

Timor-Leste's Civil Service:
A Brief Diagnostic on the Great
Challenges towards Meritocracy and
Professionalism

By:

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Preface

On July 1, 2023, the IX Constitutional Government (2023-2028) took office, consisting of a coalition between the most voted party, the National Congress for the Reconstruction of Timor-Leste (CNRT), which obtained 288,289 votes, corresponding to 41.6% of the electorate, and the Democratic Party (PD) with 64,517 votes, corresponding to 9.3%, all according to the results of the legislative elections held on May 21, 2023, whose results were proclaimed by the Court of Appeal on 5 of June 2023.

The Civil Service Commission (CFP) was established by the National Parliament by Law number 7/2009, of July 15, as one of the strategic reforms, within the scope of Public Administration, carried out by the IV Constitutional Government, with the purpose of establishing meritocracy, reducing the political influence on the civil service and professionalizing human resource management.

The CFP is an independent body, under the (legal) supervision of the Prime Minister since the beginning of its creation in July 2009, but this evolved and mandated to the Minister of Presidency of Council of Ministers, and is composed of five commissioners, three appointed by the Government, including its President, and two by the National Parliament. The third year of the commission's third mandate is currently in progress, with two years remaining for its completion, under the terms of the law.

Being of a bureaucratic order, fundamentally supported by the values and principles of professionalism and impartiality, the civil service works in a continuous, relatively permanent and stable way. At the same time, the Government, of a political and democratic nature, governs for the duration of its mandate, depending on the votes received in the legislative elections held periodically.

Changes in Government, with the consequent transition, require the presence of an adequate feedback mechanism and the necessary technical support for the policy formulation process in order to ensure the continuous commitment to the effective and efficient improvement of the Civil Service in favor of the implementation of Government policies and programs, in the legitimate interest of the Nation and the State.

Among the Commission's legally established competencies is that of advising the Government on matters pertaining to the public sector and the civil service. In fulfillment of this attribution, the CFP presents this document that identifies a series of challenges to the development of the Civil Service and constitutes a contribution to the work of the IX Constitutional Government in defining the policies that will guide the public administration and its main pillar, the function public.

The CFP has participated in the management of the civil service in accordance with the principles of good governance, therefore it receives the audit determined by the PM, with the aim of ensuring responsibility and identifying other challenges, to try to overcome them by applying the relevant policies established by the IX Government Constitutional.

This book presents some of essential aspects relate to Timor-Leste's Civil Service, aspects that are considering as the great challenges towards meritocracy and professionalism. It is elaborated and structured in such a way to enable the decision makers, the readers, or the interested entities, to easily understand the problem and the relevant solution proposed.

Dili, 29 of August 2023

Faustino Cardoso Gomes

The President of the CSC

Remarks for the English Version

As indicated by the above sub-title, this English version is to complement the Portuguese and Tetum versions (both are Official Languages) prepared and sent to H.E. the Prime-Minister and the Minister of the Presidency of the Council of Ministers, aiming to contribute to the work of the IX Constitutional Government in defining the policies that will guide the public administration and its main pillar, the Civil Service.

In November 2022, during the 41st ASEAN Summit held in Phnom Penh, under the leadership of the Kingdom of Cambodia, based on the outcomes of the Fact-Finding Missions to Timor-Leste conducted by the ASEAN Political-Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community, the leaders of the 10 ASEAN Member States (AMS) decided to admit in principle Timor-Leste to be the 11 full-membership of the association; and during the 42nd ASEAN Summit, held in Labuan Bajo (NTT Province) Indonesia on May 9-11, under the Indonesia presidency, it was adopted the Roadmap for Timor-Leste's Accession to ASEAN.

The process of Timor-Leste's integration into ASEAN is equivalent to a period of mutual sharing and learning, during which the State Members of the Association have the opportunity to get to know and assess Timor-Leste's potential. And at the same time, Timor-Leste can measure the

challenges to the fulfillment of associative obligations, once it becomes the regional block's 11 full-membership, which would ideally occur in 2025, according to the President Jose Ramos Horta's declaration to the public.

The journey to that end is actually a knowledge process. As part of this process, and in a spirit of friendship, solidarity and collaboration, in line with the guidelines for the implementation of the observer status granted to Timor-Leste, Timorese representatives have participated in various technical meetings and training actions, through the classical approach (face to face) and the virtual way as well, organized by the State Members of the Association.

It is to highlight here that the Civil Service Commission (CFP, Portuguese abbreviation) is part of the activities of the ASEAN Socio-Cultural Community (ASCC) Pillar and has enthusiastically participated in meetings to listen carefully to the experiences of friendly nations and share our experience in public service management. This includes the CSC's active participation during the Fact-Finding Missions to Timor-Leste conducted by the ASEAN Political-Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community, from 2019 to 2022.

With the approval of the roadmap formalizing the admission in principle of Timor-Leste as the 11th member of ASEAN, the CSC have received visitors from some of the ASEAN Member States (AMS) and some other entities representing

the International Organization as well that demonstrate willingness to support Timor-Leste to achieve the milestones through the provision of capacity building assistance and that are interested in learning more about our country, a young democracy committed to the path towards social development.

This document was prepared to collaborate with this knowledge process and make information available to visitors from ASEAN Member States, and the other interested parties as well, presenting the great challenges faced by the Timor-Leste's civil service in the implementation of meritocracy and the professionalization of civil servants.

With the purpose of making it more enlightening, the document was constructed in the form of a diagnosis, where we highlight specific problems faced in the management of the civil service, analyze the current situation, and propose a solution.

With this, the Civil Service Commission makes its contribution to the development of public administration and actively collaborates with the newly sworn-in IX Constitutional Government in preparing the way for integration into ASEAN and in ensuring the effective realization of Timor-Leste's full-membership in the association.

Dili, 29 of August 2023

Faustino Cardoso Gomes

The President of the CSC

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Introduction

The functions and attributions of the Civil Service Commission are defined by law and mainly involve human resource management activities and advice to the Government, aiming the implementation of meritocracy, ensuring the integrity and increasing the professionalism of the Civil Service.

To a distant observer, it may seem that the CFP accumulates many functions that should be carried out along ministerial lines. However, since its creation, the CFP has not withdrawn competences from the ministerial lines, but has assumed certain executive functions of human resource management that the ministerial lines fail to exercise, whether due to lack of technical capacity or even lack of knowledge. At the moment, the CFP is working to support capacity building along ministerial lines and significantly increase delegations of functions.

This document seeks to present an overview of the Timor-Leste's Civil Service, in order to report the progress achieved and also the challenges that arise for its efficient management.

In essence, the document points out the work carried out by the Civil Service Commission and the challenges and difficulties encountered in implementing a new mentality in public service management.

The document is divided into topics that involve the various areas of activity of the Civil Service Commission. For each topic there is an introduction about the existing situation, identification of the problem and a proposal for a solution.

The topics covered here are: The Informatization of the Civil Service; Administrative Decentralization and the Civil Service; Meritocracy in Personnel Recruitment and Selection – Abandon old Behaviors; Performance Appraisal – Towards A New Mindset; Personnel Promotion: General Career Regime and Special Career Regimes; Discipline Management; Workforce Control – What is the ideal size of the Civil Service?; The Aging of the Civil Service; Use of Graduates with FDCH Resources; and Roadmap to ASEAN – Human Resources Perspective.

The Informatization of the Civil Service

EXISTING SITUATION: For more than ten years CFP depended on a foreign company contracted to develop and maintain a human resources management system. The CFP understood that the time had come to locally develop a system suited to the needs and retain the knowledge to promote changes to that system. The SIGAP-Foun, Public Administration Human Resources Management System, already has more than half of its 48 modules developed and in operation, by Timorese civil servants and technicians, using open-source code, modern and flexible systems, which allow the adaptation of the system to the needs of the civil service. The computerized management system for human resources in the civil service will accompany the functional life of every civil servant or contractor, from his/her recruitment and selection, through evaluation, progression, promotion, discipline, distinctions, functions and appointments, to the retirement and pension.

CFP has adopted the use of computer systems as a means of overcoming staffing difficulties. More than 70 computerized systems have been implemented and are in use, both to streamline the CFP service, but especially to facilitate access to information by civil servants and users of public services, most of which are free-to-use software, which it does not require the acquisition of licenses or programs developed internally at CFP. Below we refer to the main systems:

All civil servants and public administration agents (contracted) in Timor-Leste can consult online, via computer or mobile phone, data on the payment of salaries and data

from their personal file, and can also identify errors and omissions in their personal data and ask the CFP to correct it. Also available online is the provision of certificates of interest for civil servants, such as:

- a) Certificate of functional activity, which declares the condition of civil servants, their category and length of service;
- b) Financial certificate, which declares the remuneration received and the discounts implemented;
- c) Disciplinary certificate, which informs the occurrence of disciplinary proceedings initiated against the employee.

With these online certificates, there is no longer any need for the civil servant or contractor to travel to the CFP to obtain certificates of personal interest. The document is requested and issued online, and its authenticity can be digitally verified, eliminating the need for signatures and stamps.

Recruitments, selections and promotions in the civil service are carried out with the support of an electronic system that will be detailed later in this document. Exam results are available online in real time. Candidates take written exams on computers at CFP headquarters and obtain the result with the score achieved at the time they complete the exam. The result is also projected onto a screen on the premises of the CFP building to ensure publicity and general awareness.

Any citizen who uses CFP services can submit applications online on matters of interest, such as complaints, appeals, requests for information, among others, being exempted from coming to the CFP to submit and follow up on their application. The application is processed online, making it

possible for the interested party to follow the entire process of the document and obtain the decision via computer or mobile phone.

All CFP decisions, orders and deliberations, in addition to being published in the Official Gazette, are also available online, allowing users to search by name or subject and have access to a copy of the documents of interest.

Recruitment contests for permanent positions and selection for management and leadership positions are published on social media and also on the CFP website. Candidates for a position in public administration have a place where they can find the centralized publication of all available vacancies put up for tender in all Government bodies.

PROBLEM: In public administration in Timor-Leste, a distorted view of information technology (IT) prevails, which sees the IT professional as a specialist in equipment and installations. Practically every public administration entity has, at least, an IT department that is fundamentally concerned with managing existing equipment and data networks. There are almost no development units that manage information, which may include application development, database organization and generation of knowledge from stored information. Too little importance is given to what is the main component of IT.

PROPOSED SOLUTION: In key areas such as information technology, the CFP intends to propose a modification to the recruitment process, in order to ensure that recent graduates

enter the civil service and invest in their further training. This is what is already practiced with legal professionals, who enter the Legal and Judiciary Training Center, where they receive additional training in legal matters and begin professional activities as judges or defenders after completing the training. Recruited IT professionals would obtain scholarships to complement their training in specific areas of development, through a commitment to the civil service for a predetermined period. In this way, it becomes possible to attract and retain professionals from technical areas in the civil service.

In Government entities with greater demand for informatization, the CFP will propose that IT units be reinforced with the creation of systems development and data management units, no longer focusing solely on maintaining the IT infrastructure and starting to assign greater importance to development.

The CFP also intends to make the systems it has developed available for use by other Government institutions. CFP's positive experience with informatization will be shared with the ministerial lines, which will be able to use the systems at no cost, since they are systems that do not require licensing.

Administrative Decentralization and the Civil Service

EXISTING SITUATION: The municipality of Dili is home to 24% of the population of Timor-Leste, however it holds 40% of the civil servants, which reflects the concentration of public services in the capital. Many basic and necessary services for citizens require them to travel from their villages to Dili

PROBLEM: Ensuring that public services are deconcentrated and decentralized and available to the population in all municipalities. The administrative decentralization legislation defined a list of competences attributed to the municipalities, which, in several cases, were shared with the national level. However, there are no regulations in force to delimit the areas of action and activities related to shared competences and also the exclusive competences of municipal bodies, raising doubts among public officials and municipal managers. There are cases where municipal officials and national level officials are placed to respond for the same activity. There are still cases where powers are not being exercised because of doubt about who is responsible. During dissemination activities, the CFP heard many criticisms from municipal officials about the lack of clarity regarding the limits of its role.

PROPOSED SOLUTION: The institution of a program to shift skills and personnel from the national level to the municipal level. The competences decentralized to the municipalities must be translated into concrete activities and distributed among the municipal bodies. Municipal staffing

tables should be reviewed and adjusted according to decentralized competencies and activities.

In order to contribute to the decentralization process, the CFP intends to propose incentive measures to the Government for the transfer of civil servants from the national level to the municipalities, as a mechanism for adjusting the workforce and providing an opportunity for those who moved to Dili in search of a job.

Among the measures that can be adopted to motivate civil servants to return to municipalities are salary supplements, acceleration of the horizontal progression of the salary scale, higher scores for participation in competitions for promotion and priority in selection processes for management and leadership positions.

The CFP will collaborate with the municipal services of administration and human resources to improve municipal staffing profiles, as well as to define the duties to be carried out by municipal workers. A framework of basic functions of municipal employees will be proposed, which can be improved according to the characteristics of each municipality.

Meritocracy in Personnel Recruitment and Selection – Abandon old Behaviors

EXISTING SITUATION: The creation of the Civil Service Commission in 2009 had as one of its main objectives to introduce meritocracy in the process of recruitment, selection and promotion of personnel, that means to ensure that the process is free of political influence, familiarism/ nepotism and other types of preferences.

Since then, recruitment processes for permanent positions, selection of directors and managers, and career promotion of personnel have been carried out by a jury appointed by the CFP, based on the indication of the hierarchical superior of the recruiting entity. This jury is made up, for the most part, of staff from the entity for which it is recruited, and has the participation of a representative of the CFP or other entities.

PROBLEM: There are two major difficulties encountered by the CFP: the first is to ensure the impartiality of the jury in the contest. There are appeal mechanisms in place whereby candidates who feel aggrieved can appeal. However, many candidates fail to file an appeal due to fear of reprisals in the workplace. Aware of this problem, the CFP implemented an electronic recruitment system, with the creation of a bank of questions, in which the written exams are not previously prepared, but created electronically at the time of the test execution, reducing the possibility of intervention by the jury in favor of any candidate.

Such a mechanism proved to be efficient, particularly in the recruitment and promotion processes, allowing to ensure impartiality during the execution of competitions with hundreds and even thousands of candidates.

The second problem is the difficulty in requiring public administration entities to carry out the merit selection process. The legislation allows the appointment of a replacement for up to six months, while the selection process is prepared and carried out. However, most Government entities refuse to go ahead with the selection process, perpetuating the extension of replacement appointments.

PROPOSED SOLUTION: The quality of personnel recruited for public service reflects, to a large extent, the quality of the selection panel. Public administration needs to have more diversified recruitment and selection boards, with greater experience and imbued with an innovative mindset that abandons formalism and favors new aspects in recruitment.

Improving recruitment requires abandoning old behaviors and imposing a new mindset, prioritizing the growth potential, creativity and initiative demonstrated by candidates for a public service position. The requirements of formalism and the mechanical and memorized knowledge of legislation must be left in the background.

The improvement of recruitment juries will only happen with increasing their diversity, attracting members from outside the civil service and adequate training.

Recruitment jury members today are, essentially, civil servants who need to leave their daily activities to contribute

to the recruitment or selection process, an activity that demands time and dedication, sometimes for weeks at a time. It is very difficult to count on people outside the public administration to participate in the recruitment jury due to the difficulty of reconciling recruitment with private activity.

In order to obtain better recruitment juries, the CFP proposes to remunerate the activity of a member of the recruitment and selection jury. In this way, it will be possible to invite entities outside the public administration to participate in the recruitment process. The jury's diversification will make it more technically qualified and contribute to impartiality and impersonality in decisions.

An adequate training program will be developed for the jury, enabling them to better identify candidates with potential for growth and motivated to work in the civil service.

The implementation of this programme, together with reinforced measures to avoid undue favoritism towards candidates, will improve the quality of recruitment. The implementation of meritocracy requires a joint effort and the CFP already has the legal means for its application, in line with the Government's vision. However, it needs to count on the decisive support of the Head of Government and Minister of PCM for the reinforcement of the determination of subordination to the principles of merit.

Performance Appraisal – Towards A New Mindset

EXISTING SITUATION: The implementation of the current performance appraisal regime was an important initial step towards the introduction of merit assessment, with mechanisms to reward efficient employees and motivate those who do not demonstrate good performance. As this was an initial tool, other important aspects of performance appraisal were not included in the scheme. After more than 10 years and having acquired the experience of carrying out annual performance assessments, it is understood that the time has come to adapt the performance assessment to become a service planning tool.

PROBLEM: The existing evaluation regime is limited to assessing exclusively behavioral evaluation factors that do not prioritize performance in achieving the objectives established for the service. The performance appraisal needs to evolve to include an appreciation of the civil servant's work unit priorities, the goals set for the year, and avoid relying on personal affiliations, preferences, and intentions.

PROPOSED SOLUTION: The CFP intends to propose a change to the performance evaluation regime, modifying the evaluation criteria, which are no longer merely behavioral and refer to the achievement of objectives set annually by the unit, based on the objectives established by superiors.

Indicators and means for productivity at work and objectivity in the evaluation of civil servants and managers will be defined, with the application of a standard of fundamental personal skills and behavioral indicators.

The proposal will seek to ensure the right to performance evaluation as a tool for promotion and functional progression and also as a factor in the merit selection processes for the exercise of management positions. Today, horizontal progression in careers is linked to the result of the performance evaluation and the CFP intends to introduce changes to the evaluation process to make it more connected to the objectives determined for the service. Not only personal performance will be measured, but also the performance of the team or department to which the civil servant belongs, in view of the objectives determined in their individual work plan, in the institution's annual plan and respective strategic plan.

The proposal will also include a communication mechanism between supervisors and subordinates, ensuring a channel through which subordinates can better understand the demands of the job and present their concerns in order to guarantee an adequate working relationship.

Other problems identified by the CFP in verifying the performance evaluation will also be addressed in a proposal to improve the regime, such as the guarantee of the right of evaluation of civil servants in cases of institutional restructuring, functional mobility, appointment as holders of political office and in the exercise of general management positions in public administration.

Personnel Promotion: General Career Regime and Special Career Regimes

EXISTING SITUATION: The slowness in career advancement was a frequent complaint of civil servants. There were cases of civil servants working for more than 15 years without having the opportunity to participate in a promotion contest. This situation was the result of deficient regulation that did not favor competition and the limitations of human resources managers from ministerial lines, who did not take the initiative to organize the proper promotion contest.

To overcome these difficulties, CFP presented to the Government the Personnel Promotion Regime in the Civil Service, which was approved by Decree-Law number 1/2018, of 24 January, which centralized in the CFP the promotion operations for civil servants of the General Career Regime, with the following characteristics:

- ✓ The regime created requirements for promotion and a points system, which considers factors such as: academic qualifications, seniority and place of service, professional training, language proficiency, performance evaluation results and merit, measured by carrying out a written exam;
- ✓ Provided better control of expenditure, with the prior definition of the annual vacancy limit approved by the Government, upon proposal by the CFP;
- ✓ Stimulated competition. All civil servants under the same category in the Civil Service, regardless of the

institution in which they work, compete for promotion vacancies;

- ✓ Uses an electronic system to carry out the written tests, ensuring impartiality in the choice and agility in the result, with the results of the exams available immediately after the exam is carried out;
- ✓ The promotion takes effect only for the year following the promotion contest, giving institutions the opportunity to forecast and include resources for payment of the promotion in the budget proposal.

The centralized competition for the promotion of civil servants of the General Careers Regime has been held annually since 2019 and has promoted a total of 4,270 civil servants to the next higher grade, with 42,700 candidates having undergone examinations in these four years of the competition. Operations for the promotion contest for the year 2023 have already started.

PROBLEM: The civil service is made up of civil servants from the General Career Regime and from the 16 special career regimes. Each of these 16 regimes has its own characteristics of entry, progression and career promotion, being the responsibility of the human resources department of the ministerial line where the career integrates its effective management.

The special career regimes have profound differences between them. From the teaching system, with more than 15,000 members, placed in all administrative posts, to systems with only 20 members, all in the same workplace. Many special career regimes have differentiated promotion rules, while

others do not even refer to the subject of promotion in their statute.

To date, only two special careers have taken measures to promote personnel, and in the other special careers, employees remain in the category and grade they entered, preventing professional progress and career evolution.

PROPOSED SOLUTION: The special career regimes need to be reviewed and aligned under the same perspective regarding professional evolution. Once the provisions on progression and promotion are harmonized, the CFP will be able to centralize promotion operations, as it already successfully does for civil servants in the general career regime.

Discipline Management

EXISTING SITUATION: The Civil Service Commission law centralized the decision on disciplinary processes in the CFP, in a concentrated model that generated some criticism. However, this concentration allowed significant advances in disciplinary management. Before the creation of the CFP, less than 10 disciplinary processes were carried out per year across the Civil Service. Many cases of abandonment of service caused financial loss to the State as the salary payment to the defaulting civil servant continued for months due to inadequate disciplinary management. Today, the CFP manages attendance, implements salary deductions for days of absence and lost work hours in all public functions. The CFP also investigates and decides about 300 disciplinary cases a year, ensuring the right of defense and the right of appeal to the accused. Since its creation, the CFP has considered more than 2,700 disciplinary processes.

PROBLEM: The inspection and audit offices of the ministerial lines still have a low capacity to investigate breaches of functional duties. The disciplinary administrative process begins with a summary investigation of the facts that makes it possible to identify whether there are indications of a disciplinary infraction committed by a public official. This summary investigation must be carried out by the Office of Inspection and Audit of the ministerial lines for subsequent referral to the CFP for the initiation of the disciplinary process. However, most inspection offices are not prepared to carry out these investigations.

PROPOSED SOLUTION: The CFP plans to intensify the relationship with the inspection and audit offices of the ministerial lines, through an in-service training program for inspectors. Under the program, inspectors will participate in the diligence of disciplinary proceedings relating to their respective organizations, acquiring knowledge about investigation procedures. The CFP's objective is to implement measures for the delegation of powers to public institutions insofar as they demonstrate the capacity to carry out the investigation and the disciplinary process, preserving the competence of the CFP to consider the most complex cases and disciplinary resources.

Workforce Control – What is the ideal size of the Civil Service?

EXISTING SITUATION: The public sector workforce exceeds 54,000 employed persons, divided into 27,700 civil servants, 8,500 public administration agents (contracted), 10,400 casual contractors, 900 national and 150 international advisors, 106 magistrates and public defenders, 2,746 members of F-FDTL and 4,062 from PNTL. Elected or appointed political agents are not counted.

PROBLEM: CFP's fundamental concern is not related to the number of workers hired, but its disorderly growth, which is due to 2 main aspects: the lack of criteria for hiring and the absence of a selection process. It still seems inadequate to the CFP that workers' contracts defined as casual have been extended indefinitely.

Administrative practice currently does not distinguish between public administration agents and casual contractors. In practice, public administration agents are considered to be those hired who perform typical functions of a civil servant and are equated with the categories and grades of the general career regime. The budget of each public administration entity defines the number of “permanent” civil servants and the number of authorized “contracted” agents each year. Therefore, with regard to civil servants and agents, there is control exercised by the State, manifested by the approval of vacancies in the General Budget each year. The same does not happen to the so-called “casual” workers, who also obey the remuneration tables and have the civil service degrees as a

reference, but are not subject to the vacancy limits established in the budget and until 2022 were hired by the ministerial lines using resources from the budget line of "Goods and services".

These casual workers should be hired for a short period, for emergency or temporary situations. This is typically the case for staff contracted to support the electoral process, or staff contracted for national population census activities. These are manifestly public activities, but limited in time. Once the temporary need has passed, the contracts cease.

It so happens that several ministerial lines have excessively extended the employment contracts of these “casual workers”, without making adjustments to their vacancy and personnel maps. The creation of personnel vacancies, whether permanent employees or contracted agents, should take place in the discussion of the State's budget proposal. Each public administration entity must include in its proposal the need for personnel that it deems appropriate. Once the personnel budget is approved, vacancies are available for recruitment and selection.

Current legislation (DL nr. 24/2016, of June 29) already requires that vacancy and personnel maps be prepared by the ministerial lines and consolidated by the CFP for submission and discussion by the Council of Ministers before inclusion in the budget proposal. However, this legal provision has not been adequately enforced. As a result, there is no analysis from the perspective of human resources and fiscal sustainability, of personnel growth.

The recruitment process for civil servants follows a strict procedure, established by decree-law, executed by a

recruitment jury, whose work is supervised by the CFP. The hiring of personnel, on the other hand, occurs, in most cases, without carrying out a selection process, through lists of personnel presented, sometimes based on criteria of political sympathy.

In addition, there is no clear policy defined by the Government on the legal regime for employment of civil servants. In years past, it was more attractive for a candidate for a civil service position to obtain a so-called “permanent employee” vacancy, especially because job stability and the possibility of a retirement pension were assured. What did not happen with the hired worker.

Since the implementation of the contributory social security regime, this difference has been diluted, as both “permanent” and “contracted” are covered by social security. As a fundamental difference, only the issue of permanence in employment remained.

Both public administration agents and “casual” contractors have their employment relationship governed by a fixed-term employment contract, lasting between 6 months and a year and which have been regularly renewed for a long time. There are records of contractors for more than 10 years, with half-yearly contract renewals.

This model has been detrimental to the service and the worker. Between agents and “casual” there are approximately 19,000 workers whose contracts must be renewed every six months or annually, in a long and bureaucratic work of preparing contracts, collecting signatures and sending them to the CFP for registration and subsequent payment of the monthly remuneration for the “payroll ” of the Ministry of

Finance. Many of these contractors are in remote areas and the processing of the contract means that the payment of their remuneration is sometimes delayed.

PROPOSED SOLUTION: The CFP proposes that the staffing profiles, with the forecast of the necessary personnel for the following year, be prepared annually by the ministerial lines and other Government entities, forwarded to the CFP for consolidation and analysis and subsequent submission to the Council of Ministers for approval. Only then do they enter the budget proposal for discussion and approval by the Government and then by the National Parliament.

In addition, it is necessary for the Government to define an adequate legal regime on the hiring of personnel. The initial step is a definition by the Government of its policy regarding temporary workers in the civil service. The CFP prepared a Public Administration Workforce Planning and Management Scheme materialized in a proposal for a decree-law. The planning and management of the human resources workforce is a challenge for the Government in establishing control mechanisms for the public administration to adjust the number of civil servants needed to respond to the Government program and provide quality services to the population.

With the approval of the decree-law, workforce planning instruments will be implemented throughout the public administration and will allow the Government to manage the size, functions and skills of the Civil Service, ensuring that each job has an approved budget, functional analysis and a specific job description.

The proposal also includes important government decisions on the size of the civil service, the duration of employment

contracts for public administration agents and the regulation of the hiring of so-called casual workers.

Regarding the size of the civil service, the proposal advances with two alternatives to implement its control and, consequently, of personnel expenses. One based on the number of employees and the other based on state spending on wages and salaries.

The number of civil servants was first determined during the period of the United Nations Transitional Administration (UNTAET), fixed at the proportion of 1.5% of the population of Timor-Leste at the time, around 800,000 people. This corresponded to a permanent Civil Service workforce of 12,000 employees. Constitutional Governments maintained this number of permanent civil servants until 2010, however allowing temporary hiring, which reached 11,500 contracted agents.

By Government Resolution number 42/2010, of November 17, the policy of converting public administration agents into permanent civil servants was approved, setting the number of permanent civil servants to around 24,000. From then on, the Government no longer established a limit for the recruitment and hiring of personnel, the process being dependent only on the approval of resources by the State Budget, reaching today's numbers, already mentioned in this document.

The first alternative for managing the size of the civil service sets a maximum number of civil servants and public administration agents corresponding to a certain percentage of the population of Timor-Leste. For example: according to Census data, the population of Timor-Leste is just over 1,300,000 inhabitants, if the percentage determined as the

civil service limit corresponds to 3.5% , the workforce would be limited to around 46,000 civil servants and contractors.

The second alternative sets the maximum expenditure on wages and salaries of civil servants and public administration agents. The proposal will determine that expenditure cannot exceed a certain percentage of fiscal and non-tax domestic revenues. Any variation in revenues would imply personnel adjustments.

The proposal presents for discussion by the Government a limit on the number of contracted public administration agents and also a time limit for these contracts. This limit may vary according to the policy that the Government determines, in relation to the adoption or not of a civil service composed mostly of permanent or contracted civil servants.

The proposal also regulates the situation of so-called “casual workers”. There is currently no effective instrument for controlling these contracts, as these personnel are not registered in the civil service database and remuneration does not strictly follow the civil service salary scales. Hiring also does not comply with the vacancies determined in the institution's staffing profile, which means that the State has practically no control over the number of hired personnel. The CFP is aware of personnel hired on a casual basis for almost 10 years, which, of course, cannot continue. According to the proposed decree-law, these workers will only be employed for urgent and emergency activities, with a contract limited to a maximum of 3 months, extendable for just another 3 months. The proposal admits the conversion of these casuals into public administration agents, for service needs lasting up to 4

years, provided that the vacancy is included in the entity's vacancy and staffing profile, its budget proposal is approved in the budget process and if a selection process was carried out.

This proposal for a Public Administration Workforce Planning and Management Regime aims to prevent the uncontrolled and continuous growth of contractors and the increase in the number of civil servants without adequate planning. This will have a direct impact on the Government's ability to accurately forecast wage and salary expenditures, the skills required or the adequate number of civil servants to deliver public services. The projected population increase over the next ten years will lead to rapid growth in the working population which, in turn, will significantly increase demands for Government services and the number of civil servants suitable to run these programs. In view of the growing demand for quality and timely public services, the requirements for qualifications and competences of State workers are also increasing.

The Civil Service needs to be flexible, responsive and able to respond to the demand for growing services. It requires mobility of public servants to where the demand is greatest and to forecast and control the number of civil servants and skills needed now and over the next 5-10 years. This constitutes an immediate challenge for the Government and its ability to plan and manage the workforce and requires an instrument to address these challenges. The proposed regime will be able to approve mechanisms and tools necessary for the Government for a more effective control of the civil service and contracted workers, according to the policies determined by the IX Constitutional Government.

The Aging of the Civil Service

EXISTING SITUATION: The Social Security Regime determines 3 conditions for retirement (Art. 17, of DL 17/2017, of May 24):

- 1) Minimum age of 60 years;
- 2) Warranty period (service with contributions) 60 months
- 3) Submission of an application

As a result, if a public official or contracted agent who reaches the age of 60 does not submit a request for retirement, he or she may continue on active duty indefinitely.

PROBLEM: Due to several factors, but especially due to the low value of pensions, civil servants and agents refuse to retire at the age of 60. As a result, the civil service is aging rapidly. The average age of civil servants is 48 years for men and 44 years for women. However, it is necessary to discuss the impact of the immediate implementation of the age limit rule, taking into account that there are approximately 4,000 active employees over 60 years old, which corresponds to more than 10% of the workforce. The situation is more delicate among teachers, as there are 2,465 over 60 years of age and their removal from active service could have serious consequences for teaching.

PROPOSED SOLUTION: With the aim of ensuring the renewal of civil service and also offering work to younger

people, the CFP proposed to the Government the establishment of the age limit for permanence in active service, having as a starting point for discussion the age for applying for a pension by old age, which is 60 years. According to the proposal, a period of up to 5 years is also established during which the employee may remain on active duty, as long as he is indispensable for the service.

Sensitive to the problem, the Government obtained a legislative authorization from the National Parliament that allows the Government to change the causes for termination of the employment relationship in the civil service, to include an age limit for remaining in active duty, as well as conditions for any exceptions that may be deemed necessary. However, the Government did not use this legislative authorization, which expired on July 19, 2023.

In the context of Timor-Leste, it must be considered that the population is mostly young. According to World Bank data, 60% of the population is under 24 years old, and the current life expectancy is 69.5 years

As a result, there are a large number of young people trying to enter the job market and the permanence of elderly employees in active service makes this movement difficult. The establishment of an age limit in the civil service will make it possible to pave the way for the recruitment of personnel, with the renewal of the civil service. However, it is necessary to balance this renewal, in order to ensure the use of more experienced professionals, especially in the case of primary and secondary school teachers.

The lack of prospects of joining the civil service and the small size of the private sector make it difficult to find a job and

contribute to young people looking for work abroad. The evasion of young professionals causes a great social and economic impact, and contributes to reducing the quality of the workforce, since the most qualified do not remain in the country.

It is important to mention that several countries are abolishing the maximum age limit in the civil service, as they understand that it is a discriminatory attitude. These countries are practicing a movement against the age limit, which is to encourage the continuity of work, with the aim of reducing social security expenses and encouraging the elderly to remain mentally active.

Use of Graduates with FDCH Resources

EXISTING SITUATION: Data from the Support Secretariat of the Human Capital Development Fund (FDCH) indicate low performance by State institutions of graduates in programs granting scholarships by the FDCH.

PROBLEM: The FDCH Secretariat reports that over 60% of graduates of FDCH scholarship programs are not integrated into State services in any way.

Despite the undeniable benefit obtained from training personnel for the job market, it is undoubtedly in the interest of the Government to obtain greater participation in the use of graduate personnel in scholarships with State resources.

PROPOSED SOLUTION: Following the model previously proposed in this document and which deals with Information Technology professionals, the CFP will propose specific regulations to ensure a path to entry into the civil service for FDCH scholarships graduates, in priority areas. Under this proposal, successful candidates for a scholarship are recruited as civil servants prior to the study. They attend studies as civil servants on a probationary period and, upon completion of the study, are integrated into ministerial lines where they must fulfill a minimum period of compulsory service to the State of at least twice the time invested in training.

Roadmap to ASEAN – Human Resources Perspective

EXISTING SITUATION: The 42nd ASEAN Summit, held in May 2023, in Labuan Bajo (NTT) Indonesia, adopted the Roadmap for Timor-Leste's Accession to ASEAN. The implementation of the roadmap will require that Government entities have human resources capable of ensuring the success of regional integration. According to studies by the MNEC, more than 400 professionals qualified in different areas of knowledge and fluent in English are needed to ensure compliance with the requirements established in the adhesion guide.

PROBLEM: It is estimated that the ministerial lines do not have qualified personnel with sufficient knowledge of the English language to fulfill the commitments of the “Roadmap to ASEAN”, being necessary to recruit personnel and provide them with adequate training.

PROPOSED SOLUTION: In view of the limitation of qualified personnel and at the request of the Ministry of Foreign Affairs, the Civil Service Commission developed a proposal for a Personnel Hiring Regime to Support ASEAN Membership Activities. The proposal was approved by the Government and promulgated by His Excellency, the President of the Republic.

With the approval of the legislation, public administration entities began to hire staff under a fixed-term employment contract to support ASEAN membership activities, in accordance with the needs raised in ministerial lines. This contract must observe the principles of legality, transparency, selection on merit, impartiality, good faith, freedom of candidacy and equality of conditions and opportunities.

The approved decree-law includes a technical commission, composed of representatives from various Timorese public institutions, which will participate in recruitment, with the following objectives:

- ✓ Survey of personnel needs for ASEAN membership activities in each of the entities involved;
- ✓ Elaboration of a proposal with the number of contractors required and the respective academic qualifications and professional experience required; and
- ✓ Elaboration of detailed terms of reference and definition of skills and knowledge that must be demonstrated during the selection process.

The Civil Service Commission will consolidate the hiring proposals and forward to the Government a proposal for a resolution to define the vacancies and respective specialties for tender.

These vacancies are equivalent to the highest positions available in our career system, and recruitment will be in charge of a jury, formed by members of the technical commission and other professionals deemed necessary.

The recruitment jury will:

- a) Carry out the operations of the selection process, evaluating applications objectively and impartially;
- b) Appreciate the appeals lodged against its decisions;
- c) Sort the ranking list of approved candidates

The selection process will use the modern electronic written test system created by the CFP, which aims to assess candidates in terms of professional knowledge, technical skills and mastery of languages necessary for the performance of the respective functions.

Candidates with the highest grades will be selected for the next phase, up to the limit of vacancies available in each category, plus thirty percent, who will then take a discursive test, followed by a professional interview.

The results will be approved by the Civil Service Commission and successful candidates will be offered an employment contract for up to one year, renewable once, for the same period. It is anticipated that those with good results in the annual performance appraisal may become candidates for permanent recruitment as civil servants.

These contractors are subject to the duty to participate in education and training activities determined by hierarchical superiors, especially related to regional and multilateral integration programs and improvement of language skills.

Conclusion

In conclusion, these are the relevant aspects of public service management that the Civil Service Commission wishes to bring to the attention of the IX Constitutional Government, as well as express CFP's readiness to implement the priorities defined for the public service, in line with the Program of the Government and determinations of the Head of Government.

Timor-Leste's civil service is young and relatively small. It has around 36,941 workers and was organized just 20 years ago. Despite our young age, we share the principles of good governance, committed to consolidate a civil service based on meritocracy and professionalism, concentrating efforts to ensure that public services are provided efficiently and effectively, in favor of the implementation of Government policies and programs, in the legitimate interest of the Nation and the State.

The legislative regulation of our civil service faithfully observes these principles and the Civil Service Commission is mandated by our government to ensure its compliance, though continue facing great challenges, from government to government.

