Dili, 13 October 2005
The Government of Timor-Leste, with the Ministry of State Administration as the coordinating Ministry, is currently preparing a draft decentralisation policy framework for Timor-Leste. The Government considers decentralisation to be very important for Timor-Leste because it will enable the people to more effectively express their views on local development and it will give them more influence on how their local development needs are addressed.

In order for a decentralised government system to work well, it is very important that there is sufficient capacity present, both at the national as at the local level, to ensure that any funds released to the local level are managed in a transparent and accountable manner.

UNDP is providing technical support to the Government of Timor-Leste in the decentralisation policy design process. Local governments have the potential to play a crucial role in fostering sustainable human development and the achievement of the Millennium Development Goals. Considering the complexity of the issues related to the design of a decentralised local government system, this week from 10-14 October, UNDP, on behalf of the inter-Ministerial Technical Working Group, has organised a course on fiscal decentralisation in the Independence Memorial Hall for a wide range of stakeholders.

"Continued centralized control of decision making process cannot be the permanent mechanism to ensure accountability which can be realised through monitoring, audit and corrective measure in the decentralized form of public administration. This workshop, I hope, will help us to understand the interlinkage, and establish a system that can bring efficient and effective public administration in Timor-Leste." Said Sukehiro Hasegawa, the SRSG and UNDP Resident Representative

Two international experts in the area of fiscal decentralisation, Professor Jamie Boex and Ms. Eunice Heredia from the Andrew Young School of Policy Studies (part of Georgia State University, USA) have been invited to deliver the course. Invited attendants are directors from the Ministry of Planning and Finance and the Ministry of State Administration as well as some of the administrators and finance officers of those districts in which a decentralised planning, budgeting and procurement mechanism is going to be piloted (Bobonaro and Lautem districts). Apart from the above, representatives of line-ministries responsible for service delivery have also been

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invited because of their experience with the challenges of delivering these services at the local level. Other participants originate from the NGO-sector, UNCDF and UNDP.

Carol Hannon from Development Cooperation Ireland states that “As the Government of Timor-Leste proceeds with developing a policy on decentralisation, it is very important for government officials to have a good understanding of how finances can be transferred or raised, and managed at a local government level. Fiscal decentralisation can empower local governments to address the real needs of their communities in an efficient and effective manner. However, fiscal decentralisation also brings a number of challenges – how to allocate resources, how to make efficient use of limited resources and, not least, how to ensure good accountability and transparency in the use of public funds. We hope that examining the opportunities and challenges of fiscal decentralisation in this five day workshop and relating these to the Timorese context will contribute positively to the development of a policy on decentralisation.”

Faustino Cardoso Gomes, Director of National Research Centre, National University of Timor Leste said that “The workshop is really very useful, because provides the participants with sounds theoretical and technical perspectives in decentralization issue and will enable the participants to come up with a common understanding on the importance of the desentralization.”

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