



Local Governance Monthly Bulletin

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Local Government as the Key to Development

LDP Holds Finance and Procurement Training

The Local Development Programme (LDP) has held trainings for the Local Tender Board and Assembly Finance Committee on local finance procedures from 23 -27 June with participation from the Assembly Finance Committee and then continued training with Local Tender Boards on procurement from 30 June to 1 July with participation from the Local Tender Board. The training was aimed to help local officials from the new districts participating in LDP, Manufahi, Ainaro, Baucau and Covalima, understand the regulations for implementing investment plans from the District Assemblies.

District officials are preparing to enter the implementation phase of the LDP program after the District Assemblies have approved the annual investment plan for which proposals for local infrastructure development will be funded.

"We benefited from hearing about what kind of contracts we will sign during this procurement process," said Mr. Manuel Ramos Pinto, the District Development

Officer (DDO) of Ainaro District. "When we return to our district we are going to make a schedule of our procurement process in order to implement the proposals [approved by the District Assembly]."

In the LDP program, finances and procurement for the local infrastructure project selected by the Local Assemblies are all done at the local level. This process helps strengthen local administrations in



District Administration Officials at LDP training held at the Dili District Administration

preparation for the decentralization process and creation of local governments.

According to Jose Antonio da Costa Vaz, DDO of Manufahi District, finance and procurement training is also about strengthening transparency in Government work. "We want everything to be transparent, so that the community knows what we are going to implement in our district: how the contractors will bid, what the contractors will do, and what the government will implement in our district. This is what we want to do in order to show the community that we have taken steps to be transparent."

"When executed well, people will benefit from the budget allocated to their district. The people can also keep an eye on this process, as they can see what the Government is doing with the allocated budget. We hope that any criticism can will become a way for the Government to be able to improve this system," said Mr. da Costa Vaz.

Name and Quotation about the Procurement Process in the Aileu District

How can we best implement the projects that have been approved by the Local Assemblies to avoid corruption? We spoke to the members of the Local Tender Boards, a sub-group of the Local Assembly which is responsible for the process of tendering out projects approved by the Local Assembly. Here is the response from Mr. José Smith, the District Development Officer (DDO) of the Aileu District during the meeting of the Procurement Commission on 19 June:

"When we talk about transparency, I believe its important to note that it is not the DDO alone, or the local community development officers alone, or any one person responsible for the procurement process. Who are the members of the Local Tender Board? The DDO, members of local sector departments, and members of the Local Assembly who are elected to the Local Tender Board. These members are important for us to be able to guarantee that we will work transparently, and without corruption, collusion or nepotism. We are also open to the businesses and contractors, and our evaluation process [for the tenders] must involve a technical expert, representatives from the Assembly as well as the DDO. It is because of this that we can guarantee transparency and to work without nepotism.

"We also want to apply [this process] because it is important for the Aileu District as a pilot. When we call this a pilot, it means we must begin correctly, and work well, so that local businesses feel that this is a good initiative from the Government, and the local community also sees that this, as a pilot for local government, works well, is transparent, and is completely without corruption."



Members of the Local Tender Board evaluate proposals from local businesses



Experts Help Draft the Law Proposal on Territorial Divisions

Two technical experts have begun working with the Ministry of State Administration and Territorial Management on drafting a law on administrative and territorial division as well as reviewing possible administrative arrangements and future roles and for MSATM once decentralization has taken place. Mr. Holger Pyndt and Ms. Joanne Morrison arrived in Timor-Leste on 13 June and began working immediately with Ministry officials discussing the possible options for decentralization.

The technical experts held consultations at all levels, including visits to Liquica and Aileu where they met with District and Sub-District Administrators and community authorities. They discussed issues relating to the new policy recommending that the future Municipalities follow the existing 13 districts and on issues of how those territories would be defined.

According to Mr. Pyndt, an important step towards being able to define the territorial boundaries will be determining the exact limits of each Suco. "The existing maps are from the late 1980's and drawn up by the Indonesian government, and they are not accurate," said Mr. Pyndt. "We have learned that the boundaries of the Sucos do not match reality, as Suco chiefs have another impression of what is their territory. There is a lot to be done in terms of clarification."

The result from this technical mission will be recommendations for the formation of a 'white

paper' or draft legislative proposal on administrative and territorial division that can be discussed and refined by the Government in preparation for a submission to National Parliament. Part of the technical mission's recommendations will include a plan for a project from the Government to begin looking at possibility of redrawing the boundaries of the existing districts in preparation for the future Municipalities and to ensure that each Suco, and therefore each Municipality, has a clear definition of the land they cover and the community they serve.

In addition to this White Paper, the technical experts also held discussions with Ministry officials about the other legal proposal that is being coordinated from MSATM, on local government, and how the roles and responsibilities of MSATM will change during and after the decentralization process. Ten Ministries have been working from May to June to prepare recommendations as well on which responsibilities should be handed to the local governments in the future, and which should be kept at the central level.

The Government has been accelerating the process of drafting these law proposals in order to begin implementation of the decentralization reforms by next year. While the technical mission ended on 25 June, both experts are going to continue to assist the legislative drafting process from overseas.

In Brief

- 7-11 July:
Socialization of the Policy on Decentralization and Local Government
- 14-15 July:
Evaluation of Minimum Conditions in New LDP Pilot Districts

TL Increases Cooperation with Portugal on Decentralization

Two representatives from the Ministry of State Administration and Territorial Management traveled to Portugal to increase cooperation on issues of governance and local administration. National Directorate of Local Development and Territorial Management (DNDLOT) Director Miguel de Carvalho and Technical Secretariat for Elections Administration (STAE) Director Tomas Cabral traveled to Lisbon from 9-13 June to learn about the Portuguese style of government as a comparison for the Timorese government to use in the future during the decentralization reform process.

The DNDLOT Director met with representatives from the Portuguese Municipal Government as well as members of the Local Government Association. "During that week that we were there, based on the invitation from the Torres Novas Municipal Assembly President Dr. Antonio Rodrigues, who had invited representatives from the Ministry of State Administration to come and see how the Portuguese Municipalities work," said Director Carvalho.

Director Carvalho also discussed the possibility of Portuguese support for the decentralization process in Timor-Leste. They discussed the idea of members of the Portuguese Municipal Government to come

and do trainings for Timorese public servants about their experience in a decentralized system.

According to Director Carvalho, the Portuguese model is quite disparate from the Indonesian model, which authorities from Timor-Leste have spent extensive time studying in preparation for the decentralization reforms. "This is good experience for making comparisons. In the end, we can't just think about the Indonesian models, but we must also consider other models. Portugal also represents the European model, and we think this is worth discussing thoroughly," said Mr. Carvalho.



Dr. Antonio Rodrigues of Portugal with DNDLOT Director Miguel Carvalho

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