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Local Governance Support Programme (LGSP) 2012-2013 (Extended to June 2014)

Progress Report (January to May 2014)

The Implementation of the Cost-Sharing Agreement between the Government of Timor-Leste and the UNDP to Support Administrative Pre-deconcentration Capacity Building

June 2014

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1. Background

The Fifth Constitutional Government prioritized decentralization in its five year programme. Prime Minister led a countrywide decentralization consultation in early 2013, where UNDP was invited to join, resulted in an Administrative Pre-deconcentration Decree Law No. 4/2014 to establish an organic structure in 13 districts to prepare for municipalization in the country. The Government of Timor-Leste further requested UNDP to support Administrative Pre-deconcentration Capacity Building. A Concept Paper on Administrative Pre-deconcentration Capacity Building was further drafted and approved by the Government laying down the concepts, strategies and methodologies for the said capacity building. Two missions of UNDP Asia Pacific Regional Center were deployed to Timor-Leste in mid-2013 to lay down ground works for the design of the Administrative Pre-deconcentration Capacity Building. A strategy paper on UNDP support to decentralization in Timor-Leste and a Concept Note on Strategies, contents, methodologies and plans for Administrative Pre-deconcentration Capacity Building was prepared, presented to the Government and approved.

The Government of Timor-Leste and UNDP signed a Cost-Sharing Agreement (CSA) on 14 March 2014 with a total contribution of US\$750,000 from the Government state budget 2014 for the implementation of the Administrative Pre-deconcentration capacity building for the period of January to December 2014. The contribution is allocated to UNDP-UNCDF Local Governance Support Programme (LGSP) 2012-2013 (extended to June 2014) where the UNDP support to decentralization is reflected. The LGSP will be replaced by a UNDP-UNCDF Support to Sub-National Governance and Development Programme (SNGDP) 2014-2018 which will include a Programme Outcome of Support to decentralization. The CSA provides for a joint effort between UNDP and the GoTL in the area support to the design and implementation of the Administrative Pre-deconcentration Capacity Building including: 1) procurement of international and national decentralization technical experts services to design of strategies, plans and contents of the first pillar of Administrative Pre-deconcentration Capacity Building; 2) technical advisory support to Secretary of State for Administrative decentrazation and Secretary of State for Institutional Strengthening; 3) procurements of goods for the implementation of Administrative Pre-deconcentration Capacity Building; 4) workshop and training cost of the first pillar Administrative Pre-deconcentration Capacity Building. Despite the Agreement was only signed on 14 March, the implementation of some of the activities under the CSA have been ongoing since January this year.

2. The Results Achieved

a. Technical Support to Administrative Pre-deconcentration Capacity Building

Three decentralization experts, Ms. Ashley Elizabeth Palmer, Mr. Raghunandan Raghavan Thoniparambil and Ms. Parimala Anil Inamdar were deployed to conduct three missions during October to December 2013 to amplify the developed concept note on Administrative Pre-

deconcentration Capacity Building. Three main documents on Administrative Pre-deconcentration Capacity Building: Administrative Pre-deconcentration Capacity Building Syllabus and Plans; Administrative Pre-deconcentration Capacity Building Resource Persons Manual; and Administrative Pre-deconcentration Capacity Building Participants Manual were designed and presented to the Government of Timor-Leste for approval.

During 12 February to 20 March 2014, a mission of two international technical experts who designed the syllabuses and manuals of the Administrative Pre-deconcentration capacity building in 2013 were re-deployed during 40 days, with the main tasks to review the Administrative Pre-deconcentration Capacity Building strategies, plans and contents and to plan and conduct trainings to the Administrative Pre-deconcentration Capacity Building thematic coordinators and the Administrative Pre-deconcentration Capacity Building resource persons.

The mission's results are:

- The Administrative Pre-deconcentration Capacity Building Syllabus and Plan was reviewed and finalized. The Manuals for the Resource Person and for the Participants were also reviewed and finalized and ready for approval by the Government.
- A manual for Administrative Pre-deconcentration Capacity Building Evaluation was developed during the mission and is ready for approval.
- A five days orientation to the Thematic Coordinators of the Administrative Pre-deconcentration Capacity Building conducted and participated by 12 coordinators and supplement coordinators.
- The planned three weeks workshop for the Administrative Pre-deconcentration Capacity Building Resource Persons conducted with different methodology. The International Experts and SEFI team approached the Resource Persons in their office rather than classroom interactions. Fifteen (15) of the 23 targeted Resource Persons were oriented to the training contents, strategies, methods, tools roles and responsibilities and the required inputs. The rest of the team was still need to be explored as they were on duties outside the office during the mission.
- Conducted an analysis on the Pre-deconcentration Decree Law No. 4/2014 on its strengths and gaps in comparison to the existing positive laws, international theories and best practices and its implications.

On the financial expenditures of the mission, please refer to the financial expenditures on section "4" of this report.

b. Support Procurement for Administrative Pre-deconcentration Capacity Building

Based on the Government CSA with UNDP for Administrative Pre-deconcentration Capacity Building, a total allocation of US\$612,355.00 is for procurement of goods and procurement of services. The major activities and results achieved have been on the followings:

- A joint panel of UNDP-SEFI conducted recruitment of the International Decentralization experts to review the plans and strategies and to conduct Orientation to the resource

persons of the Administrative Pre-deconcentration Capacity Building. Mission of the two experts conducted from 12 February to 20 March 2014;

- A joint panel of UNDP-SEFI also conducted recruitment of the two decentralization experts to undertake the second mission of the design of the Administrative Pre-deconcentration Capacity Building. Plan to have the mission from May to 31 December 2014 to conduct Administrative Pre-deconcentration Capacity Building;
- UNDP-SEFI panel conducted recruitment of four (4) Thematic Coordinators for Administrative Pre-deconcentration Capacity Building. Based on the request from SEFI to postpone two of the four positions, only two of the strong candidates selected during the recruitment were offered the contract. While the two others are on reserved candidates. However, one of the two selected candidates declined for the reason of her decision to continue in her current position as government official. The two reserved candidates were hence approached to replace the declined candidate. However, bad reference was obtained from one of the reserved candidates. While the other reserved candidate declined the offer. The positions were, therefore, re-advertised. The selected candidate who accepted the offer took the position on 10 April. The recruitment of the other three candidates is ongoing.
- Recruitment of the other positions under the Cost-Sharing Agreement is on ongoing:
 - The Terms of Reference for a mission of two international experts in the area of public administration reform to conduct Institutional Strengthening assessment drafted;
 - The Terms of Reference for a national decentralization advisor to support SEDA is drafted;
 - Discussions on the international decentralization expert to support SEDA is ongoing;
 - Back stopping supports from UNDP Asia Pacific Regional Center Bangkok is yet to be determined.
- Procurement of IT Equipment for SEFI completed. The equipment will be delivered to SEFI in June.
- Design and procurement of uniforms for Administrative Pre-deconcentration Capacity Building participants is at the stage of contract offering. The items are scheduled to arrive in Dili in August 2014.

3. Challenges and Lessons Learned

Delays in the recruitment of the Pre-deconcentration district officials which was scheduled to take place in April to June 2014 and the delays of the rolling out of the Administrative Pre-deconcentration implementation plan impacted on the delays of the implementation of the Administrative Pre-deconcentration Capacity Building.

4. Financial Report

The first installment US\$300,000 (40%) of the US\$750,000 of the Cost-Sharing Agreement was received in UNDP account on 2nd May 2014. However, in anticipation of the delays of the implementation of the activities under the CSA, UNDP anticipated with funding requirements for some activities undertaken during January to May 2014 with the budget from Local Governance Support Programme. The UNDP expenses have been reimbursed with the received fund under the GoTL-UNDP CSA for Administrative Pre-deconcentration capacity building.

The following table presents the details of the approved budget, commitments, expenditures and balance as of 31st May 2014:

a. Summary of budget and expenditures

Description	Total (\$)
Total Cost-Sharing Agreement	750,000.00
Total Fund Disbursed by GoTL as of 31 st May 2014 (40%)	300,000.00
Remaining Balance to be Disbursed by GoTL (60%)	450,000.00
Expenditures as of 31 st May 2014	147,742.22
Total fund committed as of 31 st May 2014	295,713.93
Total Expenditures and Commitment	443,456.15

b. Details of budget, commitments, expenditures

Budget description	Allocated Budget (\$) (a)	Commitments as of 31 st May 2014 (b)	Expenditures as of 31 st May 2014 (c)	Balance as 31 st May 2014 (d) (d=a-(b+c))
International Decentralization Capacity Building Specialist (One with SEFI but with part-time advisory support to SEDA)	135,000	69,628.93	65,371.07	0
National Capacity Development Advisors/ Thematic Coordinators (4)	70,405	14,535	3,420	52,450
National Decentralization Advisor (1)	31,500	0	0	31,500
Short Term Training Specialists (International)	55,000	9,396.85	45,603.15	0
Short Term consultants (International)	25,000	14,858.15	0	10,141.85
International specialist for Institutional Strengthening	50,000	0	0	50,000
Training and workshop costs	30,000	0	6,183	23,817
Resource Persons for Delivering Training Modules	28,800	0	0	28,800
Travel	23,000	0	0	23,000
Communication, stationary, translation, printing	29,000	0	7,665	21,335
Technical Support to SEDA RDTL	50,000	0	0	50,000

IT Equipment for SEFI:	26,200	26,200	0	0
• Lap top	7,500			
• Desk Top	9,000			
• Photo Copy machine	5,000			
• Projectors	2,500			
• Handicam	700			
• Freight cost	1,500			
Uniforms and attributes for 1,850 Trainers and Trainees of Administrative Pre-deconcentration capacity building	113,000	113,000	0	0
Administration and Finance Assistant (1)	11,250	11,250	0	0
UNDP Asia Pacific Regional Centre technical backstopping in capacity building and decentralization	15,000	0	0	15,000
Direct Project Cost UNDP	35,000	15,000	19,500	0
Sub-Total Direct Technical Assistance	728,155	273,868.93	147,742.22	306,043.85
UNDP General Management Services (managerial and technical supervision, quality assurance, reporting) 3%	21,845	21,845	0	0
Total Proposed Budget	750,000	295,713.93	147,742.22	306,043.85