



REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE

**ADDRESS BY HIS EXCELLENCY THE PRIME MINISTER
KAY RALA XANANA GUSMÃO
ON THE OCCASION OF
THE SWEARING-IN OF THE V CONSTITUTIONAL GOVERNMENT**

Palácio Lahane, Díli

8 August 2012

His Excellency, President of the Republic
His Excellency, President of the National Parliament
His Excellency, President of the Court of Appeal
Your Excellencies, Reverend Bishops
His Excellency, the Special Representative of Secretary-General of the United Nations

Members of the National Parliament and Government
Chief of Defence, Armed Forces and the General Commander of the National Police
Distinguished Representatives of the Diplomatic Corps, Ambassadors, Consuls and
Heads of Mission

Representatives of State Institutions and Agencies
Representatives of International Agencies
Representatives of Civil Society

Distinguished guests
Ladies and gentlemen

Timorese People,

On August 8, 2007, and in this same distinguished hall, the IV Constitutional Government was appointed and now ends its mandate.

The socio-political situation then was totally different from today.

Everyone can recall from back then the political insistence, on behalf of 'stability', for the formation of a 'Government of National Unity' in clear disregard of the popular will expressed in the elections of June 30.

All of you recall the attempt, in the name of 'development', to form a 'Government of Great Inclusion', trampling over the Constitution of the Republic.

Exactly five years ago, the AMP received the onerous task of resolving the internal conflict that ravaged the country and that was causing deep wounds in the social fabric of Timor-Leste.

More than 100,000 internally displaced; more than a third of the army who had left the barracks; a PNTL uncontrolled and without command; armed civilians abandoned to their fate and a group of armed rebels loose; all causing greater insecurity and instability - this was the image of a young country, ranked by the international community as a 'failed State' and without prospects.

AMP, with its historical constitution of five parties, represented the union of efforts that answered to the aspirations of our people, for peace and stability and for change, and especially change of attitude and behavior.

Here, and publicly, I want to do justice to the parties of the AMP. Through the harmonisation of the various political commitments, members of the Government and the Parliament, if the AMP did not do what we had undertaken to do, we did everything in our power to reorient the country and break the cycle of violence that, every two years, disturbed the peace of the people.

Timor-Leste currently lives in an environment of security, optimism and confidence in the future, which is the fruit of acquired stability and national security and the result of the first steps for the social and economic development.

AMP, with its potential for action and recognising our weaknesses, broke this skepticism, both domestically and internationally, of many who always have difficulty in recognising the merit of someone else.

With regard to the Failed States Index, a very important point that calls for reflection is the ability of the leadership of a country to assume the responsibility to influence and guide the society to the practice of social ethics and politics that is so necessary to instill an environment of tolerance, mutual respect and solidarity and promote harmony and stability.

The leadership of a country is not only the figures at the top of State institutions, the leadership of a country are those who have a personal responsibility in the different strands of society, from political to religious, from media to civil society from the academic to the professional.

All who feel accountable to groups or organisations, of any nature, have a duty to educate society, have a duty to teach values such as honest policy, responsibility for the best interests of the State and the awareness that Nation is above any individual or group interests.

Our country is young and we have just celebrated its 10th Anniversary. The elections took place peacefully, and we judged as such by the international community. The Timorese people predominately know what democracy brings, not only in terms of human dignity but also in the act of making their decisions. And as a result of democratic choice, expressed on July 7, Your Excellency Mr. President swore in today the V Constitutional Government.

Excellency The President
Ladies and Gentlemen

It is with even greater responsibility, once again, that I affirm my commitment, before the Timorese, to lead the country to further strengthen the State and toward establishing the solid foundations of national development.

Timorese society has, to date, looking heavily upon our historical past in an attempt to review the grievances and to measure the sacrifices and pain from the long struggle for liberation.

During our first ten years of peace building and State building, we experiences the frailty of living in a post-conflict nation. Despite the challenges we faced, we can stand up proudly as a determined people and as a sovereign nation.

It is time to build the nation, with eyes fixed on the future. It is time to draw up plans and policies to ensure that there is peace, to ensure that there is work, decent housing and food for all Timorese, for the heroes and victims of the past and the heroes and victims of today.

The V Constitutional Government has a political project of strategic nature, with a mission to inspire confidence and to mobilise the participation of all.

The next five years deserve, therefore, a great collective effort to ensure that the ongoing process of consolidation of internal security and stability will bring progress and welfare to all Timorese.

My Government is committed to be the engine of progress, with an enormous sense of responsibility, dedication, honesty, persistence and courage. We count, however, on the participation and cooperation of all Timorese citizens in this process. United in this common goal, it will be easier to overcome the challenges of development because, together, we have faced more difficult challenges.

Good relations between the organs of State and State authorities and with civil society organisations, the Church and other religious denominations, as well as the positive performance of non-governmental organisations and the private sector will undoubtedly be our barometer. The genuine and frank dialogue between them and the Government is a prerequisite for the success of the nation.

The role reserved for the Opposition, led by the historic FRETILIN party, is crucial in a young democracy like ours. The Opposition has the right and duty to question the Government in its decisions and policy choices, to monitor its actions and proposals in a critical and constructive way, especially considering the experience that the party has acquired working in the best interests of Timor-Leste.

The Opposition is, therefore, an essential element in the composition of our country's democratic formula. A strong Opposition, responsible and enlightened, contributes to a more efficient and transparent government, with the Timorese people being the main beneficiary.

For this same reason, I also appeal to the young people. Each generation has a role to play in the constant challenges facing Timor-Leste. Young people have to embrace this new struggle to develop the country and strengthen peace and democratic values in our society.

I therefore appeal to young people to dare not forget that if you live in a free country today, it is because this country has been handed to them by the sacrifices and tremendous efforts of their parents.

Today, young people can choose which path they wish to follow, they can demand change and better living conditions, and it should happen, however, for the good of all, their actions must be guided by the promotion of a culture of peace, where reconciliation of differences can only be truly achieved through dialogue and peaceful means.

Young people are the future leaders of this nation, they are the ones that will transform our society and our economy. This new Government will strive to create opportunities for young people to develop their skills, their experiences and values, so that they can participate fully in the nation's future.

Excellency, The President of the Republic
Excellencies
Ladies and Gentlemen

The philosophy that guides this Government comes from the IV Constitutional Government and it takes its mission to continue to implement the programs and reforms that have been successfully promoted by the Parliamentary Majority Alliance.

The continuity that we want to imprint on our governance requires continued improvement of the form of action and systems of work and, as becomes obvious, an

improvement in the method and workings of administration and management.

We want to continue the reforms introduced in the field of defence and security, which contributed to a more professional and skilled Armed Forces and Police. The Government will continue to ensure that our people enjoy peace in their day-to-day lives, and know that their property will be protected.

Fundamental reforms of financial management and the training of public administrators were implemented to improve service delivery. The V Constitutional Government will continue to promote a culture of ethics, transparency and openness to ensure good governance. For this, we will start a program to ensure consolidation of all State institutions and effectively adopt the system already introduced, and in doing so avoid a bloated bureaucracy and an inefficient public administration.

We all know the difficult conditions experienced by civil servants. My Government will continue to demand greater professionalism, and now promises to pay due attention to this matter to relieve the pressure of the difficulties of their day-to-day working life, thus ensuring better work ethics.

Part of the incentives that the government proposes is the construction of neighborhoods for civil servants, placed in the districts and sub-districts, as a minimum requirement to work hard and free of such undue pressure.

We know that the true wealth of our nation is our people and therefore maximising the health, education, culture and overall quality of life of the Timorese is key to building a just and progressive nation.

The V Constitutional Government will invest in improving services in two key areas, which are health and education.

In the health sector and health institutions we will focus on management, support and resources so that health services operate efficiently. In relation to patients and the general public, health workers must be imbued with a missionary spirit to serve with love, dedication and zeal.

In education, we are committed not only to improve school conditions in terms of rooms, furniture and books, and quality of teachers, but also review the curriculum and quality of teacher-student interaction, which will allow improvement in results, ensure that a reasonable quality of learning is provided and provide better post-primary intellectual development to give our youth more realistic and concrete rewards.

This government will regulate pre-school and basic schools to uphold the principle of inclusiveness and to ensure that no Timorese child is disadvantaged, or provided with inferior opportunities, simply because he or she could not understand in his or her language what is said by the teacher in their first years of schooling.

Priorities for action for my Government will also be in the fair and honest recognition of the Combatants of National Liberation and assistance to the vulnerable.

We will make a revision to the Law on the Status of Combatants of National Liberation, a readjustment of the Commission of Homage activities and resources to a new body that is more effective and responsive, and plan to establish Boards of Combatants from the Districts.

Moreover, because the State is constitutionally obliged to defend a more just society, the Government will embed a process for effective assistance to our elderly, disabled, women and children in vulnerable situations, and it will develop a social security system, which includes financially sustainable pension reform. After the set up an efficient system of payment, the Government will also consider raising, in moderation, the pension for the elderly, widows and the disabled.

Along this line of action, as continuity is given to the construction of houses in organised communities through the MDGs project, the Government will also fulfill the commitment that was made with the National Program for Suco Development, launched in June this year.

Mr President,

When we speak of a more just society, we are also talking about the rightness of our actions. The V Constitutional Government will continue to provide the necessary attention for the improvement of the justice sector. We will continue to develop Timorese human resources, in order to reduce the excessive dependence on international players. We will continue to enhance the capacity of Timorese lawyers, so that they can fully exercise their functions. We will continue to invest in the training of criminal investigators in all specialties necessary to ensure greater credibility to the proceedings that are brought before the justice system. We will also revise the laws that were adopted during an earlier stage of development to ensure that they meet the needs of the socio-economic reality of the country.

We also propose to work towards a more open and more democratic society. To this

end, we will strengthen the superstructure of democracy through a free press, which is more enlightened and responsible; with women and the guarantee of the protection of their rights and with equal access to opportunities in cultural spaces which develop critical thinking and the ability to analysis.

We want a society which is freer, more autonomous and more prosperous, and for that we will implement phased decentralisation policies that support local democratic participation and private sector development in rural areas.

We believe that governance should be as close as possible to the people to allow self-determination, dignity and a sense of achievement of immediate needs and aspirations. To this end, we will form new administrative units that are more efficient and representative and that can respond promptly to the challenges of local development.

Mr President of the Republic
Excellencies
Ladies and Gentlemen,

The continuity that this Government intends to achieve also reflects the need to provide form and content to the programs established in the Strategic Development Plan, approved by the National Parliament in July last year.

This Plan, necessarily long term, provides a framework to transform the economy of Timor-Leste, with stronger private sector growth. We are planning in a sustained and responsible way to act in three key areas: social capital, infrastructure and economic development.

We know that to build a modern and productive economy and create jobs, we need to build basic and productive infrastructure. The scale and cost of our needs in terms of infrastructure are considerable, and we need to plan and implement our program in an effective and thoughtful way.

We propose to continue to invest in a Plan of integrated infrastructure, which includes the improvement of telecommunications and the connection to the world through a subsea fiber optic capable to provide high speed broadband internet, as well as the development of ports, airports, roads, bridges, sewerage and drainage systems and drinking water supply.

We will also provide regular electricity, 24 hours a day, seven days a week, to all Timorese, with the completion of the construction of the electrical transmission lines

which together form a ring around the country.

The development of the south coast and of the oil and gas sector will remain a priority. The establishment of a supply base, a refinery and a pipeline are necessary investments to establish of our own petroleum industry and to generate employment for the Timorese.

The Government is committed to bringing the pipeline from the Greater Sunrise field to the south coast of Timor-Leste. Let's prove to the world that a pipeline to Timor-Leste is a safe and economically viable solution and that our horizon is the development of a petroleum industry able to provide direct economic dividends for our population.

We have been creating a dynamic of progressive growth. Timor-Leste achieving rates of economic growth that were some of the fastest in the world at the same time that the Government was also managing the impact of the international crisis in food prices and the global financial crisis. However, we know that Timor-Leste remains a low-income country with an embryonic private sector, with limited economic diversification and concentration in agricultural production.

The Government will maximise our economic opportunities, which are considerable, using the strategies set out in the Strategic Development Plan to become a middle income country with a diversified economy.

And we will do so through a new paradigm of production, productive capacities and opportunities for productive employment. This will include expansion and modernisation of the agricultural sector, creation of a thriving tourist industry and encouragement of private sector activities including the growth of small and micro enterprises.

The Government will establish a permanent relationship with the local private sector, listening to their issues and embracing it as a true partner in development with active participation in the plans and strategies we adopt. The Government will empower the Commercial Bank in supporting small and medium enterprises, and introduce initiatives to foster private sector development, including the establishing a Development Bank.

Although this constitutes a considerable challenge, we have strengths that allow us to restructure of our economy towards our plan. We have the resilience and determination of our people, substantial petroleum revenues, an impressive wealth of marine and mineral resources, as well as our geographical location in the vibrant Asian region, which is currently driving much of world economic growth.

We also have a stunning natural landscape as well as culture, history and a unique heritage, which all offers significant potential for the development of our tourism industry.

In short, with strong investment already started with the development of basic infrastructure and investing in three key areas: agriculture, tourism and petroleum, and supported by a growing private sector, Timor-Leste will diversify its economy building a non-oil economy, so that petroleum revenues can be invested for future generations. However, some of this revenue must be invested now, with courage and determination to allow the development of the country and the current generation.

Excellencies,

It is in with this in mind that the organisational structure of the V Constitutional Government embodies the philosophy of progress to ensure continuity and to achieve our objective of an efficient and effective public administration providing services to the people and undertaking the responsibilities of the State.

The new team of the Government, which takes office today, has a mission to make sure that the spirit of excitement of the past five years does not fade away. Do more and do better is the common platform of understanding in the formation of this new Government.

Our political behavior is guided by the values of civil and human rights, tolerance, peace, dialogue and respect.

Our governing practice is guided by the principles of good governance, inclusion and the principle that everyone should obey the law.

Our vision is a nation in which society is prosperous, healthy, educated and skilled, with widespread access to essential goods and services and with an emerging and productive economy the provides jobs for our people.

Our goal is to create opportunities for everyone in a fair and inclusive way, allowing the growth of a dynamic and innovative economy.

Mr President of the Republic,

We believe that the working relationship between our two institutions will be guided by a spirit of cooperation, trust and solidarity. The current state of the nation demands that

the country's leadership assume, without hesitation, its historical responsibility and be courageous in making decisions for a brighter future for the people of Timor-Leste.

Given the complexity of challenges before us to consolidate peace, democracy and eradicate poverty, we must respond firmly, with dedication and courage.

Very soon we will see the withdrawal of the United Nations Integrated Mission and the International Stabilisation Force. This will bring a new stage in the history of Timor-Leste as we, for the first time, will move on our path without a strong international presence.

Excellencies

Ladies and gentlemen,

I take this opportunity to thank the contributions of UNMIT, the ISF, the various organisations present in Timor-Leste and the international community.

I am happy as we are able to share the common victory of stability and human dignity in our country.

Our plans for the future are ambitious but I know you will always be available to collaborate on the challenges facing Timor-Leste.

We, moreover, maintain a strong commitment to the international community; not only with our neighboring countries, and with those whom we share common historical ties such as the CPLP countries, but also with those who share the same ideals of peace, tolerance and global development.

The next five years will be decisive for our full membership of ASEAN. This aspiration will bring great advantages to Timor-Leste, but also great challenges.

Being part of this regional forum will give us access to current debates in the context of security, development and economic integration and puts us closer to the centre of global geo-political transition. With the pivot of global strategic and economic weight to Asia, Southeast Asia is the region where we are well placed to be. It is, however, an opportunity which is great for a small country like ours and, therefore, we need to work hard to keep up with these developments.

But Timor-Leste has to grow and no dream of prosperity will be excluded.

I pledge here and now, and on behalf of V Constitutional Government, to govern responsibly, with enthusiasm and vision for the future.

To the Timorese people, old and young, men and women, I address a special message: Today we face a new challenge to develop the nation that we all fought so hard for. With the same principles, values and commitment that were embraced during the long struggle for independence, we must continue to work together to realise our dreams.

It will not be easy, however, I repeat, united we have already faced even greater difficulties.

It is time to put Timor-Leste and the Timorese on the path of development.

Thank you.

8 August 2012

Kay Rala Xanana Gusmão