



**REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE**

**SPEECH BY**  
**HIS EXCELLENCY THE PRIME MINISTER AND**  
**MINISTER FOR DEFENCE AND SECURITY**  
**KAY RALA XANANA GUSMÃO**  
**AT THE g7+ MINISTERIAL RETREAT**

**18 October 2011**  
**Juba, South Sudan**

Honourable Kosti Manibe, Minister of Finance and Economic Planning, South Sudan

Ministers

Brothers and Sisters

It is a great honour and a privilege to be here to speak at the opening of this g7+ Ministerial Retreat.

First, I would like thank our hosts the Republic of South Sudan.

We are here today not only for this g7+ Ministerial Retreat but to show our solidarity and support for South Sudan.

To be here at this time, a few days after the 100 day milestone since independence, where South Sudan became the world's newest nation, is special for us all.

We not only congratulate South Sudan on its independence; we also celebrate the birth of this new nation.

We commend the people of South Sudan for their courage, their sacrifice and their determination to achieve independence.

And not only do we wish this new nation a bright future, we also pledge to do all that we can to support South Sudan in becoming a strong, successful and peaceful State.

I commend the President and the government of South Sudan for hosting this international event and give thanks for the warm welcome we have received.

Ladies and gentlemen,

Please allow me to give a very brief overview of Timor-Leste's experiences, as a new nation, of peace building and State building.

Following our Referendum in 1999, when our people voted courageously for independence, we became trapped in a vicious cycle of violence.

About every two years we suffered violent outbreaks which resulted in deaths and the destruction of property.

And in 2006, just four years after we assumed sovereignty from the United Nations administration, we suffered our worst internal conflict.

This violent period threatened to tear our nation apart, the nation that we had fought so hard, and suffered so much, to achieve.

We had to break this cycle of violence.

To do this we had to take the painful step and admit that we had failed. We had failed to address the root causes of our problems and failed to build our State institutions.

When our Government came to power in 2007 we set about reducing our fragility.

We focused on reforms to our security sector to build capacity and professionalise our police force and our military.

We introduced social policies to address the underlying causes of our fragility and to support our veterans and elderly who had sacrificed so much in the struggle for independence.

We re-structured the public sector, implemented public financial management reforms and established bodies of independent oversight to promote good governance.

And we tackled poverty and encouraged economic growth to underpin our development.

In 2009, on the 10th Anniversary of the Referendum, the Government launched a new motto “Goodbye Conflict, Welcome Development” which was embraced by our people who were tired of suffering, tired of fighting each other.

We are now enjoying stability and security and strong economic development.

This period of stability has allowed us to prepare a 20-year Strategic Development Plan that focuses on three vital areas: social capital, infrastructure and economic development.

This plan represents the hopes and wishes of the Timorese people and it will be the cornerstone of our nation-building efforts as we move further and further away from our fragile beginnings to become a secure, peaceful and well governed nation.

And next year will be very important for us.

In 2012 we will hold presidential and legislative elections – the third democratic elections in Timor-Leste.

We are confident that they will be conducted peacefully but we must remain vigilant.

While we are confident that we are now becoming a more stable, peaceful and tolerant society - we remain fragile.

We know, from painful experience, that it is easier to burn down a house than to build it – just as it is easier to derail a State than to develop it.

And that is why we are here today.

Friends,

Today we meet to discuss our future.

We may meet as fragile and some of us as conflict affected States, but we also meet with unity and strength.

Together, we have so much experience and so much wisdom to share.

Our common experiences give us natural bonds of solidarity and understanding.

Our different experiences add depth and value to our group.

Here we can be open about our problems. We can be honest about our failings. And we can share and celebrate our successes.

Friends,

This meeting of fragile and conflict affected and post-conflict States is the most important step for the consolidation, and the future, of the g7+.

Whether this body succeeds in its goals, or fades away over time, is up to us.

I am a great supporter of the potential of the g7+. That is why I have promoted this body to the United Nations General Assembly and its Security Council and all other forums I attend.

It is only together, speaking with one voice, acting as one group, that we can bring about change to the way that aid is delivered.

And it is only through learning from each other, and supporting each other, that we can move beyond fragility and conflict.

In this way, the g7+ can be seen to have two roles. The first is external, representing us all collectively to the world.

The second is internal, allowing us to learn from each other to inform our own approaches to peace building and State building.

Ladies and gentlemen,

One of our key aims is to improve the transparency and effectiveness of international aid.

It is to re-acquire ownership of the development program and to ensure that it does not weaken our self-determination.

We did not fight for our independence just to lose ownership of our development.

But it has been our experience that aid has the potential to weaken or avoid our internal processes; to actually inhibit institution building.

It has been our experience that aid can result in expensive foreign controlled programs; where most of the funds find their way back to donor nations with limited benefit to our people.

And it has been our experience that aid delivery can be inflexible and process heavy; resulting in funds being spent in the wrong places and not able to be used to prevent emerging conflict that threatens the State.

We have also had to deal with development ‘experts’ seeking to impose their supply driven or template solutions with little regard for our culture, our context and the reality of our country.

And worst of all, when aid programs fail, the blame for this failure is often located not with the donor, but with our people, with us.

But achieving development is not a matter of merely following some easy and universal steps – like following a recipe in a cook book.

All fragile States are different and require different approaches.

But we have not come to this retreat to criticise foreign aid.

We are here to work towards making aid more effective, both for our people and for the donors who provide it.

It is up to us to exercise leadership, set priorities and take ownership, and with ownership accept accountability.

It is up to us to make sure we transition from traditional approaches of aid delivery to more effective models.

It is up to us to make sure that development assistance responds to the demands, needs and aspirations of our people.

We need a new aid deal.

This deal must recognise that fragile States cannot meet most of the Millennium Development Goals.

It must recognise that it is first necessary to embark on an inter-related process of peace building and State building before the MDGs can be achieved.

We need to advocate the importance of peace building and State building goals as a necessary foundation for meeting the MDGs.

And we must be the ones responsible for measuring our own fragility and not have it done for us.

To do this it is critical that the voice of fragile States is heard, that our experiences are considered, and that changes are made to transform the politics and policy of international aid.

In the future; we must focus on results and not inputs.

We must explore how the global technology and telecommunications revolution can be harnessed to develop our nations - how health care, education and economic opportunities can be provided through new technology.

And we must take advantage of the historic global political and economic structural changes that are taking place.

Not only are we witnessing the transformation of much of the Arab world, we are also experienced the rise of great emerging economies.

Many African nations are already benefiting from the rise of China and the potential it provides for cost effective infrastructure building.

Many of us are already sourcing professional and technical assistance from India rather than from traditional developed countries.

And we are looking at training our people, to build our skills, knowledge and human resources, in the emerging economies of South East Asia as well as India and Brazil.

With this shift in economic and political power we will also see changes to global governance and our international institutions.

These trends will continue and we must not be passive in the face of these structural changes, we must make sure we benefit from them.

We must not continue to be the third class citizen of this chaotic and globalised world.

Friends,

The Fourth High Level Forum on Aid Effectiveness in Busan, Korea, begins next month.

This is a critical meeting for the g7+ and this Retreat will determine whether we will be successful in Korea.

At this Retreat we must develop our priorities and determine the position that we will take to Busan.

This will include working on an effective and sophisticated communications strategy.

We must make sure that our voice is heard in Busan.

We must make sure that the future framework of aid delivery takes account of our needs and our situations.

And we must make sure that our experiences define the terms of the discussion about international aid – rather than having those terms dictated to us.

Friends,

While the g7+ was born out of the global debates on aid effectiveness, that does not mean we should be limited to this single issue.

This group provides a unique opportunity for us to pursue an agenda that supports our nations and our people.

There are many issues, beyond aid, that shape our progress and our future.

These include global trade, finance, labour, health, environment and development policies.

The g7+ provides a collective voice for us to be heard on international issues that impact our people.

But to be heard, and to be recognised as the global voice for fragile nations, we must have unity.

We must also have credibility – and to have credibility, we must have substance.

I urge the Policy Working Group of this Retreat to set a foundation for us to develop a shared set of priorities and policies.

There will be a need to undertake research, prepare case studies and discussion papers and to critically evaluate how global actions impact local communities in our countries.

The advocacy of a substantive policy agenda provides great scope for the g7+ to influence global change into the future – and through those changes, improve the lives and wellbeing of our people.

Brothers and sisters,

Before I finish, I would like to speak about the ‘internal’ role that the g7+ can play.

This role allows us to speak as friends, in a spirit of solidarity and support, about the progress of own countries.

We can share our experiences, both sweet and bitter, with people who understand our circumstances.

We face many common challenges.

These challenges raise questions and together we are more likely to find answers. These questions include:

- How do we turn a subsistence economy into a modern economy?
- How do we develop our human resources?
- How do we build basic infrastructure ?
- How do we manage aid without forsaking our sovereignty?
- How do we ensure security when we are fragile?

Such questions are not easy. But we are the ones who are best placed to find the answers.

This is because it is our people that live the experience of fragility. It is our people who have to find the courage, determination and spirit to move from fragility to strength.

And we understand the realities of our nations and what it means to live with extreme poverty, with insecurity and with struggle.

This Retreat gives us all the chance to further develop our bonds of trust and friendship.

I urge us all to make the most of this rare opportunity.

Friends,

Thank you for giving me the time to speak to you all today. It is a true honour and a privilege.

In this room we have a group of people, from across many countries, with expertise on fragile States which is unsurpassed.

There is, however, much work to be done and this Retreat will establish the foundation for the future of the g7+.

I look forward to working together with you all in the future as we take the outcomes of this Retreat to the international community.

Thank you very much.

18 October 2011  
Kay Rala Xanana Gusmão