



MILLENNIUM  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA



Success Story

[www.mcc.gov](http://www.mcc.gov)

## Big Strides in the Timorese Government's Fight Against Corruption

For the first time since Timor-Leste's independence in 2002, the government has convicted a high-level public official on corruption-related charges.

In June 2012, former Justice Minister Lucia Lobato and the former director of procurement for the Ministry of Finance were both found guilty of economic involvement in business for directing to her husband a contract to supply prison uniforms. The Court of Appeals upheld the convictions of both officials in December 2012, and Lobato is now serving her five-year sentence in prison.

In this high-profile case, the independent Anti-Corruption Commission—which receives technical assistance from the Millennium Challenge Corporation's Threshold Program in Timor-Leste—supported the prosecution by assisting with the investigation and providing a key witness at the trial.

Still a new nation, Timor-Leste is making progress in its efforts to promote transparency and fight corruption. The country's MCC Threshold Program began in May 2010 and is being administered in cooperation with USAID. The program is designed to increase transparency, create deterrents to corruption and strengthen accountability institutions.

The program works with government ministries and agencies, Parliament, nongovernmental organizations, and the media and has emphasized training across governmental entities. The understanding is that ministries and departments that train together will work well together.

The program has supported training in investigation techniques for the Anti-Corruption Commission, the Office of the Prosecutor General and the Office of the Inspector General. This involves training on countering money laundering, including the use of Timor-Leste's new anti-money laundering law and penal code to develop a working definition of money laundering.

The Threshold Program is also working with the Timorese government on conducting internal and external audits and improving procurement capacity. The program's activities have fostered interaction among organizations in the region, including anti-corruption commissions in Indonesia and Hong Kong. MCC and USAID are working with the U.S. Department of Justice and the U.S. Department of Treasury to help build capacity within the Timorese government in these crucial areas.

The successful prosecution of high-level public officials is both a positive outcome from the investments made by the Threshold Program and an encouraging, tangible sign of Timor-Leste's ongoing commitment to fighting corruption.