

##### 1. The NDAE

The NDAE is now leading aid effectiveness and donor coordination efforts in Timor-Leste, in several ways, including:

- Coordinating the Government's National Priorities process
- Supporting and hosting the quarterly Development Partners (QDPM) Meetings and annual Timor-Leste Development Partners Meeting (TLDPM)
- Collating and analysing data on donor aid flows in order to better link these to the national budget process
- Facilitating Timor-Leste's leadership and contribution to major international policy debates on aid effectiveness (as illustrated below).

##### 2. International Dialogue on Peace building and State building, Dili (9-10 April 2010)

Timor-Leste is now a leader on the world stage, with Timor making a significant contribution to international debates about aid effectiveness in situations of fragility. As mandated in the Accra Agenda for Action (September 2008), Timor-Leste hosted the International Dialogue on Peace-building and State-building in April 2010 which broke new ground as the first global platform to give fragile states a voice on issues surrounding aid effectiveness. The Dialogue, which produced the landmark Dili Declaration, was very well received with more than 100 delegates from 40 countries attending the meeting, along with representatives from the United Nations, Asian Development Bank, World Bank and the Organisation for Economic Cooperation and Development (OECD), and a group of 30 mostly high-income donor nations.

The Dili International Dialogue led to the creation of a new group of fragile states, collectively known as the g7+, who have come together to share their experiences and build consensus on development responses that are both effective and tailored to the context of conflict-affected and fragile states. The Dialogue also

provided a forum for policy dialogue between developing countries, civil society and development partners, which aimed to address questions, such as: What are the obstacles for achieving the Millennium Development Goals in fragile and conflict affected countries? What are the priorities for building sustainable peace and developing capable and accountable states? And how can international support be more targeted and effective?

The Dili Declaration identifies seven goals for peace-building and state-building, and outlines concrete commitments for governments and international assistance to improve support in these processes. The results of the Dili dialogue, including the international action plan, will be presented at the Fourth High Level Forum (HLF-4) on Aid Effectiveness in Busan, South Korea in December 2011.

### **3. Establishment of the g7+ has created a new voice on the global stage**

The g7+ is an independent and autonomous forum of fragile and conflict affected countries and regions that have united to form one collective voice on the global stage. The purpose of the group is to:

- Promote urgent reforms on global policy
- Encourage better international partnerships by implementing and influencing global policy
- Change the way international actors engage with and in fragile and conflict affected nations, and
- Achieve formal recognition and become engaged in global dialogue in which g7+ countries and regions have traditionally been exempt.

The g7+ will work towards shaping effective policies and facilitating ongoing international dialogue through all available avenues. In the short term, the focus will be targeted towards the Fourth High Level Forum on Aid Effectiveness in South Korea in 2011.

The g7+ Secretariat is housed alongside the Aid Effectiveness Directorate of the Ministry of Finance in Dili, Timor-Leste. Timor-Leste's President, H.E. Jose Ramos-Horta, announced a contribution of \$500,000 to support the g7+ Secretariat at the g7+ Summit of Heads of State in New York in September 2010. Timor-Leste's Minister of Finance, the Hon. Emilia Pires, is Chair of the g7+ and Co-Chair of the International Dialogue with DFID, United Kingdom. Work is well underway in four working groups to be implemented in the next few months, namely, Capacity Development; Aid Instruments, Planning Process and Political Dialogue. The next International Dialogue on Peace building and State building will be hosted by Liberia in June 2010, in the lead up to the High Level Forum 4 (HLF-4) in Busan, South Korea.

Timor-Leste now enjoys the momentum towards positive change in double digit economic growth, 9% poverty reduction over the past two years, and the consolidation of peace and stability. Together with the strong political commitment of the Timorese leadership in aid effectiveness, Australia has helped Timor-Leste advance the aid effectiveness agenda both at home and abroad.

### **Lessons Learned**

The establishment of the National Aid Effectiveness Directorate (NDAE) has provided excellent opportunities for donors to collaboratively support the Government of Timor-Leste's efforts to strengthen aid effectiveness and coordination. JICA, UN and AusAID funded advisers are working together to support the Government in this important area. However, to date, capacity development within the National Aid Effectiveness Directorate has been relatively limited. This is because the NDAE continues to be heavily supported by donor funded advisers, many of whom are working in line. The GoTL and donor partners need to work together to develop an effective strategy for long term capacity development of the Directorate.



## Case Study 2 – Scholarship programs

### Initial Situation

Prior to PSCDP taking over management of the Scholarship program, the ADS and NZDS scholarship programs were jointly managed by a separate managing contractor to the previous Capacity Building facility. The first year that PSCDP undertook management responsibility the scholarship program was relatively modest with only eight scholarships offered by Australia and three by New Zealand for intake year 2007. Marketing of scholarships was largely limited to Dili and scholarship awards were not well linked to government priorities. Many applicants struggled to meet English language testing requirements. This situation diminished the potential benefits of the scholarship program as a means to address issues such as gender equality and access by rural populations.

### PSCDP contribution

PSCDP manages the Australian Development Scholarship and New Zealand Development Scholarship programs on behalf of Australia and New Zealand. A range of improvements have been made to the scholarship programs under PSCDP management, including:

- A harmonised approach to ADS and NZDS programs
- Better targeting of scholarships
- Strengthening IELTS test preparation support
- Enhanced marketing across the country
- Supporting the first ever University Expo
- Supporting a complementary Government Graduate Internship Program

### Resulting Situation

#### 1. Effective management of the scholarship programs

- A harmonised approach to the advertisement, short-listing and selection of both ADS and NZDS graduates has not only provided greater administrative efficiencies and a more effective selection process, but is also contributing to improved donor harmonisation.
- Better targeting of scholarships with the Civil Service Commission identifying key priority areas for skills development within Government.
- Strengthening IELTS test preparation support for the upcoming 2011 selection round. Pre-test preparatory support will be increased to four full days (up from one day previously), and will provide applicants with intensive preparation in each of the four core skills tested through IELTS (i.e. reading, writing, listening and speaking). Pre-test preparation support will be offered to 120 shortlisted applicants without a current suitable IELTS test result.
- An enhanced marketing campaign targeting every district. PSCDP has also supported the development of new marketing materials, such as advertising banners and promotional brochures which were distributed throughout the country and to all ministries and government agencies, via public notice boards and the ADS and NZDS alumni. ADS – NZDS was also advertised on television and in all community radio in all districts. Interviews and distribution of applications were conducted in four districts other than Dili places, including Covalima, Viqueque, Maliana and Oecusse districts.

- Supporting a highly successful two day University Expo in September 2010. The Expo was attended by 13 universities from Australia and New Zealand, with hundreds of potential students coming from around the country to participate.<sup>4</sup> The Expo provided prospective students with the opportunity to meet directly with university representatives to explore possible future studies and careers. The ADS team also provided potential applicants with a wide range of information as part of the annual application process, including advice on available university courses and potential careers.
- Developing a complementary Government Graduate Internship Program to encourage ADS and NZDS graduates to consider pursuing a career in government and contribute to their nation's development. The innovative new program aims to encourage recent graduates to undertake a period of paid work with Government rather than NGOs or the private sector. Graduates will be placed into government internships (funded by the Program) for a period of up to 12 months, with graduate's skills and interests to be matched with Ministry needs. Graduates will also receive ongoing professional development training. Both the Australian and New Zealand governments have committed to supporting the pilot internship program. It is hoped that the Government of Timor-Leste will be able to build on the success of the initial pilot and expand the program to other scholarship programs in future years.

## **2. Increase of ADS for Timor-Leste**

- Australia recently announced an increase of 10 in the number of Australian Development Scholarships, which will take the total number of ADS scholarship awards to 30 in 2011. New Zealand is offering a total of 10 scholarships each year. This total of 40 scholarships is a significant increase on the 11 originally on offer just four years ago. Interest in the scholarship programs remains strong, with a total of 389 applications received for intake 2011.
- To date, a total of 123 students have completed their studies and returned to Timor-Leste. Of the 123, around one third (44) are female and two thirds (79) male. Just under half (58) studied at a postgraduate level and 65 at an undergraduate level. Two students completed honors studies in 2010, with another two students invited to complete honors in 2011 (all four are females).
- Of the 123, almost equal numbers are working within the Government of Timor-Leste (51) and private sector organizations (53), such as with the United Nations, International NGO's. A further 19 former scholars are upgrading their level of studies under different scholarships schemes.
- Of the 122, 22 scholars completed their course in the field of Agriculture, 16 scholars completed in the field of Building and Engineering, 34 scholars completed in the areas of sciences, Health and Medicines, 40 scholars completed their course in the field of Business, Economic and Law and 11 scholars completed their course under Education and Social Sciences.
- Drop-out rates have been relatively low, with only 9 awardees unable to complete their studies (of these students four were female and five were male).

## **3. Development of future leaders of Timor-Leste**

Scholarships are a key component of a longer term strategy to build the capacity of Timorese citizens and develop future leaders. Since 2000, over 150 Timorese students have successfully completed their studies in Australia or New Zealand. Many former graduates are already making a substantial contribution to the

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<sup>4</sup> Universities who attended the Expo came from Adelaide, Melbourne, Queensland, Canberra, Perth, Darwin and New Zealand.

development of Timor-Leste, taking up senior positions within government and the private sector. For example, the current Ministers for Health, Education, Infrastructure, as well as several Secretaries of State and Directors General are all former ADS graduates.

### **Lessons learned**

The current year's intake of 389 is down on last year's number (526), however, this is largely due to the Ministry of Education extending the academic year which meant that prospective applicants completing their schooling this year were not able to apply by the deadline. PSCDP will adjust the timing of future selection rounds to reflect this recent change.