

# Final Review Report 2018-2020

UNDP Timor-Leste

Anti-Corruption Project



COMISSÃO **ANTI** - CORRUPÇÃO  
TIMOR - LESTE  
SORUMUTU  
"PAPEL JOVENTUDE HODI HAMETIN  
INTEGRIDADE ESTADU TUIR LEI"  
KOICA



**KOICA**  
Korea International  
Cooperation Agency

## PROJECT PROFILE

Project Identification	Geographic coverage of the project
<ul style="list-style-type: none"> <li><b>Project Title:</b> Strengthening anti-corruption, transparency and accountability for sustainable development in Timor-Leste</li> <li><b>Project ID:</b> 00100646</li> <li><b>Weblink:</b> <a href="http://www.tl.undp.org">www.tl.undp.org</a></li> </ul>	<p><b>National level coverage (Yes/No):</b> Yes</p> <p><b>Number of municipalities covered:</b> seven (Aileu, Ainaro, Bobonaro, Dili, Lautem, Suai, and Viqueque)</p> <p><b>Number of sukus covered:</b> N/A</p>
Strategic Results	Implementing/Responsible partner(s)
<p><b>UNDP Strategic Plan Outcome:</b> ADVANCE POVERTY ERADICATION IN ALL ITS FORMS AND DIMENSIONS (SP OUTCOME 1)</p> <p><b>UNDP Strategic Plan Output:</b> Institutions and systems enabled to address awareness, prevention and enforcement of anti-corruption measures to maximize availability of resources for poverty eradication (SP Output 1.2.3)</p>	<ol style="list-style-type: none"> <li>1. UNDP Timor-Leste</li> <li>2. Commission of Anti-Corruption Timor-Leste (CAC)</li> </ol>
<p><b>UNDAF/CPD Outcome:</b> State institutions are more responsive, inclusive, accountable and decentralized for improved service delivery and realization of rights, particularly of the most excluded groups (UNDAF Outcome 4).</p>	
<p><b>CPD Output:</b> Public sector oversight, accountability and transparency institutions, mechanisms and processes strengthened (UNDAF Sub-Outcome 4.2 &amp; CPD Output 3.2)</p>	
Project Budget (US\$)	Project Duration
<b>UNDP Contribution:</b> N/A	<b>Start Date (day/month/year):</b> 9 July 2018 (Project Document Signed)
<b>Government Contribution:</b> N/A	<b>End Date (day/month/year):</b> 30 June 2020 (Per Project Document)
<b>Other Contributions:</b> N/A	Implementation Modality
<p><b>Donor Contributions:</b> <b>KOICA:</b> \$350,355.52</p>	DIM
<p><b>Total project budget:</b> \$350,355.52 <b>Total approved budget for 2018-2020:</b> \$350,355.52</p>	

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## ACRONYMS

CAC	Commission of Anti-Corruption
CPD	UNDP Country Programme Document (2015-2020)
DIM	Direct Implementation Modality
KOICA	Korea International Cooperation Agency
PDHJ	Ombudsman for Human Rights and Justice
SERVE	Service for Registration and verification of Entrepreneurs
SDGs	Sustainable Development Goals
SP	UNDP Strategic Plan 2018-2021
UNDAF	United National Development Assistance Framework of Timor-Leste (2015-2020)
UNDP	United Nations Development Programme
UNODC	United Nations Office of Drugs and Crime

## PROJECT SUMMARY AND OBJECTIVES

UNDP, through the financial support from KOICA, officially launched the project in July 2018 with the Commission of Anti-Corruption (CAC) as the primary counterpart. KOICA and UNDP are one of the few development partners who support CAC. CAC was established in 2009 with a mandate for prevention and investigation of corruption (Law No. 8/2009). The UNDP-CAC partnership was centred on CAC's prevention mandate.

The project envisaged that Timor-Leste would achieve sustainable peace and prosperity through strong institutions that deliver services in a more efficient, transparent, and inclusive manner to the people of Timor-Leste. The project specifically intended to 1) enhance political will against corruption, 2) mobilize citizens' commitment against corruption, 3) increase oversight institution's capacities to address corruption and mismanagement, and 4) improve transparency and accountability in the quality of service delivery of the public sector.

The objectives are translated into a long-term outcome and short-term outputs in the Project Document as below:

- **Outcome:** A culture of transparency and rejection to corruption embedded in state institutions and citizens
  - **Output 1:** Anti-corruption policy developed and mechanisms established at the national and local levels to mitigate corruption in risk areas, such as procurement and investment licensing procedure
  - **Output 2:** Capacities of oversight institutions increased to promote corruption prevention and public-sector integrity
  - **Output 3:** National awareness and dialogue initiatives conducted to decrease the level of public tolerance for corruption as well as promote good governance and sustainable development

First, the project aimed to support the development of an overall anti-corruption policy/strategy, coupled with capacity development initiatives for the national and municipal civil servants in the areas of procurement and taxation. Second, prevention mechanisms for enhancing public sector integrity will be strengthened. Third, greater civic engagement will be promoted through youth training and multimedia advocacy initiatives.

The project was in line with the Timor-Leste Strategic Development Plan (2011-2030) as well as the United Nations Development Assistance Framework (UNDAF) for 2015-2020. The former emphasizes building trust in government through delivering quality public service and promoting civil service values, and the latter interprets it as the institutional strengthening in the oversight mechanisms. The relevant outcomes and outputs of the UNDAF/Country Programme Document (CPD) include the following:

- State institutions are more responsive, inclusive, accountable and decentralized for improved service delivery and realization of rights, particularly of the most excluded groups (UNDAF Outcome 4)
- Public sector oversight, accountability and transparency institutions, mechanisms and processes strengthened (UNDAF Sub-Outcome 4.2 & CPD Output 3.2)

The project duration was extended from 18 months to 24 months until June 2020 as the project faced several obstacles in 2018. Shortly after the project was launched in July 2018, then CAC Commissioner’s tenure terminated and the position remained vacant until January 2019, when a new Commissioner was finally elected in the National Parliament after months of delay due to the political impasse. Since then, the political environment and agency’s readiness to implement the project significantly enhanced. In particular, the project has closely collaborated with the Deputy Commissioner for the Prevention and Education and the Deputy Commissioner for Public Relations, and achieved the output targets.

## KEY ACHIEVEMENTS PER PROJECT OUTPUT

Hereunder, key achievements are reported against the pre-determined indicators and targets per Project Document for the project duration from July 2018 to June 2020. The activity implementation was significantly concentrated in 2019 and early 2020 due to the political stalemate and absence of the CAC Commissioner in 2018.

### **[Output 1] Anti-corruption policy developed and mechanisms established at the national and local levels to mitigate corruption in risk areas, such as procurement and investment licensing procedure**

Indicator	Baseline	Target	Achievements by the project completion
1.1 National Anti-Corruption Strategy finalized and approved	0 (2017)	The National Anti-Corruption Strategy finalized and socialised	<ul style="list-style-type: none"> <li>✓ Supported CAC National Conference, later contributing to the approval of the Anti-Corruption Law in the National Parliament</li> <li>✓ Completed the anti-corruption diagnostic assessment for 11 government institutions, including the Prime Minister’s Office, as a baseline for developing the National Anti-Corruption Strategy</li> </ul>
1.2 Municipality civil servants’ awareness on ethics & integrity and regulations on procurement increased	64.2% of respondents believes corruption exists in procurement services (proxy baseline, 2015)	80% of participants knowledge and awareness increased in 4 Municipalities,	<ul style="list-style-type: none"> <li>✓ 470 public officials (118 women, 25%) in six municipalities participated; An average of 86% of the respondents believed that their knowledge on the issue has increased, and 81% were (strongly) satisfied with the workshop.</li> </ul>

1.3 % of civil servants who deal with tax collection and licensing of foreign investment companies increased their knowledge on the prevention of corruption	N/A	80% of civil servant in the SERVE increase their knowledge on the prevention of corruption	✓	28 staff (12 women, 43%) participated in Dili, 93% of whom increased their knowledge on anti-corruption practices and 93% were (strongly) satisfied.
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With regard to developing the National Anti-Corruption Strategy (NACS), the new Commissioner proposed to first conduct a diagnostic assessment, which would be used as a baseline for the development of NACS. With the project’s technical assistance, an interview-based qualitative report was completed, assessing the integrity vulnerabilities of the ten selected Ministries and Prime Minister’s Office and providing a roadmap for the development of NACS. Now that the new Anti-Corruption Law specifically stipulates the NACS to be developed by CAC, the assessment will certainly be of use in providing references and insights with a roadmap. The project was unable to develop the NACS during the project duration due to the postponement of the entire project cycle derived from the political impasse and the new proposition for the diagnostic assessment. However, UNDP plans to continue its support to CAC in developing the NACS and other areas in need.

The project has also supported CAC to conduct ethics and integrity training for public servants. A total of 470 public officials (118 women, 25%) in six municipalities (Aileu, Ainaro, Bobonao, Lautem, Suai, and Viqueque) participated from various institutions, including Ministries of Agriculture, Health, Education, Social Solidarity, State Administration, Justice, Interior, Public Works, PNTL, among others. According to the post-workshop evaluation, 77 per cent of the respondents requested more training or longer sessions on the topics and 11 per cent have explicitly requested such training to be held for higher-level government officials. An average of 86 per cent of the respondents believed that their knowledge on the issue has increased, and 81 per cent were (strongly) satisfied with the workshop.

As such, 28 staff (12 women, 43%) of the SERVE in Dili, the department of the Ministry of Justice responsible for commercial registry, licensing and tax collection, participated in CAC integrity training. Speakers from the Public Service Commission, Office of the Ombudsmen (PDHJ) and CEPAD, a civil society organization specializing in anti-corruption, shared their expertise. 93 per cent of the participants believed that their knowledge of anti-corruption measures increased.

The project’s technical assistance and training support throughout 2019 culminated in CAC’s commemorative event for its 10th anniversary of the establishment in February 2020. With the President of the Republic, President of the National Parliament, many other high-profile politicians, and hundreds of civil servants attended, CAC shared the UNDP supported anti-corruption diagnostic assessment findings and brought about a national consensus for combatting corruption.

In August 2020, only a few months after the event, a landmark Anti-Corruption Law (Law No. 7/2020) was approved and promulgated. The law had been pending in the National Parliament for a few years as the political parties did not agree on various agendas, including asset declarations. Eventually, the very first

piece of anti-corruption legislation is instituted after almost 20 years since the country's establishment in 2001. The law will be effectively in force in February 2021 after six months of preparation. It can be said that the National Conference, along with vigorous outreach campaigns previous months, has contributed to mobilizing the political will and catalyzed the momentum.

**[Output 2] Capacities of oversight institutions to promote corruption prevention and public sector integrity increased**

Indicator	Baseline	Target	Achievements by the project completion
2.1 Manuals to promote integrity and inspectorial system in public sector developed and distributed to civil servants	0 (2017)	Two manuals developed and distributed in the government; Preventing corruption through Inspection & monitored by civil engineer	✓ Three anti-corruption training manuals for i) public officials, ii) students and youth, and iii) infrastructure project monitoring developed
2.2 Integrity Pact for Procurement agreed by all stakeholders and its implementation in place	0 (2017)	Integrity Pact for Procurement agreed by all stakeholders	✓ One (1) Integrity Pact developed

Upon CAC's request, the project supported the manual development for the agency's training and inspectorial activities. Though initially intended for two, three manuals were developed: one for monitoring national infrastructure projects and two training manuals for the public officials and youth. Since the government's financing and procurement processes for infrastructure projects have been identified as one of the most vulnerable areas to corruption, CAC intended to enhance its monitoring capacity of the entire process of such projects. The training manual for the public officials includes the central and local government officials, and the youth manual covers the three similar and yet tailored training for pre-secondary, secondary, and university students. With the Anti-Corruption Law in force, the socialization of the law and integrity training for civil servants and the public has now become one of the most critical tasks for CAC prevention office. Hence, the manuals were regarded by CAC Deputy Commissioner on Prevention to have been developed at the right time, and UNDP will continue supporting CAC with the follow-up training on how to utilize the manuals even after the project ends.

Support to finalizing the Integrity Pact was initially requested by CAC. However, the new CAC leadership informed the project that the Pact had been finalized by CAC themselves with the state budget. Considering the project implementation has already been delayed, the project proceeded without further pursuing the activity results. No budget was expended for this purpose.

**[Output 3] Public commitment to address corruption and promote good governance and sustainable development strengthened through national awareness and dialogue initiatives**

Indicator	Baseline	Target	Achievements by the project completion
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3.1 Citizens' awareness of combatting corruption improved through outreach campaign	25% of people who do not know what corruption is (CAC perception survey, 2015)	15% of citizen do not know what corruption is	✓ ✓	Data Not available Conducted multimedia outreach campaigns in commemoration of the International Anti-Corruption Day on 9 December 2018 and 2019
3.2 % of the participants whose knowledge on the prevention of corruption increased	N/A	85% of participants increased their knowledge on prevention of corruption	✓	541 secondary school students (299 women, 55%) participated in six municipalities; An average of 88% of the respondents increased their knowledge and awareness of corruption, and 80% (strongly) satisfied.

Complementing the outreach campaigns in municipalities, the International Anti-Corruption Day that returns every year on the 9<sup>th</sup> of December is an excellent opportunity to socialize the issue and broadly advocate preventing corruption. Hence, toward and around the day, CAC, with the support of UNDP, proactively reached out to the general public, primary, secondary, and university students through text messages, TV and radio interviews, discussions, and remarks of the President of the Republic, offline quiz events, billboards, and distribution of anti-corruption stickers and pamphlets on the streets, shops, and government buildings. CAC has also held official events with the government: a report launching event on leasing the state land and properties with the Ministry of Justice and inspection results-sharing workshops at the Ministry of Agriculture and Ministry of Education.

The youth is the beacon for the future and the spirit to combat corruption is more effective when it is instilled at an earlier age. In light of this, CAC stresses its educational training targeting the young population and has a policy plan of incorporating an anti-corruption module into the school curricula. In the meantime, CAC conducted the one-day-integrity training for secondary school students in the six municipalities, where the training for the public servants took place. It was attended by 541 youth from youth centers and associations, an average of 88 per cent of whom believed that their knowledge on the issue increased and 80 per cent of whom were (strongly) satisfied with the workshop.

## CONCLUSION AND WAY FORWARD

All in all, the project has completed all of its planned activities with their targets met or overachieved, noting that some modifications were made, such as replacing the NACS with a diagnostic assessment and curtailing the number of the workshops for the public servants and the youth. The successful completion shall be attributed to CAC's dedicated team and the development partner's generosity and flexibility. Though the project duration was short and resources were limited, it has claimed its part in the corruption prevention area.

Building on the strong partnership with CAC, UNDP continues its support to CAC through the UNDP-EU regional program on governance (PALOP). The renewed initiative is to consolidate and expand what has been achieved thus far, consisting of IT equipment supplies and technical assistance.

The Constitution of Timor-Leste declares that *sovereignty rests with the people* (Article 1, Section 2). The public fund management as well as the civil service shall embody this spirit, so that people could enjoy prosperity and peace with no one left behind. The project directly contributes to the Sustainable Development Goal (SDG) 16: Peace, Justice, and Strong Institutions, and indirectly to the rest of the SDGs as transparency is a cross-cutting issue for all development agendas.

## PROVISIONAL FINANCIAL SUMMARY (Expenditure)

(REPORTING PERIOD: December 2017 – December 2020)

Project Outputs	Dec 2017	2018	2019	2020	Total	%
Output 1	-	36,144	52,081	35,703	<b>123,928</b>	35.4
Output 2	-	32,369	73,429	4,902	<b>110,701</b>	31.6
Output 3	-	11,856	26,502	-	<b>38,357</b>	10.9
Project Operational	-	22,103	31,191	24,075	<b>77,369</b>	22.1
<b>TOTAL</b>	-	<b>102,472</b>	<b>183,203</b>	<b>64,680</b>	<b>350,355</b>	<b>100</b>

## ANNEX 1. LESSONS LEARNED REPORT

### PROJECT LESSONS-LEARNED REPORT

Total length of report: 2-3 pages.

Please refer to the [Deliverable Description](#) for more information on the purpose and use of this report

<b>Project Title:</b>	Anti-Corruption Project
<b>Country:</b>	Timor-Leste
<b>Related CPAP Outcome</b>	<p>State institutions are more responsive, inclusive, accountable and decentralized for improved service delivery and realization of rights, particularly of the most excluded groups (UNDAF Outcome 4)</p> <p>Public sector oversight, accountability and transparency institutions, mechanisms and processes strengthened (UNDAF Sub-Outcome 4.2 &amp; CPD Output 3.2)</p>
<b>Project Description and Key Lessons-Learned</b>	
<b>Brief description of context</b>	<p>Please give a brief description of the country context.</p> <ul style="list-style-type: none"> <li>○ What were the main challenges being faced at the start of the project?           <p>The country's state revenues predominantly derived from the extractive industry and its investment returns. While approximately USD 11.3 billion were cumulatively allocated and expended as state budgets for 1.2 million population since 2008 up to 2019, 46% still live as multidimensionally poor and 30% still live below the international poverty line of \$1.90 per day. UNDP's Human Development Index Trend of Timor-Leste has flattened since 2010, showing little improvement in the education, health, and wellbeing of the people. Notably, in 2019, there was a decision of the Audit Court on corruption cases with high-profile politicians involved.</p> <p>Commission of Anti-Corruption (CAC) was established in 2009 with a mandate for prevention and investigation of corruption (Law No. 8/2009). The agency has been, however, largely underfunded and understaffed. UNDP is one of a few development partners who support the agency.</p> </li> </ul>
<b>Brief description of project</b>	<p>A short description of the project should be provided here.</p> <ul style="list-style-type: none"> <li>○ What were the issues the project tried to address?           <p>The project focused on the three issues: i. lack of national strategies and policies on preventing and combating corruption, ii. under-resourced anti-corruption agency, and iii. low anti-corruption awareness among the civil servants and the public.</p> </li> <li>○ What solutions the project tried to offer? What were its major outputs?           <p>The project focused on supporting the development of an overall anti-corruption policy/strategy, accompanied with capacity development initiatives for civil servants of the national and municipal administrative offices to mitigate corruption in risk areas such as procurement and taxation. Greater civic engagement was facilitated through increased</p> </li> </ul>

	<p>access to information, youth training initiative and the promotion of a broad-based coalition for integrity. The project outputs are as below:</p> <ol style="list-style-type: none"> <li>1) <u>Output 1</u>: Anti-corruption policy developed and mechanisms established at the national and local levels to mitigate corruption in risk areas, such as procurement and investment licensing procedure</li> <li>2) <u>Output 2</u>: Capacities of oversight institutions increased to promote corruption prevention and public-sector integrity</li> <li>3) <u>Output 3</u>: National awareness and dialogue initiatives conducted to decrease the level of public tolerance for corruption as well as promote good governance and sustainable development</li> </ol>
<p><b>Key project successes</b></p>	<p>Please describe what has worked well.</p> <ul style="list-style-type: none"> <li>○ What have been the key successes of this project? <ul style="list-style-type: none"> <li>• Catalyzing a national momentum in combatting corruption by supporting the National Conference organized by CAC, which seemingly have resulted in passing the anti-corruption law in the national parliament</li> <li>• Completed the anti-corruption diagnostic assessment for 11 government institutions, including the Prime Minister’s Office</li> <li>• Increased awareness through training and outreach campaigns for civil servants and the public</li> </ul> </li> <li>○ What factors supported this success? <ul style="list-style-type: none"> <li>• Political will to curb corruption in the current government</li> <li>• Good accessibility to high-profile government officials and politicians for key informant interviews</li> <li>• Open and transparent communication between UNDP and CAC</li> <li>• Committed staff of both UNDP and CAC</li> <li>• Development partner’s good understanding of the national context</li> </ul> </li> </ul>
<p><b>Project shortcomings and solutions</b></p>	<p>Please describe what have been the main challenges of this project?</p> <ul style="list-style-type: none"> <li>○ What have been the main challenges/ shortcomings/unforeseen circumstances of this project? <ul style="list-style-type: none"> <li>• Political instability and absence of the CAC Commissioner in 2018: The political instability resulted from the minority government after the Parliamentary and Presidential Elections in mid-2017 led to failure of passing 2018 state budget and Early Election in May 2018. Moreover, CAC Commissioner’s tenure terminated a few days later the Project Document was signed, and electing the next Commissioner was delayed in the National Parliament until January 2019. After all, the project could not implement activities due to the absence of CAC approval authority during the entire year of 2018.</li> <li>• Lack of national experts: Highly limited pool of the national experts in the thematic area</li> <li>• Complexity in recruiting an international expert who is reliable, technically excellent, and not excessive in terms of professional fees: This is probably due to the specialists in the field are already scarce globally. The pool gets even narrower to find someone flexible enough to stay in Timor-Leste for a while.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ How were they overcome (if they were). <ul style="list-style-type: none"> <li>• Though some of the targets had to be adjusted, CAC's new senior management team pressed forward to achieving the expected results in 2019 and early 2020.</li> <li>• Despite a couple of attempts in vain, a competent international expert was eventually hired and completed the tasks assigned.</li> </ul> </li>   <li>○ Were the project results attained? If not, what changes need to be made to achieve these results in the future? <ul style="list-style-type: none"> <li>• Most of the results were attained as they were planned at the inception of the project. A couple of results (i.e., development of the National Anti-Corruption Strategy and number of target municipalities for civil servant training) were downward revised in accordance with the new Commissioner's proposition and the postponement of the project implementation.</li> </ul> </li> </ul>
<b>Lessons learned</b>	<p>Please think about and describe the key lesson(s) learned from this project.</p> <ul style="list-style-type: none"> <li>○ What could have been done differently/ better? <ul style="list-style-type: none"> <li>• It should have conducted a capacity assessment of CAC at the inception stage or earlier to use it as a reference for programming and further resource mobilization.</li> <li>• The project could have requested UNDP Regional Office and UNODC for the list of international experts and information-sharing of positive experiences.</li> <li>• Given the weak data system in the country and government counterpart, a monitoring framework even with proxy indicators or variables should have been set up at the project inception stage.</li> </ul> </li>   <li>○ What would you recommend to improve future programming or for other similar projects elsewhere <ul style="list-style-type: none"> <li>• Per the country context, the scope of the anti-corruption efforts and partners could be expanded (e.g., Civil Service Commission, National Parliament, Office of Inspector-General, Court of Audit, Prime Minister's Office)</li> </ul> </li>   <li>○ What mistakes should be avoided if the initiative were to be replicated? <ul style="list-style-type: none"> <li>• Without an in-house expert, UNDP TL relied on CAC for programming. While this was highly effective in terms of the national institution taking ownership of the project, a comprehensive and structuralized approach to the issue should have complemented.</li> </ul> </li>   <li>○ How easy would it be to replicate the successes in a different context/ country? <ul style="list-style-type: none"> <li>• Focusing on prevention is a soft approach to this heavily sensitive issue.</li> </ul> </li> </ul>
<b>Follow-up Actions</b>	<p>Based on the Final Project Review, include a brief record of decisions and conclusions related to follow-up actions</p>

Project Information	
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<b>Partners:</b>	<ul style="list-style-type: none"> <li>• Commission of Anti-Corruption (CAC)</li> <li>• Civil Society Organizations <ul style="list-style-type: none"> <li>- Center of Studies for Peace and Development (CEPAD)</li> </ul> </li> <li>• Development Partners <ul style="list-style-type: none"> <li>- Korea International Cooperation Agency (KOICA)</li> </ul> </li> <li>• Others <ul style="list-style-type: none"> <li>- United National Office on Drugs and Crime (UNODC)</li> </ul> </li> </ul>
<b>Project resources:</b>	TOTAL: USD 350, 355.52
<b>Report prepared by:</b>	Sora Chung, M&E and Justice Coordination Specialist
<b>Date:</b>	18 December 2020