



**DEMOCRATIC REPUBLIC OF TIMOR-LESTE**

**OFFICE OF THE PRIME MINISTER**

**ADDRESS**

**BY HIS EXCELLENCY THE PRIME MINISTER**

**KAY RALA XANANA GUSMÃO**

**ON THE OCCASION OF THE**

**FIRST CONSULTATIVE MEETING ON MONITORING  
IMPLEMENTATION OF THE PRINCIPLES FOR GOOD  
INTERNATIONAL ENGAGEMENT IN FRAGILE STATES**

2 March 2009

Ministry of Foreign Affairs, Díli

Your Excellency the President of the Republic

Your Excellencies the Representatives of the Diplomatic Corps

Your Excellencies the Representatives of International Organisations

Your Excellencies the Representatives of Civil Society

Ladies and Gentlemen,

First and foremost, I would like to thank the World Bank for supporting the organisation of this meeting, as well as our Minister of Finance for her tenacity and energy in promoting and participating in this agenda to make assistance to national development more effective.

The history of Timor-Leste is characterized by a series of challenges.

After the challenge of fighting for Independence, we had the challenge of building a young democracy, to establish a State based on the Rule of Law, similar to other States in the Community of Nations. For this, we had to create our democratic institutions from scratch.

The lack of basic infrastructure and human resources has been a constant challenge throughout this endeavour, along with the consequences of a period of war that was too long and too painful for our People.

This recent history shapes our culture and the way in which every Timorese acts. And it is also felt in our economy, where slow economic growth and low incomes made Timor-Leste one of the poorest countries in Southeast Asia.

These factors present serious risks for national stability, as we have seen every two years with the crises – or rather, challenges – that we have faced.

**Consequently our youth is, first of all, our fragility!**

The true challenge has only just begun. Independence has enabled our People to aspire to a better life.

In the Vision 2020 – Our National Vision – over forty thousand Timorese stated what they wanted to see achieved by 2020. In short, this was freedom from poverty, hunger, sickness

and a lack of education. This also means believing in a developed Nation that is just in the application of the law, that manages our economy and finances with efficiency and transparency, and where our public and private institutions, our civil society and our leaders, are fully accountable before the People.

These expectations guide the actions of our Government.

This year Timor-Leste celebrates the 10<sup>th</sup> anniversary of our decision to become a Democratic and Sovereign State, as shown by Popular Consultation. Ten years ago we were not able (**in fact, we were not free**) to decide what we wanted for our own Country.

What this Government wants for Timor-Leste is to make this 10<sup>th</sup> year the closing of a chapter where Timor-Leste is regarded as an unstable or post-conflict country, which is akin to being a country that cannot meet the expectations of its People.

**This is why it is time to say: Goodbye Conflict, Welcome Development!**

In order for this to happen we need responsible political leadership and quality public participation in decision-making processes. These two aspects, together with the generous assistance of the International Community, enable a dynamic balance between the expectations of the People and the capacity of the State to meet those expectations.

Ladies and Gentlemen,

We are aware that International Assistance for Development is not enough by itself, no matter how coherent and coordinated its mechanisms may be.

The reforms that the Government of Timor-Leste has been designing and implementing are the key to making sustainable and real development happen, and to enable technical assistance projects in our country to be more effective.

Therefore, knowing that the integrated problems of poverty, unemployment, hunger and social injustice lead to general discontent among the People, jeopardising national security and stability, as well as knowing that insecurity and instability prevent us from combating

poverty, the development of strategic structural reforms is the first step to build the pillars that will support the development and the strengthening of the State.

Although they were another painful shock to our People, the events of last February 11 constituted a last warning regarding the need to change and the crucial importance of revising our national policies.

Therefore we reorganised and, in a more coordinated manner, sought the right model for Timor-Leste, gathering the consensus of the Timorese and respecting the steps and timing necessary given our reality.

Fortunately the results are there to be seen!

When you leave this building at the end of the day, what you will see by the beach, on the street named “Rua dos Coqueiros”, could only have been a mirage just one year ago: the movement of commerce, people taking walks after a day’s work and children playing on the beach.

This is the result of the resolution of national security problems and the introduction of a deep reform in the sector of defence and security, along with other fundamental measures in the fields of social justice and administrative, legislative and financial reforms.

This is also the result of the increase in public sector investment, which has been funding new construction, improvements in public services and public transfer programs. These policies have increased the purchasing power of the People and, indirectly, also benefited the private sector.

Your Excellency the President of the Republic

Ladies and Gentlemen,

There is still much to be done, particularly improving public service delivery, but at least we are taking firm steps in the right direction.

The Government has decided that 2009 will be **the year to make vital decisions concerning the development of infrastructure.**

This decision was made not only because it is clear the country lacks infrastructure that would provide better living conditions to every Timorese, but also because it has been proved time and time again that infrastructure is necessary for the development of all other sectors, as well as being an important generator of employment.

The path ahead of us requires even greater coordination. The fact we are meeting here today is a clear demonstration that we intend to do better, with courage and determination, and that for this we will need to monitor our actions, as many lives will depend upon them.

One instrument we are drafting to enable better monitoring is a National Development Strategic Plan, which incorporates our key priorities, and which will make a real difference to our country. In a word, one that is achievable.

We know by experience (both our own and internationally) that a plan is only useful if it is not improvised and if it can be implemented. Timor-Leste has seen many plans and studies that have not brought added value to the process of escaping a situation of conflict.

This is why we are so committed to learning from this past. Further, although we can no longer help those who have perished as a result of the dramatic events in our history, there is much we can still do for those who live in the hope of a better future, since this future depends, in many respects, on government action.

A recent report by the World Bank has shown that 500 thousand Timorese live below the poverty line. Half of these people are children, who suffer from hunger and malnourishment.

These figures are disturbing. We must bear in mind that what we are discussing here, during these two days, is the identification of indicators that will monitor our actions, as these actions are vital to make a change in the lives of these 500 thousand Timorese.

I urge all of you to be aware of this fact: the outcomes of the work by all participants here mean hope for nearly half the Timorese population!

Ladies and gentlemen,

The alignment of wills, the implementation and monitoring of development plans and the maintenance of peace and security through joint and coordinated efforts - taking into account the 3 fundamental elements of Defence, Diplomacy and Development – may determine the success of Timor-Leste.

Knowing of the engagement that international partners have dedicated to our young country, I underline that our success is also your success.

Through the Government's programs and strategies, complemented by the programs of bilateral and multilateral donors, including the United Nations, which reflect the generous assistance provided by the international community, and through better accountability, coordination and monitoring mechanisms, let us make this 10<sup>th</sup> anniversary of our freedom a landmark to herald in a new stage, the stage of sustainable development.

**Let us work together so that the reminders of fragility in our country do not mean that we remain a fragile State.**

Thank you very much!

Kay Rala Xanana Gusmão

2 March 2009