



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

**SPEECH BY
HIS EXCELLENCY THE PRIME MINISTER
DR RUI MARIA DE ARAÚJO
ON THE OCCASION OF THE SWEARING-IN OF THE
SIXTH CONSTITUTIONAL GOVERNMENT**

Lahane Palace, Dili
16 February 2015



Palácio do Governo,
Avenida Presidente Nicolau Lobato,
Dili, Timor-Leste

Your Excellency the President of the Republic
Your Excellency the Speaker of Parliament
Your Excellency the President of the Court of Appeal
Your Excellencies Former Heads of Bodies of Sovereignty
Most Reverend Bishop Dom Basílio do Nascimento

Distinguished Members of Parliament
Distinguished Government Members

Your Excellencies
The Chief of the Defence Force and
The Interim Commander-General of the National Police Force

Your Excellencies
The Representatives from the Diplomatic Corps
The Representatives from the International Agencies
The Representatives from Civil Society

Honourable Guests
Ladies and Gentlemen

People of Timor-Leste,

It is truly with a sense of honour and responsibility that I accept today the mission of leading the Sixth Constitutional Government.

I would like to start by thanking His Excellency the President of the Republic for his confidence in appointing me. I would also like to reiterate my commitment and loyalty to the Constitution of the Democratic Republic of Timor-Leste, the law and the principles of the separation of powers, and without neglecting the indispensable institutional cooperation and respect for the roles of the Head of State, Parliament and the Judiciary.

Today is unquestionably an historic day in the political life of Timor-Leste. With the exceptional circumstances that led to the formation of this Sixth Government, we now have a more pragmatic logic of serving the national interest above any other. In doing so, it is important that the coming together of wills, experience and skills will allow us to overcome the traditional political and democratic contest, so that we may meet the challenges faced by the country.

Despite their own political convictions, the members of the Sixth Government will put the interests of the people above any other partisan interests.

It is my duty to also thank the President of CNRT, the national political commission of CNRT and the party as a whole as well the leadership of the other two parties of the coalition block. It honours me also to thank the party I belong, the historic and glorious Fretilin that has always known how to sacrifice itself for the common interests of the Maubere

homeland. Without the trust of CNRT as well its two coalition partners and without the acceptance of Fretilin we would not have made history today.

In 1984, Kay Rala Xanana Gusmão chose a policy of national unity as the key strategy for liberating the Homeland. Although some comrades-in-arms disagreed at the time, national unity continued gaining momentum and, 15 years later, Timor-Leste finally achieved its desired goal. Thirty years later, history is now repeating itself. Kay Rala Xanana Gusmão is choosing the same path for liberating the people. Whether this is an historical coincidence or not, the fact is that we now have 15 years to go until the end of the period set for the achievement of the goals of the Strategic Development Plan. History will judge our performance in 2030.

Today is also an outstanding day for the history of democracy of our country. Today is the day when the future is rescued from the past - the day when our older siblings and the parents of our nation transfer the responsibilities of running the country to the younger generation.

Our older leaders do this as they have always done things, that is, by weighing the risks and the basic need of consolidating our young democracy. They do this seamlessly, without any leaps or gaps! They do this the way we have grown used to watching them do things, even if sometimes we did not realise it – with courage, integrity and wise leadership.

Here I must recall the great, late Nicolau dos Reis Lobato, Francisco Xavier do Amaral, Nino Konis Santana and Mau-Hodu, as well as hundreds of intermediate and senior officers and the nearly two hundred thousand Timorese who died during the liberation struggle. I also want to honour our older brothers Kay Rala Xanana Gusmão, Má-Hunu, Taur Matan Ruak, Francisco Guterres Lu-Olo, Lere AnanTimur, Mari Alkatiri, José Ramos-Horta, Rogério Tiago Lobato, Abílio de Araújo and José Luís Guterres, who are fortunately still alive and in our midst. All of them, our national heroes praised this inheritance which is now our legacy and it is now up to us, with responsibility, to continue. I believe that we are worthy of the trust that is being placed in us.

These older brothers, who struggled for four decades so that we might see a day such as today – with weapons of war or diplomacy, with blood and tears, with work and sacrifice – side by side with so many other national heroes, have given us our national independence.

Subsequently they started a new struggle, and that is building the foundations of our State. They built our democratic institutions and they identified the essence of democratic values in Timor-Leste: peace, reconciliation, solidarity, pluralism, tolerance and dialogue.

And if our older brothers and sisters, who one day decided that national unity was vital for ensuring the survival of our Nation and who led us to our freedom, now tell us that it is once again necessary to converge ideas, policies, actions and priorities around the common cause of the consolidation and development of Timor-Leste, then we, the younger generation, must say that we are indeed ready to take on this responsibility!

We are ready and we are aware of the history of resistance that we must protect. We are united so that we may take on more leadership responsibilities and, if necessary, so that we may learn from our own mistakes.

Your Excellency, Former Prime Minister Kay Rala Xanana Gusmão, your efforts towards national unity and the sovereignty and development of the country are truly remarkable. It is doubtful that any of us from the younger generation will ever be able to match your charisma and your political stature. As such, I am deeply honoured to have been chosen to continue the legacy left by you and by the combatants of national liberation, and I promise to continue working to the best of my abilities in order to liberate our people. I vow to work in close cooperation and as a team with the ministers, vice-ministers, secretaries of State and particularly with the Minister for Planning and Strategic Investment of the Sixth Constitutional Government, so that we may together give justice to your vision and your leadership.

It is our duty and our obligation, and here I am speaking of the team of the Sixth Government in particular, and of each Timorese citizen in general, to honour the accomplishments of our predecessors and to build upon their legacy. It is the union of this new blood and of our energy, skill and expertise – because, in addition to being technically skilled, we must always be as disciplined and committed as those who came before us – which will enable us to continue improving service delivery and the living standards of the people of Timor-Leste.

Your Excellencies
Ladies and Gentlemen,

It is undeniable that we are inheriting a country that is stable, safe and peaceful. It is also a country with strong economic growth.

As such, it would be remiss of me not to highlight here the progress that Timor-Leste has achieved and that makes us an increasingly strong and capable country. This has been clear throughout our remarkable path over the last thirteen years.

The peace and quiet that we see throughout the country would not have been possible without the vital reforms made in the sectors of defence and security. We will continue to implement the strategic plans for these two sectors to make sure that we achieve the professionalisation, integrity and strengthened capacity of our armed forces and national police. In this context, we will also give more attention to the patrol and vigilance of our maritime coast to protect our coral reefs and fish resources from illegal incursions in our sea.

The average annual economic growth rates of around 12.5% between 2007 and 2011, and of around 7% over the last three years, would not have been possible without important reforms in the area of public financial management and without public investment that is essential to the economic diversification of the country.

The increase of economic activity in the country and the positive signs of an emerging private sector are the result of a series of initiatives that should be continued, including the Chamber of Commerce and Industry, the Specialised Investment Agency, the preparations for the Development Bank, the Commercial Bank and SERVE, as well as of the support provided to small and medium companies, cooperatives and industrial and commercial groups.

The agencies that have been established, such as the Audit Chamber, the Anti-Corruption Commission, the Civil Service Commission, the National Development Agency and the National Procurement Commission, have strengthened governance and ensured that the key roles of managing, controlling, supervising and overseeing public monies and assets is undertaken. They have also enabled us to fight the scourge of corruption.

The establishment of the Petroleum Fund by the First Government enabled responsible and transparent resource management, for the benefit of current and future generations. It currently holds over \$16 billion, which must be protected and invested sustainably.

The full transparency in the petroleum sector is the result of the establishment of rigorous and accountable systems for managing the resources of the nation. The creation of regulatory bodies such as the National Petroleum Authority, as well as the establishment of the transparency model of Timor-Leste and of a world class resource management system, led Timor-Leste to be the first country in the Asia-Pacific region and the third in the entire world to be granted compliance status with the Extractive Industries Transparency Initiative.

The Special Funds, that is the Infrastructure Fund and the Human Capital Development Fund, contributed to the improvement of key national infrastructure and human resources.

The integrated plan for developing basic infrastructure, which covers the construction of road networks and access to electricity – the latter being the largest investment in infrastructure to date in Timor-Leste – will enable the development of all sectors, including the sectors of health and education.

Social justice, which supports and acknowledges veterans and which supports our most vulnerable citizens, such as mothers, widows, the elderly, the disabled and children, honours the ideal of freedom for which our grandparents, parents and older siblings fought, and is an important landmark achieved by previous governments. We are taking important steps in order to create a welfare regime in which everyone will contribute so that the welfare state we defend and desire for our society may be sustainable.

The administrative decentralisation process and the project of the establishment of municipalities, which includes sucos and traditional leaders, are vital so that we may have a more efficient and fair distribution of resources. These processes, as well as the Integrated District Development Plans and the National Programme for Suco Development, have been providing rural areas with the means to meet the needs of their populations, while encouraging businesses and local economic development.

With the perspective of continuity that we want to have in the Sixth Government, I must mention the efforts that have given Timor-Leste credibility in the national arena.

Timor-Leste was able to overcome its crises and setbacks and to assume ownership of its strategic sectors, such as internal security. The departure from our country of the International Stabilisation Force and the United Nation's Mission in late 2012 showed that we are a country that has learned from our own fragilities, that has invested in reconciliation and that has achieved an environment of social and political peace.

In addition to the relationships of diplomacy and friendship that we have been establishing with virtually every country in the world, we are increasingly taking part in international forums, so as to share our challenges and accomplishments.

We have excellent relations with our closest neighbours Australia and Indonesia and we will also continue promoting our historical ties of friendship with Portugal. The cooperation with these countries, as well as with the United States of America, China, Japan, South Korea, Cuba, Brazil and New Zealand and our friends in Africa, ASEAN and the European Union, will continue enabling the development of our country. As one of only two Catholic countries in Southeast Asia, we expect to sign the concordat with the Holy See by the end of the year. This will strengthen our ties even further with the Catholic Church.

In July last year we assumed the rotating Presidency of the CPLP and we will work with the other eight nations of this community to reinforce our friendship and to strengthen the growth of this institution through increased economic and business cooperation.

We have continued working in order to join ASEAN and we have been playing a role of international leadership and solidarity both within the g7+ and in terms of providing decisive support to the elections and the restoration of constitutional order in Guinea-Bissau.

Your Excellencies
Ladies and Gentlemen,

While the weight of our governance responsibilities seems lighter when we look back to the progress that has already been achieved, it feels enormous when we look at all that is still to be done.

Let us not harbour any illusions regarding the challenges that still exist across the various sectors. One of our current difficulties is the lack of data and reliable indicators on the situation of the country. The last official data we have on poverty dates back to 2009 and told us that almost half the population lived below the national poverty line. Five years have since gone by and we know that economic growth has been a reality. However, we also know that the benefits of this economic growth have not reached everyone.

The report on the 2014 Millennium Development Goals, the 2013 Human Development Index and the 2014 Hunger Index shows that, while we have had some success, we still have a tremendous amount of work to do.

Our country can only aspire to development and progress if we make sure that its population is educated and healthy. However, in order to be educated and healthy, the people require access to drinking water and to proper housing. Consequently, agriculture, education, health, water and sanitation and housing are vital sectors requiring strategy and investment. Nevertheless, we must be realistic and set feasible goals in accordance with the most pressing needs and the resources available to us.

Over 50% of our population is less than 19 years old. This in itself shows the challenges of governance that must be directed to the needs and aspirations of the largest group of our society – children and young people.

We all have rights and duties. Access to education and knowledge is the first key step for creating an intelligent society that can take a stand against injustice, violence and inequality.

Poverty cannot be a permanent condition. We must provide our most underprivileged citizens with the tools to escape from it. Although welfare support must always be part of a society of solidarity, the dignity of the human being, embodied by the principle of subsidiarity, requires that human beings are able to decide their role in society.

Your Excellencies
Ladies and Gentlemen,

We know that we have a limited timeframe, less than two and a half years, to give form and content to all the commitments made before the people and the voters who have legitimated the Fifth and now the Sixth Constitutional Governments. Nevertheless, we want to move the country forward and we are determined to do so.

We are not bringing forth a new program. We want to implement the Strategic Plan, and ultimately the program of the previous Government. We will be focussing on better service delivery and on the quality of works, in a manner that is efficient, effective and accountable.

Our priority is to fight the culture of bureaucratisation in public administration, which has become a giant with feet of clay.

The Sixth Government is committed to transforming this giant into a new bureaucratic order that is leaner, more professional, more technical and less politicised. This new order will favour merit against nepotism, which almost invariably leads to mediocrity. Professional skill and ability will be the core criteria for placing staff and advisors in positions.

Teamwork in order to achieve results, commitment by Government members and accountability – both political, administrative and criminal – regarding all acts and within the scope of each person’s responsibilities are mandatory, rather than preferential, requirements for holding political offices.

Being accountable, delivering quality services and being disciplined are not options, but rather *sine qua non* conditions for serving the Timorese people. It is vital that we achieve this radical transformation in the mindsets of our public officers.

The assessing of performance and the measuring of outcomes will be the instruments for determining whether this transformation in our mindsets, administrative and political structures is truly progressing.

This firm position of strictness and integrity that I will be demanding from this Government and from myself will be the cornerstone of this executive, so as to enable good governance, transparency and the fight against corruption.

Your Excellencies
Ladies and Gentlemen,

The Strategic Development Plan sets a roadmap that encapsulates the needs and aspirations of the Timorese people. This plan is the result of a process of public consultation throughout the 65 sub-districts of the country, contributions by several ministries and the reviewing of experiences in other countries, lest we would make the same mistakes as they once did.

Our plan also tells us that sustainability and economic diversification are pressing needs. Timor-Leste has great economic development potential, since it possesses valuable natural resources, including untapped onshore resources and important petroleum reserves in the Timor Sea.

However, we know that these petroleum reserves are not renewable and, in the worst case scenario, may even run out in the years to come. While on the one hand we are fortunate to still have untapped resources, on the other hand we are one of the countries with the greatest petroleum dependency in the world.

As such, we must invest in a responsible and sustainable manner. This is a great challenge for any government, since we must meet the needs of the current generations while creating long-term solutions for the next generations.

In this sense, one of our priorities is to ensure the clear delimitation of our maritime and land boundaries in accordance with international law. The Prime Minister will be presiding over the Council for the Final Delimitation of Maritime Boundaries, approved by Parliament in late 2014, so that the people of Timor-Leste may effectively exercise their sovereignty over the national territory and the maritime area.

We all know that the price of oil has been dropping and that currently all the oil-dependent economies, such as ours, are vulnerable. As such, it is more important than ever that Government investments are efficient and not wasted. And while the Strategic Development Plan contains the right policies for approaching this problem, their implementation requires a new dynamic.

A sustainable tax policy and public expenses that are consistent with what was planned are essential for avoiding waste and achieving satisfactory results. We cannot continue allowing waste and the ineffective use of public monies, most of which come from the Petroleum Fund. We cannot continue allowing our economy to be a consumer economy that relegates to the background those sectors that add value to the economy. Economic diversification must start to take on a new dynamic through intelligent investment in the more profitable economic sectors for Timor-Leste, such as tourism, agriculture and fisheries, and the petrochemical industry.

We are currently reforming the tax system in order to improve the financial balance of the country and to collect greater domestic revenue. If we had paid more attention to tax administration, domestic revenues today might exceed their current share of 7-8% of the GDP.

With around 75% of our population living in rural areas, investing in livestock and agriculture must mean more than purchasing animals and distributing them to breeders, or investing in the purchase of seeds and distributing them to farmers, hoping that the tractors, which are also distributed to farmers according to questionable criteria, may plough the dormant arable land in most of the country. In order for these initiatives to be successful we require a clear strategy that is interlinked with the other sectors, such as the economy and education. These investments will bring dividends if we can manage to create a line between production, selling and consumption, whether it is internal consumption or external consumption. Cooperatives should be nurtured further, in view of their potential role as the link between production and the markets.

We have tourism potential, which so far has not seen signs of serious prospection and investment. The tourist potential of the country provides us with inexhaustible sources of income. We must invest intelligently, making use of the growing economic supremacy of Asia, whose middle class aspires to greater opportunities and travel to tourist destinations. However, getting there requires a clear vision and an inter-sectorial strategy so that a boost can be given to that sector. We also need to be serious in terms of training our human resources and building basic infrastructure for tourism.

Furthermore, we will continue investing in a dynamic and integrated petroleum industry. The development of the south coast is projected and will contribute to the creation of jobs and jumpstart the industrial sector as a whole. Petroleum and natural resources should be the driving forces for strengthening the traditional economic sectors.

Quality basic infrastructure is vital for enabling economic diversification and development. While we already have actual plans and projects in this area – many of which are being

implemented well – we must also pay more attention to the quality of works being undertaken in our country.

We must absolutely demand professionalism, better planning, cost control and good cost-efficiency in relation to the materials we purchase and to the companies we engage. Quality roads, bridges, ports, airports, public buildings, telecommunications and connectivity are the elements of infrastructure needed for our future.

The statute of the region of Oe-cusse Ambeno and Ataúro, where the Special Zone of Social and Economy Market pilot-project will be implemented will have our full support and attention. This is a pioneering integrated development project that connects social development with economic development, and I believe that we will soon be witnessing a success story where public investment results in sustainable economic growth.

The goal is the effective improvement of the living standards in the enclave and also Ataúro island, this one complementary and focused on tourism, bringing progress, employment, culture, access to quality basic services and ultimately a happy and dignified life to the population.

We can be optimistic in relation to the jumpstarting of the economic sector. This development is being supported by two great leaders: Dr Mari Alkatiri as the President of the Autonomous Region of Oe-cusse Ambeno and Kay Rala Xanana Gusmão as the Minister for Planning and Strategic Investment. Xanana Gusmão is clearly the ideal person for supporting the implementation of the vision of the Strategic Development Plan through this ministry.

Your Excellencies
Ladies and Gentlemen,

When talking about development, one also talks about justice and law. We will not be able to build a fair country unless we can guarantee that justice is a cornerstone of our society and that it is accessible to everyone. As such, we must improve the way our agencies operate, which requires strengthening the abilities and skills of their staff. In turn, this requires a thorough assessment of the sector of justice and the establishment of a new framework of cooperation that is adequate to the needs of the country.

Evidently, we must also continue promoting the creation of an enabling framework that leads to a modern and progressive country. Here I must mention that which I believe to be one of the most important laws that the country needs to approve – the Land and Property Law. Legislating in this area is vital for internal and external investment. Without this law, we may not be able to realise projects that are essential for creating employment.

As I have said before, health and education are strategic areas influencing the development of all other sectors. Having been trained as a doctor, I am familiar with the conditions in which health professionals work in Timor-Leste, often having to contend with a lack of equipment, hygiene and infrastructure. We cannot have medicine stored in a warehouse

instead of in hospitals or health clinics. It is unacceptable not having materials for performing surgery or for carrying out X-ray examinations because those materials have not been purchased on time or are waiting for an authorisation.

The Ministry, the hospitals and the health clinics must cooperate and each must assume their own responsibilities, so that the people may have access to quality health services. And if something fails, say if a staff member, a manager or a minister cannot perform their tasks, then they must be held accountable, because they are not being professional and they are not protecting the interests of the State. And this applies to each and every sector, without exception.

The Government is responsible for promoting policies and investments that guarantee that every Timorese citizen has access to food, drinking water and basic sanitation, as well as that drastically reduce disease, child mortality and school failure, because a healthy and well-fed child has a much stronger capacity for focussing and learning.

While my training is as a doctor, my passion is education and professional training. Although we have made some progress in this area from a theoretical and even legal perspective, the truth is that service delivery in this area is below what the Timorese citizens need and that which the Government and the public servants can indeed deliver.

Even if we have the best curriculum in our schools and universities, without good administrative and financial management, proper planning, institutional coordination, skilled human resources, adequate infrastructure and result-oriented goals, and without constantly correcting and adjusting those actions that did not go so well, we will never be able to provide proper basic services in key areas such as education.

Our country still faces many challenges. Teachers must improve their knowledge and skills, while the Government must provide them with the necessary conditions for carrying out that noble task of imparting knowledge to our children and young people. We require commitment, motivation and professionalism, and we need to foster the learning of the Portuguese language and promote its use in the teaching of science, mathematics and other areas of knowledge. Education challenges go beyond language issues and include our ability to teach well. Consequently, we have the vital task of making sure that our teachers have the necessary conditions for improving their skills, while training new teachers with a strong pedagogic and scientific component.

I also believe that it is essential for us to increasingly encourage women to continue their studies and to enter the job market. Someone once said that *“by teaching a boy you teach one person; by teaching a girl you teach the whole family”*. I would go as far as saying that you also teach a nation.

One of the initiatives that made me the proudest while an advisor to the Ministry of Finance was mapping the staff of that ministry, identifying women as potential managers and subsequently supporting them in attaining leadership and management positions. Today, women represent 32% of the leadership team of the Ministry of Finance, which is inspiring.

In today's modern world, it is unbelievable that domestic violence and abuses against women continue occurring in so many countries. Sadly this is also the case in Timor-Leste, where women are common victims of abuse and discrimination. We cannot allow violence against women to continue, whether it is physical violence or psychological violence. We must fight this in our homes, our jobs and our institutions.

Not wishing to take any more of your precious time, I would like my final words to go to the Catholic Church and other churches, to the civil society and to the Timorese citizens in general. I would also like to use this opportunity for a special mention of thanks to the Reverend Bishop Emeritus Dom Alberto Ricardo da Silva for his singular work on behalf of the Timorese. The Catholic Church has been a fundamental foundation to our People and the trust that is given to the Reverend Bishop Dom Basílio do Nascimento, to the post of apostolic administrator of Dili is shared by all of us.

The Civil Society over the last few years has contributed more and more in a responsible and participative way in the process of State building and in our democracy. The Sixth Constitutional Government will continue to invest in this fundamental approach, including with NGOs and the media, because it is in our national interest to give more impetus to the democratic way of living in our country.

This process of transforming the country requires the participation of us all. We all have rights and duties and we all must participate responsibly in the building of our State and our nation. This government wants to establish partnerships where you will be able to have a more active participation through what is known as a social audit, where the indicators of government action are thoroughly reviewed with greater accountability, so that by working together we may be able to provide better services to our people.

Governing through dialogue, making the most of constructive criticism and correcting that which does not yield positive results are commitments that can only be successfully implemented if everyone plays a part. Building an inclusive and tolerant society is only possible when everyone is willing to play a responsible role in national development.

We also want to continue nurturing cooperation and institutional solidarity with our development partners, who have been important allies in our development efforts. We Timorese must have the humility to acknowledge that we have never been alone and that we can achieve more if we work together. Meanwhile we must streamline our methods of work, adopting the principles set in the Paris Declaration, in the Accra Agenda for Action and in the commitments made in the high level forum in Busan concerning a Partnership for Effective Development Cooperation.

We must reinvigorate the motto – *All for one and one for all* – for the team of this executive government.

We can do better by working together – this should be the spirit that moves our society. Our society will have the level of solidarity and unity depending upon what each of us

contributes, with a true sense of courage, duty and responsibility, so that we may work together in building our nation.

Thank you very much.

Dr Rui Maria de Araújo
16 February 2015