



LALENOK BA EMA HOTU (LABEH)

“The Anti-Corruption NGO”

“Leading the fight against Corruption”

“The Mirror for the People”

CORRUPTION WATCH REPORT 2007

May 17, 2007

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Telp. 7240795 ou 7250761 ou <http://liantransparencia.blogspot.com> E-mail:
labeH2003@yahoo.com

Message

Dear friends of LABEH,

LABEH takes its roots and initiative from the Constitution of Timor-Leste Section 43 (Freedom of Association) and the Timor-Leste National Development Plan, (Our Vision for Democracy and Good governance) what people say Civil society can do? “Monitor the activities of government (including the civil service) politicians and private sector, and inform the people on their economic, social and environmental impact”.

The fundamental motivating force behind all the activities of Lalenok Ba Ema Hotu (LABEH) is the Gospel of Jesus Christ as it pertains to the alleviation of human suffering, the development of people and the fostering of love, human dignity, economic and social justice, transparency, accountability, fighting corruption, and promoting justice.

We have been able to accompany the growth of our new nation and especially in supporting the development process of our country and demonstrating solidarity with our government in its quest to promote transparency, accountability, and economic justice and combating corruption in perfect harmony with the first Constitutional government led by Dr. Marie Alkatiri in its efforts towards “**Zero Tolerance against Corruption**” and in the second Constitutional government led by Dr. Jose Ramos Horta in its efforts to promote “**Good Governance**” in the government administration.

It is in this struggle to fight corruption and promote transparency and accountability that LABEH encountered great challenges by the forces that are against transparency, accountability and economic justice. LABEH was questioned by the National police of Timor-Leste (PNTL) for a defamation case brought against us by a member of the former government led by Dr. Marie Alkatiri, because of our report on corruption, some top government Ministers has threatening to charge LABEH to court in a number of incidents as reported in the national media, but these threatening only made us to become stronger in our crusade and campaign on the fight against corruption.

As we have so effectively demonstrated to our people, our capacity to provide critical information on the issues of corruption, and the political and social development in our country and the pursuit of transparency and accountability in the government proceedings are beyond reproach. Therefore, we will continue our work and provide support to all efforts to combat corruption and towards sustainable development and economic justice.

Since 2003 LABEH has accomplished much and is recognized as the leading NGO focusing on fighting corruption at the national level. However, corruption still distorts political, economic and social life and as LABEH grows and continues its fight against corruption, new challenges open up. The issue of ethical behavior and accountability within the government of Timor-Leste has become the focus of attention in the recent years, triggered as much incidents of mismanagement and corruption within a small number of government officers and Ministries.

LABEH Corruption Watch Report 2007 provides an overview of the state of corruption within the government of Timor-Leste for the period from 2002 to 2007. “LABEH Corruption Watch Report 2007” focuses on the general observations of LABEH about corruption in the government starting from independence to this present time.

The challenge facing the new government now would be to create a system of governance that promotes supports and sustains human development. Sound governance taken a step further is a subset of governance wherein public resources and problems are managed efficiently and in response to the critical needs of society. Effective democratic forms of governance rely on public participation, accountability and transparency. Public accountability covers the spectrum of approaches and practices used by government to ensure that activities and output meet the intended goals and standards.

Our National Development Plan (NDP) in page 42 stated about Government and Governance it says “The Timorese government, private sector and civil society will need to acquire new knowledge and develop new skills to administer a modern nation state, and build a more diverse, developed economy.” Capacity development for governance and public sector management program outlined and suggested 75 areas of development, implementation of which was regarded as important for institutional and human resource development.

In almost these five years of our independence, much has been accomplished, and we can certainly be proud of the achievements made by our government, but as we all know, there is also much still left to do. Let us not forget that in this task of building a nation and creating State institutions, it is only natural that we will continue to be facing with challenges; a major one, that of good governance and combating corruption and instilling a culture of transparency and accountability in the government and in the civil society.

Let us not forget that we are walking through a cross roads of changing the mindset of people or mentalities from the lack of diligence to assuming responsibility of duties. Let us not forget also that our country is faced with huge poverty, a major cause for corruption. Corruption destroys the whole society and it is not part of our Timorese culture and it needs to be dropped.

In Timor-Leste vision for 2020, our people realized that without transparency, good governance and a strong policy on combating corruption, our vision will not be achieved. This is the reason LABEH’s determination in promoting good governance and promoting transparency and fighting against corruption in the state administration is inevitable, and we urge our government to be firm in it’s determination to combat corruption.

We are profoundly convinced that the threats, which face us, are of equal concerns to all. We have called this report “LABEH Corruption Watch Report 2007” because we believe that in a nation of inter-connected threats and opportunities, it is in the interest of our country that all of these challenges are addressed effectively. The fight against corruption can only be advanced if our administrative organs and public servants work together with the State institutions charged to fight against corruption.

The main message of this report is that the objective of the state on strengthen accountability and transparency can be achieved, but only if the Government and all the administrative organs and the public servants abide in their duties to implement the good governance procedures. We urged all the organs of the State to implement the recommendations of the Commission of Experts from the UN, the World Bank, UNDP, Transparency International and the government of Finland on “strengthening accountability and transparency in Timor-Leste” and collaborate with the Ombudsman for Human Rights and Justice and the State Inspector General to achieve the goals of good governance, transparency, accountability and combating corruption.

We can not speak of good governance, corruption, transparency and accountability without making mention of the Office of the Prosecutor General and the Judicial System. We are concerned that cases related to irregularity and corruption submitted to the Office of the Prosecutor General by the State Inspector General and the Ombudsman for Human Rights and Justice has remained in that office without any legal proceeding known to the public in regards to the same. We specifically acknowledge the efforts of the Office of the Inspector General and the Provedor for conducting investigations; inspections and special examinations in public administration, though, non-of their recommendations has changed the mentalities of those **“Caught up in corruption trap”**

Therefore, we ask the Prosecutor General to improve his services to the nation and to the people, uphold the rule of law, combat corruption and adopt speed approach to respond to cases of corruption and publicly announce what actions has been taking in regards to cases related to corruption, collusion and nepotism.

However, to ensure good governance, transparency and accountability in the state administration, the Ombudsman for Human Rights and Justice and the Government must adopt an inclusive approach to making space for civil society, more especially NGOs working on anti-corruption and human rights to play their full role. The challenge in fighting corruption and abuses of human rights is too big for the government and the Ombudsman to face it alone.

In conclusion, our profound gratitude goes to Dr. Jose Ramos Horta, the President Elect and the Prime Minister of Timor-Leste for supporting LABEH in its activities of fighting corruption and also to the Government of Finland through its Embassy in Jakarta for assisting LABEH.

Lalenok Ba Ema Hotu (LABEH) reiterates its commitment to raising awareness on the critical information on public issues and to provide information on political development in Timor-Leste to hold the government to honor its commitment on transparency and accountability in State affairs, to combat corruption and renew efforts towards a drastic and continuous reduction of poverty in our country.

We believe that LABEH will continue to be the leading national NGO in the fight against corruption and to pioneer the campaign of the civil society’s role in fighting corruption and to promote other activities related to our vision and mission.

Finally, On behalf of LABEH and staff, we thank you all and looking forward for your continuing support on the activities of LABEH.

Thank you! And may God bless us all.

Dr. Christopher Henry Samson
Executive Director LABEH

Introduction

The goal of this “Corruption Watch Report 2007” is to inform and influence policies to reduce the scale and incidence of corruption in the government administration of Timor-Leste. It is to strengthen our Government bid to “Good Governance and Accountability” and for zero tolerance against corruption for effective governance reform.

There are many factors that provide particular opportunities for corruption. While Timor-Leste may share many of these characteristics of weak and poor governance, there are both special problems and potential opportunities for reform that deserve particular attention. An understanding of the types of corruption in our government is essential to inform and rethink/on how to develop models that may be used by the government to fight against corruption in Timor-Leste.

The events of 1999 and the flood of aid and the creation of wholly artificial and unsustainable economy coupled with the destruction of infrastructures has created conditions in which corrupt interest have been able to divert much of the badly needed funds to private ends. The perceived absence of integrity in our government severely weakens the credibility of our democratic institutions. Improving integrity or developing and implementing strategies for prevention and control of corruption is an integral part of ensuring accountability.

Corruption in the government ministries results in the misuse of the scarce resources that greatly affects the entire economy. Particularly in the areas supported by external assistance, corruption can devalue the reputation and efforts of national and international developments. Extensive research has been done both academically and through interviews by LABEH on the issues of corruption in Timor-Leste in our efforts to advocate for anti-corruption and in promoting transparency and accountability in the public administration.

“The issues of corruption were largely ignored during the first Constitutional government led by Dr. Mari Alkatiri. There was no single case of corruption brought to court talk less of anyone been convicted during the first Constitutional government”. Though there were efforts made to strengthening accountability and transparency in the first Constitutional government but there was no sustainable in-dept work of a comparative nature done on the issue. “But in the second Constitutional government led by Dr. Jose Ramos Horta, the issue of corruption began to receive the attention that it needs due to there are 12 cases of corruption now submitted to the office of the Prosecutor General for legal proceedings”.

LABEH Corruption Watch Report 2007 provides information on the recent experiences across a wide range of incidences of corruption in Timor-Leste; so as to inform the civil society on the issues of corruption and to encourage the State Inspector General and the Ombudsman for Human Rights and Justice to draw lessons from these experiences, for the implementation of standards that can curb corruption and strengthen the rehabilitation of integrity in our Government institutions.

The aim of LABEH Corruption Watch Report 2007 is to share lessons learned during these first 5 years of our government administration and to inform the attitude of government officials in regards to the issues of corruption so that the next government could develop policies to counter them, and provide deeper understanding of the governance issues at stake, to implement a new strategy to fight corruption in the government.

The government needs to form an Independent Commission consisting of well established citizens empower them to act as a watchdog in conducting oversight control to strengthen the

existing office of the State Inspector General and the Ombudsman for Human Rights and Justice which will be under the Prime Minister or the President of the Republic.

The recent news of corruption was raised in the National Parliament by some Parliamentarians in report of activities of the National Parliament, which was dismissed by the President of the National Parliament Mr. Francisco Guterres “Lo-Lo”. These went without any inspection from the State Inspector General Office. In just few weeks after that the National Police of Timor-Leste (PNTL) discovered fortification of driving licenses alleged issued by the Transport Department this also went without any legal action known to have been taken.

The former Minister of Interior Rogerio Tiago Lobato acknowledged there was corruption in the Police Immigration and in the Border Police Unit (BPU). The former Prime Minister Mari Alkatiri responding to reporters on the issue of corruption as was reported by the former Minister of Interior Rogerio Lobato that there was corruption in the Police Department. Says that “the population should present him with evidence if found that a member of the government was involved in corruption” the former Prime Minister also did not claim that there was no corruption in the government. The former Vice Minister for Public Works Mr. Cesar V. Moreira was alleged of corruption but this was dismissed when the former Inspector General classified it as “Mismanagement of Funds”. Recently the third Vice Prime Minister and also the Minister for Health Dr. Rui Maria de Araujo publicly denounced and rejected the recommendations from the Provedoria dos Direitos Humanose e Justica on the case of corruption involving a staff member of the Ministry of Health.

All this confuses our attempt to understand the government commitment in fighting corruption in the Government administration. This also left doubts in our minds on the seriousness of the Government in its determination for “Zero Tolerance against Corruption and to promote good governance and accountability”.

In LABEH’s view these attitudes from the leaders on the issues of corruption contradicts the Government own commitment towards zero Tolerance against Corruption and to promote good governance and accountability as those officials engaged in corrupt activities do not usually sign document for corruption. We believe that such statements from the former Prime Minister may weaken the opportunity of the whistle blowers to inform of corrupt practices in the government. LABEH believes also that the report from the former Minister of Interior could constitute an action for investigation by the Inspector General Office or the Provedor to prove the government commitment towards zero tolerance against corruption.

Obtaining evidences for corruption such as receipts, invoices, and any other kind of original records is a hard task, though this is important in the court of law. However, in a case where such evidences or record to prove the fact is not available, yet investigations had to rely on subjective hearings or testimonies from the concerned person or group who reported the case.

Executive Summary

Available data point to challenges ahead. We should not give a single chance for corruption in the government administrations. We are the poorest country in Asia, with an average income of US\$478 per person per year; more than 40% of our people survive on less than 55 cents a day. Social and economic problems has marked our nation and making it difficult to measure the progress of the government, we are also faced with huge development challenges, with about half our population lacking on a formal education, high youths unemployment and most of our people living beyond the poverty line.

However, since there have been indications of corruption in government administration, as reported by the Office of the State Inspector General, (OIG), and the Provedoria dos Direitos Humanose e Justica (PDHG), including NGO LABEH. Corrupt activities have been identified in Ministry of Planning and Finance, customs, public procurement, government recruitment processes, Public Works, National Police, Immigration, Ministry of Education, Ministry of Health, Ministry of State Administration, Ministry of Justice, Ministry of Labor and Solidarity, Ministry of Foreign Affairs and Corporations, Ministry of Development and the Prime Minister's Office to mention but a few. Thus, corruption reduction and prevention measures need to be addressed as a national priority.

However, the sustainability of such efforts will heavily depend on the formulation and execution of enforceable domestic anti-corruption policies. "Establishing the High Administrative, Tax and Audit Court as enshrined in our national Constitution and ratifying UN convention against Corruption would be a testimony to this commitment". It is also important that the government recognize the need for the civil society's involvement in monitoring corruption as an independent watchdog. The engagement of the civil society, and the private sector at large, is critical in this struggle. The civil society is particularly important, barring any conflict of interest, to serve as an independent oversight body, which would lend significant credibility to the government's effort towards combating corruption.

Corruption is a symptom of something gone wrong in the management of the state. Institutions designed to govern the relationships between citizens and state is used instead for the personal enrichment of public officials and the provision of benefits to the corrupt. Corruption is at most a second best response to the failure of the first Constitutional government led by Dr. Mari Alkatiri, at worst it was a highly distortionary method of public choice. Corruption restricts investment and holds back economic growth, it undermines programs designed specifically to aid the poor. The poor are harmed by systemic corruption, but the causes of poverty seem more fundamental and deep-seated. It is difficult to document a simple relationship between the distribution of the national wealth and the level of corruption in Timor-Leste.

Furthermore, in a state without any social safety net like Timor-Leste where there are few economic opportunities for the very poor, the bribes collected by civil servants can perform a redistributive function, albeit one that is very inefficient and inequitable. Poor families that have relatives in the government benefit, while others are made worse off.

LABEH Corruption Watch Report 2007 identifies ministries and departments indicated for indication of corruption, mal-administration, abuse of authority, financial fraud, misuse and uneconomical use of public goods and procurement fraud and lack of internal control enabling individuals to seek their own personal benefits.

This LABEH Corruption Watch Report 2007, informed by over four years of consultations with the civil society, NGOs, civil servants, political parties and policymakers in our National Parliament that;

- (a) Corruption in the wide sense of the abuse of entrusted power,
- (b) That systemic corruption can contribute to fatally de-legitimize nascent public institutions and the rule of law.
- (c) That there is potential for corrupt practices within the public administration

We interviewed public servants, members of parliament, lawyers, business people, members of the civil society, and members of NGOs, school teachers, police, customs and immigration. We noted during interviews with public servants that poor salaries of the public servants is one of the factors for corruption as the salaries paid by the government to the public servants are not enough to meet the public servants needs. We noted that in some cases, decisions was taking on the particular individuals own authority in many cases of mal-administration and abuse of authority. It is lack of personal integrity of the individual concerned. We also monitored some processes in the administration of the government service delivery in some government ministries and departments.

LABEH seek to uncover empirical evidence related to the impact and origins of corruption in the country. Inform the policy debate on corruption and advocate for the urgently needed reappraisal and reform of current practices. Implement key standards and innovations to independently monitor corruption and its effectiveness.

State Organs fighting Corruption

Provedor de Diretus Humanus e Justisa:

The Law Approving the Statute of the Office of the Ombudsman for Human Rights and Justice, taking into account section 27 of the National Constitution, was enacted and came into force on 26 May 2004. The National Parliament in 2005 appointed the Ombudsman for Human Rights and Justice (Provedor de Diretus Humanus e Justisa) this office has also reported that there are indications of corruption in the state institutions and have also submitted some cases of corruption to the Prosecutor General for prosecution, but this office has being under funded by the government making it difficult for this office to really combat corruption with no adequate finance and human resources.

This office seems to be dedicating most of its energy on the mandate of human right and has done very little to the other two mandates of fighting corruption and good governance; this has raised the question if the Provedor could really fight corruption or just to protect those government officers caught up in corruption trap and this has made a lot of people starting to loses faith in the office of the Provedor. **Note: (This office may not do a lot as there is no legislation supporting the execution and control of corruption cases).**

Prosecutor General and the Judicial System:

The Office of the Prosecutor General and the Judicial System is the state organ for prosecution of crimes including corruption and mal-administration; it could also assist in promoting good governance, transparency and accountability, but there are concerns that cases related to irregularity and corruption submitted to the Office of the Prosecutor General by the Inspector General and the Provedor has remained in that office without any legal proceeding known to the public in regards to the same. The Prosecutor General needs to improve his services to the nation and to the people, uphold the rule of law, combat corruption and adopt speed approach to respond to cases of corruption and publicly announce what actions has been taking in regards to cases related to corruption, collusion and nepotism. **Note: This office lacks prosecutor's specifically delegated authority to prosecute cases of corruption and mal-administration).**

Government organ fighting Corruption

State Inspector General:

The budgetary and financial management systems set up with the government are considered "A state of the art", but the State Inspector General has reported on substantial investigations into corruption many of which related to nepotism in appointment to civil service positions.

The office of the State Inspector General created on July 2002, is a unique investigating function and was part of the first constitutional structure of the government of Timor-Leste within the direct observation of the Prime Minister, commissioned to observe and investigate issues of corruption, mal-administration, audit, abuse of power/authority, bad behavior and mismanagement of funds. In addition, to recommend actions to be taking to strengthen the management of the state administration, in a few general investigations and inspections conducted by the office of the State Inspector General found that there were indications of corruption in the government departments, committed by some government officials.

Note: (this office lack much human resource adequate to carry inspection in all the government institutions and it is also important to note that the organic law of this office has not being approved by the government.)

These three intuitions have never gained the trust of the people. The people are so pessimist on where to look for Justice. Justice is also very slow and even in civil cases, judges do not pay real attention, these issues are very harming to the nation. For example, the third Vice Prime Minister and also the Minister for Health Dr. Rui Maria de Araujo publicly denounced and rejected the recommendations from the Provedoria dos Direitos Humanose e Justica, making it difficult for the people to trust the office of the Provedor. There was also a debt and deception case by a foreign businessman, and a national lawyer requested to the Prosecutor General office and the investigating judge to order the immigration to cancel all journeys to prevent the defendant or the debtor from leaving the country, but in reality, the debtor left the country, this again making it impossible for people to trust the judiciary system in the country.

Civil Society

Another difficult situation is the nonexistence control of the State Institutions from the civil society in the administration of the state affairs in Timor-Leste, especially the procedure and the implementation of regulations concerning government service delivery for the people. The civil society control is vital and important to create a balance among existing government institutions to monitor the execution of the government programs.

National Media

The media needs to be strengthened, more capacity development is also needed for our local media to be trained in investigative journalism, it is accepted principle that effective and independent media is a pillar for good governance, ensuring access to information and freedom of speech. Clarification on media law would help to ease the confusion that currently exists in our country, and strengthen media's participation in combating corruption. Access to information is also critical to ensuring public participation. Adopting a Freedom of Information Law as enshrined in our National Constitution would be a step in the right direction. It provides for accountability to the people on actions taken by the Government, such as public expenditure.

Donors

The donors' need to recognize the need to fund civil society's monitoring corruption as an independent watchdog. Civil society is also important for linking reform measures to the aspirations and expectations of the people. The engagement of the civil society, and the private sector at large, is critical in this struggle. **“But for this to occur, civil society needs to be funded and to be strengthened”**. The NGOs are particularly important, barring any conflict of interest, to serve as an independent oversight body, which would lend significant credibility to the Ombudsman for Human Rights and Justice and the state Inspector General's efforts towards “fighting Corruption”.

Donor agencies such as the World Bank, UN, UNDP, USAID and some few others in Timor-Leste usually fund government intuitions such as the State Inspector General and the Provedor on anti-corruption, making it difficult for NGOs to get fund necessary needed to acquire the necessary capacity and experiences needed in acting as a watchdog to the act of corruption, as there is no visible corporation on training between the state institutions and the NGOs on anti-corruption and good governance, though there has never being any significant progress made by these intuitions to crop corruption or change the mentalities of those government officers caught up in corruption trap, in the other hand the donors has done little to fund anti-corruption initiatives by NGOs dedicated in the fight against corruption in Timor-Leste.

Lalenok Ba Ema Hotu (LABEH)

In 2003 LABEH started its campaign to fight against corruption. The organization has accomplished much during its first 4 years and is recognized as the leading NGO in Timor-Leste focusing on fighting corruption in the national level.

However, as LABEH grows and continues its fight against corruption new challenges open up. LABEH has identified the strategic directions for the organization for the next three to five years, LABEH has undertaken a process of strategic planning. This “Corruption Report 2007” is the result of that process.

Consultations within the Timorese society and with external stakeholders have helped LABEH to define the following vision and mission for LABEH.

- LABEH’s Vision is the prosperity of the people through a clean government;
- LABEH’s Mission is to hold the government to carry out to its promises on transparency and accountability;

Fighting corruption:

- Reduces poverty and diminishes social injustice
- Builds democracy and open government
- To encourage the government to eliminate economic disparity and to combat corruption and poverty.
- To be active in the struggle to combat corruption and promote transparency and accountability;
- To coordinate, facilitate research and publish the results.

The challenges that LABEH faces are:

- Keeping corruption on the top of national agendas by the competent authorities.
- Maintaining our reputation as the leading NGO fighting against corruption.
- Securing trust of the competent authorities in our country.
- Capacity building of LABEH staff.
- Securing funds to implement our program activities.

In order to achieve our vision and implement our mission LABEH will build on particular capabilities:

- Clear focus on corruption.
- National and international expertise through extensive network and individual collaborators and,
- Ability to mobilize national and international individual expert’s specialists to assist in our work.

General Observations in some Government Ministries and Departments:

Our findings as the root cause of mal-administration, abuse of authority, misuse of public facilities, corruption and financial fraud could be classified as;

1. Lack of capacity of most civil servants to interpret the law and the government regulations;
2. Lack of information about all regulations of the government to deliver their services to the people;
3. Lack of cordial coordination in the internal system among the inter ministries and departments;
4. Excessive concentration of authority delegated to one particular individual or administration.
5. Lack of constant improving the knowledge of the public servants about the rule of law and good governance in public administration by regular training on civil service act and regulations of the government.
6. Lack of enforcing the implementation of government regulations to promote good governance,

General Observations of mal-administration and corruption in the government:

The types of corruption experienced in the government ministries and departments are mostly financial fraud including irregularities in salary payments, falsification of invoices, mismanagement of fund, uneconomical use of fund, lack of transparency in some recruitment processes of the civil servants, procurement fraud. The circumstances behind this kind of corruption include favoritism, falsification of documents and unclear or inadequate selection processes.

Another category is abuse of authority, we found bribery cases in some observations due to lack of personal integrity in some civil servants, some custom officers received bribes to speed up the checking of customs procedures. Some immigration police officers also receive bribes to extend visas for foreigners; Procurement process is one of the most vulnerable departments in which corruption flourishes. What is the most striking of our observation in this department is that sometimes there were no tenders or complete bid in the course of public procurement without any justifiably reasons. In this category, we noticed the concentration or centralization of power of decision-takings in the central organ of administration or an individual.

The excessive concentration of authority in the hand of one particular individual or administration can be especially identified in the negotiation of purchase of goods and services, public works and recruitment process. As a result, there is a large personal discretion in conferring powers; the decisions some times are taken on the particular individual's own authority in many cases. It is also common features that there is no or little internal control or external control mechanisms. Even if administrative operative regulations exist, there are gaps or omissions between the regulations and the implementations.

Finally, the private use of public facilities such as: telephone, computers, government vehicles, fuel are identified in many ministries and departments. In LABEH's view, the causes of this category are characterized by absence of adequate, effective and efficient internal control measures; as a result, those public facilities are used for personal benefit instead of public benefit.

Observations carried out by LABEH and reported to State Inspector General and Provedoria dos Direitos Humanose e Justica for investigation from the period 2003-2007

| No | Ministry | Activity | Subject | Requested for investigation | Complainant |
|-----|--|--|---|-----------------------------|-------------|
| 1. | Ministry of planning and Finance | Request investigation Lack of public tenders, in the rehabilitation of Council of Ministers meeting Room | Financial Fraud (Uneconomical use of money) | State Inspector General | LABEH |
| 2. | Ministry of planning and Finance | Request investigation Boarder Officers receive bribe to allow illegal goods to enter into the country | Financial Fraud (Uneconomical use of money) | State Inspector General | LABEH |
| 3. | Ministry of planning and Finance | Request investigation Tax and Revenue officers receive bribe from businessmen | Financial Fraud (Uneconomical use of money) | State Inspector General | LABEH |
| 4. | Ministry of planning and Finance | Request investigation Minister/Vice Minister sends recommendation to award contacts without a due process. | Abuse of Authority | State Inspector General | LABEH |
| 5. | Ministry of Justice | Abuse of Human right and Mal administration | Abuse of Authority | State Inspector General | LABEH |
| 6. | Ministry of Justice | Audit in the Becora Prison | Financial Fraud (Uneconomical use of money) | State Inspector General | LABEH 2003 |
| 7. | Ministry of Education, Youth and Sport | Irregularity of salary payments to Teachers | Irregularity of salary payments | State Inspector General | LABEH |
| 8. | Ministry of Justice | Rehabilitation of the Judge's house in Oecussi District | Financial Fraud (Uneconomical use of money) | State Inspector General | LABEH |
| 9. | Ministry of Public Works | Rehabilitation of Becora and Comoro markets | Financial Fraud (misuse of money) | State Inspector General | LABEH |
| 10. | Ministry of Health | Request investigation of Fraud in the National Hospital of Dili | Financial Fraud (Falsification of Invoice) | State Inspector General | LABEH |
| 11. | Ministry of State Administration | Investigation of irregularity in recruitment process | Recruitment favoritism | State Inspector General | LABEH |
| 12. | Ministry of Justice | Request audit in Becora Prison | Financial Fraud (misuse of money) procurement | State Inspector General | LABEH |
| 13. | Ministry of | Request investigation on | Irregularity in the | State | LABEH |

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|-----|--|--|--|-------------------------|-------|
| | Education | award of the project “Uma Fukum” Cultural Center | Procurement process | Inspector General | |
| 14. | Ministry of Justice | Request investigation direction of Registration and Notary process | Abuse of Authority Power (Bribery) | State Inspector General | LABEH |
| 15. | Ministry of Transportation/ Ministry of Finance | Request investigation about the use and maintenance of government vehicles | Financial Fraud (uneconomical use of money) | State Inspector General | LABEH |
| 16. | Ministry of Transportation/ Ministry of Finance | Request investigation about the use and management of government fuel | Fuel theft (uneconomical use of government fuel) | State Inspector General | LABEH |
| 17. | Ministry of Finance | Request Audit on Customs | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 18. | Ministry of Transportation | Request investigation into fuel lost in transport from Dili to Uatulali | Fuel theft(uneconomic use of government fuel) | State Inspector General | LABEH |
| 19. | Ministry of Transportation | Request investigation EDTL civil servants in the district of Bobonaro sale government fuel for electricity to drivers for private use and personal purposes. | Fuel theft(uneconomic use of government fuel) | State Inspector General | LABEH |
| 20. | Ministry of Transportation | Request investigation Some civil servants issue false licenses to customers/clients and receive kick backs to register old vehicle, | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 21, | Ministry of Interior | Request investigation Border Control Police at Batugade border receive bribe from business people to enter illegal goods | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 22. | Ministry of Development | Request investigation on delaying the services to the private sector and making quick services when private sector gives some incentives to staff | (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 23. | Ministry of Development | Request investigation on irregular treatment of business registration | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |

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|-----|--|--|--|--|-------|
| 24. | Ministry of Interior | Request investigation Immigration department receives money from foreign vendors from time to time to protect them from deportation and to document illegal foreigners | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 25. | Ministry of Foreign Affairs and Corporations | Request investigation Donations of computers from the government of Singapore and South Korea many has gone missing, and most also lost its spare parts such as: Hard-disc, memory etc | theft(uneconomic use of government facilities) | Provedoria dos Direitos Humanose e Justica | LABEH |
| 26. | Ministry of Foreign Affairs and Corporations | Request investigation Practice of nepotism in the recruitment of staff and the former Director of Protocol | Abuse of Authority power | Provedoria dos Direitos Humanose e Justica | LABEH |
| 27. | Ministry of Foreign Affairs and Corporations | Request investigation Manipulation of prizes in purchase of equipments for the ministry of Foreign Affairs and Corporations, | (Bribery), financial Fraud (Embezzlement) | Provedoria dos Direitos Humanose e Justica | LABEH |
| 28. | Ministry of Foreign Affairs and Corporations | Request financial report on multilateral and bilateral funds donated for development from the donors. | Operational control | Provedoria dos Direitos Humanose e Justica | LABEH |
| 29. | Ministry of Foreign Affairs and Corporations | Request investigation to find out WEHALE ELECTRONICA 1 and 2 that quote PABX communication System and Computer networking System | Special Examination | Provedoria dos Direitos Humanose e Justica | LABEH |
| 30. | Ministry of Labor and Solidarity, | Request for Audit of donations from the donors and the government of Timor-Leste to assist the IDPs, | Special operational control and Audit | Provedoria dos Direitos Humanose e Justica | LABEH |
| 31. | Ministry of Labor and Solidarity, | Request for investigation Mal administration in the administration of “Simu Malu Radio Program” | Special operational control and Audit | Provedoria dos Direitos Humanose e Justica | LABEH |
| 32. | Ministry of Labor and Solidarity, | Request investigation for Using fund from another budget line to another budget line | Special operational control and Audit | Provedoria dos Direitos Humanose e Justica | LABEH |

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| 33 | Ministry of Justice | Request investigation for Unnecessary delay in the process of issuing a birth certificate, | Abuse of power and favoritism | Provedoria dos Direitos Humanos e Justica | LABEH |
| 34. | Ministry of Justice | Request investigation on Maladministration in the process of administration of civil documents for the citizens | Own decision/authority | Provedoria dos Direitos Humanos e Justica | LABEH |
| 35. | Ministry of Transportation/ Ministry of Finance | Request investigation on Air port tax collected since 2001 to 2003 should be audited Airport tax collected since 2003 to 2006, | Financial Fraud (Embezzlement) | Provedoria dos Direitos Humanos e Justica | LABEH |
| 36. | Ministry of Planning and Finance, | Request investigation on the case of RAMCAB COMPANY in the District of Ainaro, | Own decision/authority | Provedoria dos Direitos Humanos e Justica | LABEH |
| 37. | Ministry of Planning and Finance, | Request investigation on the cancellation procedure of LOK AIANA LALA, Lda. in the District of Ainaro, | Own decision/authority | Provedoria dos Direitos Humanos e Justica | LABEH |
| 38. | Ministry of Planning and Finance, | Request investigation on the case of MOTA MAUMALI COMPANY in the District of Ainaro | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | Provedoria dos Direitos Humanos e Justica | LABEH |
| 39. | Ministry of Health, | Request investigation on the selection of Cuba Students | selection favoritism | Provedoria dos Direitos Humanos e Justica | LABEH |
| 40. | Ministry of Health, | Request investigation on Marcos SEO, of the District of Oeccuse | Abuse of Authority power (Bribery), financial Fraud (Embezzlement) | Provedoria dos Direitos Humanos e Justica | LABEH |
| 41. | Timor Sea Office of the office of the Prime Minister | Request investigation on Inconstant signing of document for fund, by one official, | financial Fraud (Embezzlement) | Provedoria dos Direitos Humanos e Justica | LABEH |
| 42. | Prime Minister Office | Request investigation on Personal use of government property such as Vehicle, Laptop Computer, hand phone, Receiving fund for fuelling an on operational vehicle, | theft(uneconomic al use of government facilities) | Provedoria dos Direitos Humanos e Justica | LABEH |

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| 43. | Prime Minister Office | Request investigation on Exorbitant prize of repair of vehicle, | Financial Fraud (uneconomical misuse of money) | Provedoria dos Direitos Humanose e Justica | LABEH |
| 44. | Prime Minister Office | Purchase of vehicle without biding process and no justification etc | Financial Fraud (misuse of money) procurement | Provedoria dos Direitos Humanose e Justica | LABEH |
| 45. | Prime Minister Office | Request investigation on Double Per-dim on international travel | Financial Fraud (misuse of money) procurement | Provedoria dos Direitos Humanose e Justica | LABEH |
| 46. | Ministry of Education and Culture (Bobonaro District), | Request investigation on Manipulation of Salaries of School Teachers | Financial Fraud (uneconomical misuse of money) | State Inspector General | LABEH |
| 47. | Ministry of State Administration (Cova Lima District) | Request investigation on Irregularity in the use of petty cash of Cova Lima District | Financial Fraud (uneconomical misuse of money) | State Inspector General | LABEH |
| 48. | Ministry of State Administration (Cova Lima District) | I Request investigation on rregularity in the use of Japanese donated fund to assist the carpenters | financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 49. | Ministry of Justice(Land and Property | Request investigation on process of issuing a State owned land in Pantia-Kalapa, | selection favoritism (Bribery), | State Inspector General | LABEH |
| 50. | Ministry of Transportation and Communication | withholding salary of a staff since November-February, | Own decision/authority | State Inspector General | LABEH |
| 51. | Ministry of Planning and Finance(Border Control), | Request investigation on Misused of salary of 3 staff members of the Border Control in 2003, | financial Fraud (Embezzlement) | State Inspector General | LABEH |
| 52. | The National Parliament | Request investigation on Parliament Free tax importation of vehicles for ordinary citizens and receive some token from business people who imported vehicles under their names. | Abuse of Authority/ trust | State Inspector General | LABEH |
| 53. | The National Parliament | Request investigation on Few Parliament members receives double per dim for only one purpose and most also do not conduct | Abuse of Authority/ trust | State Inspector General | LABEH |

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| | | the activity in which they received the per-dim. | | | |
| 54. | Ministry of State Administration (Lauten District) | Request investigation on Irregularity in recruitment process of polling staff by STAE, Mehara/Poros | Recruitment favoritism | State Inspector General | LABEH |
| 55 | Ministry of Development | Request investigation on abuse of Human Right | Abuse of Authority/Power | State Inspector General | LABEH |

Note: Detailed

A total of 34 cases submitted to the Inspector General **August 2003 –April 2007**, there are where you get in these detail two ministries together such as Ministry of Transport and Finance at no. 15, 16 and 35. A total of 21 cases submitted to the Provedoria dos Direitos Humanose e Justica **July 2005- January 2007**

- Prime Minister Office (5)
- The National Parliament (2)
- Ministry of Development (3)
- Ministry of State Administration (4)
- Ministry of Planning and Finance (12)
- Ministry of Transportation and Communication (6)
- Ministry of Education and Culture (3)
- Ministry of Justice (8)
- Ministry of Health (3)
- Ministry of Labor and Solidarity (3)
- Ministry of Foreign Affairs and Corporations (5)
- Ministry of Interior (2)
- Ministry of Public Works (1)

LABEH Recommendations to the Government:

- To ensure compliance with government commitment to “Good governance, transparency, accountability and zero tolerance for corruption” there is need for policies and principles and procedures for high standards of professionalism based on an enforceable Code of Ethics.
- Mechanism to use in fighting corruption or preventing the government officials of corruption is by declaration of assets, the government officials should be obliged to submit, on a periodic basis, a declaration of asset owned to the office of the Provedoria. (Article 8, paragraph 5 (b), UN Convention against Corruption)
- Right of access to information and documents (“open Government”) regarding government proceedings should be a policy objective (Article 10, UN Convention Against corruption).
- Avoid decision lacking in objectivity, transparency, accountability and integrity by solely relaying on legal and regulatory frame work as the basis for all government public procurement actions (Articles 9, UN Convention against Corruption).

- Deliberate efforts to develop government capacity through organized, comprehensive and relevant staff training programs (Article 7, paragraph 1(b), UN Convention against Corruption). Streamline government process to reduce bureaucratic delays, thereby improving service delivery.
- Clarification on the Media law and adopt the freedom of access to information
- Adopt a Freedom of Information Law as enshrined in our National Constitution
- Ratify UN Convention against Corruption;
- Criminalize an array of corrupt practices,
- Develop national institutions to prevent corrupt practices;
- Cooperate with other governments to recover stolen assets; (if any) and seek assistance with other countries, including with technical and financial assistance, to fight corruption and reduce its occurrence and reinforce integrity.

LABEH requests the State to:

- The state should introduce the **“SAY NO TO CORRUPTION CONTRACT”** for any state and government appointees of which they will individually sign before taking up appointment and be ready to be suspended in office if there is any allegation of corruption until such a time the court declares him/her innocent.
- Establish a Taskforce in all the 13 districts to monitor the implementation of the local government service delivery to the people and in combating poverty and corruption to improve good governance, transparency and accountability.
- Implement a concrete measures against any act of corruption and request the new government to take a concrete action against the offenders of act of corruption.
- All civil servants to apply/forbid any act of corruption and mal-administration and work according to the law for the benefit of all the Timorese and prosperity of the Nation.
- The State Prosecutor General, Inspector General and the Provedor to work according to the powers granted to them by the law to fight against corruption and nepotism.
- The Church and the civil society in general to assist in the fight against corruption for the prosperity of the nation.
- The State to establish an Independent Commission consisting of well established citizens, empower them to act as a watchdog in conducting oversight control to strengthen the existing office of the State Inspector General and the Ombudsman for Human Rights and Justice which will be under the Prime Minister or the President of the Republic.
- The State to Establish the High Administrative, Tax and Audit Court as enshrined in the national Constitution.

- All Political Parties to put the issue of corruption as a priority during the parliamentary campaign.
- Ask the Provedor and the State Inspector General to provide constant information to the public about what has been done to the investigation conducted so far on the issues of corruption.

Note: It is important that any commission or group established under this fight against corruption and fighting poverty should receive the national parliament approval by law or regulation.