



**P R I M E  
M I N I S T E R**

**ADDRESS BY HIS EXCELLENCY THE PRIME MINISTER OF THE  
DEMOCRATIC REPUBLIC OF TIMOR-LESTE KAY RALA XANANA  
GUSMÃO AT A WESTERN AUSTRALIAN BUSINESS LUNCH HOSTED  
BY DLA PIPER**

**Perth, Australia**

**4 April 2014**

Andrew Darwin, Chief Operating Officer and Managing Director, DLA Piper

Allan Drake-Brockman, Perth Managing Partner, DLA Piper

Stephen Webb, Partner, DLA Piper

Stephanie Airey, DLA Piper

And I associate myself with the acknowledgements given by Andrew Darwin

Excellencies,

Ladies and Gentlemen

It is a great pleasure to be here in Perth and to have this lunch with you to talk about Timor-Leste's progress and opportunities.

I have just come from an Official Visit to Malaysia where there was much enthusiasm for investing in Timor-Leste. In my discussion with the Malaysian Prime Minister, the Honourable Najib Razak, we also agreed to make trade and investment a core part of our bi-lateral relationship.

At this time, I also give my condolences to the families and friends of the passengers of Malaysia Airlines flight MH 370 and I commend the international cooperation of the search effort.

Ladies and gentlemen,

Timor-Leste is only 12 years old as a self-governing State. When our nation was born we had to start from scratch. We had no State institutions and no experience of governance, we had no court system nor legal framework, no infrastructure, no health or education services, no banking system and no funds. We had to secure peace in a society brutalised by war; and we had to build a State.

Looking back, it is amazing how much we have achieved. We now live in peace, in a tolerant and free democracy that upholds the rule of law and human rights. Timor-Leste now enjoys some of the strongest rates of economic growth in the world. Since 2007, our average growth rate has been 11.9% and the Asian Development Bank predicts strong growth to continue.

To realise our potential, and focus our efforts, we produced a 20 year Strategic Development Plan in 2011 that provides a framework to transform our country from a low income nation to a country with upper-middle income levels with a healthy, well-educated and prosperous population by 2030.

To achieve our objectives we need to create more jobs and build a sustainable and diversified market economy. We are fortunate to have petroleum resources and revenue which flows directly into our sovereign wealth fund, the Petroleum Fund. This Fund has grown from \$1.8 billion in 2007 to around \$15 billion today – and it continues to grow.

Because of the importance of our petroleum revenue we are totally committed to transparency and are proud that Timor-Leste was the first country in Asia, and the third country in the world, to comply with the Extractive Industry Transparency Initiative. This means that every dollar earned is accounted for and audited.

Part of our plan for our petroleum industry is to develop our south coast into a sub-regional industry centre. This development includes building a Supply Base, with new port facilities and a rehabilitated airport, a refinery with related oil and gas industries and a Liquefied Natural Gas plant.

Western Australia is a powerhouse of the resources industry and, with our low cost base, we look to integrate our south coast development into the regional industry.

As many of you know, Timor-Leste is also a land of great beauty. Our country is a tropical island with stunning beaches and coral reefs. We have deep river valleys that carve through our mountain ranges. And so, we are also developing our tourism industry to tap into the expanding Asian market.

We have also planned for a large infrastructure program including a national port, airports, a road network and a sub-sea internet cable. We know that we will need international firms to deliver our major projects and we are looking for partners who can join with us to build our nation.

Timor-Leste will also be establishing Special Economic Zones to encourage and simplify investment. The first to be established will be in the district of Oe-cusse to attract foreign investment in industries including tourism, finance and manufacturing. Further zones will then be established elsewhere in Timor-Leste.

Ladies and gentlemen,

Timor-Leste provides an attractive business environment for foreign investors. With our open economy, expansive fiscal policy, sustained economic growth, large infrastructure program, low tax rates and strong government support for foreign business we are a good place to invest.

Tomorrow I will be leaving for an Official Visit to China and meetings with the President, Premier and the Chairman of the Standing Committee of the National People's Congress. We know that much of Australia's economy is tied to the fortunes of China. Timor-Leste is also benefiting from an increase in interest and investment from China. The former Prime Minister of Timor-Leste, Mari Alkatiri, has been charged with responsibility for our Special Economic Zones and he will be joining me next week at the invitation of the Chinese government to visit the Xiamen Special Economic Zone.

As the centre of the global economy shifts to our region, Timor-Leste plans to be part of this great Asian growth story.

We urge you to consider the opportunities for business investment that our nation provides and I invite you all to visit our beautiful country.

Later during this lunch we will hear from four companies that are engaged with investments and developments in Timor-Leste and I thank the ANZ Banking Group, Sang Tai Hoo, the Buckeridge Group and DCC Capital for presenting to us.

Thank you for coming today and for your interest in our young nation.

4 April 2014  
Kay Rala Xanana Gusmão