Timor-Leste received compliance status with the Extractive Industries Transparency Initiative (EITI). A ceremony attended by the government, civil society, and petroleum companies took place on August 6th 2010.

In Timor-Leste, EITI is implemented by a multi-stakeholder group, chaired by the Secretary of State for Natural Resources, H.E. Alfredo Pires, and includes representatives of the relevant government agencies, local civil society stakeholders, and representatives of oil companies operating in the gas fields off Timor-Leste.

“We’re not only happy but proud to be a compliant country with EITI. The Government shares responsibility with civil society and private sector to promote transparency in the oil sector” stated H.E. Alfredo Pires, the Secretary of State for Natural Resources.

Timor-Leste became the third country in the world to be granted EITI compliance on July 1st 2010. EITI is an international initiative aiming to ensure the good management of natural resources through payment disclosure, for the benefit of all Timorese.

“The transparency and accountability are vital for Timor-Leste to advance its economy both in the oil and non-oil sectors. The World Bank congratulates the Government of Timor-Leste, private sectors partners, and civil society for their commitment to ensuring transparency in the management of Timor-Leste’s natural resource wealth,” said Ferid Belhaj, World Bank Country Director for Timor-Leste Papua New Guinea and the Pacific Islands.

“Globally, Timor Leste’s EITI stands out as best practice in a number of areas, not least given the country’s only recent emergence from conflict,” explains Anwar Ravat, program manager of the EITI multi-donor trust fund administered by the World Bank’s Oil, Gas and Mining Policy Division. “We have seen the Timor Leste EITI team sharing their experience with various countries and regional settings, further helping to set Timor Leste’s EITI process on the map.”

The World Bank’s Oil, Gas and Mining Policy Division is supporting Timor-Leste in its efforts to implement the EITI through a US$230,000 grant from the EITI Multi-Donor Trust Fund. The Government of Timor-Leste has also committed its own budgetary resources for EITI implementation.

Approximately 3.5 billion people live in countries rich in oil, gas and minerals. Promoting transparency in oil, gas, and mining sector revenues is vital in accelerating growth and fighting poverty reduction in the country.

Timor-Leste’s Ministry of Education contains an Infrastructure Facilities Unit (IFU) which programs and implements US$10-15 million annually in school rehabilitation. It is headed by a Timorese Director who manages up to 60 professionals, all Timorese.

Both the Government of Timor-Leste and development partners agree that local administration must be built by transferring skills to Timorese staff. Decisions must be made by Timorese officials, with plans for delivering services better. The Government of Timor-Leste needs to set policy on local and international staff.

The transfer of technical knowledge in the field of civil works is as important as the building of the IFU as a professional institution with well defined modern management processes. A Government of Timor-Leste-wide audit identified the IFU as an example of good practice administration within Government - managed by Timorese.

The IFUs total annual budget is about US$500,000 per year, or roughly 5 percent of the annual value of the investment program it manages—a ratio that is low by industry standards. It represents both a tremendous value for Timor-Leste and a valuable prototype for how to build local capacity and dispense with the need for expensive international technical assistance. A reliance on professional consultants or contractors is standard civil service practice in most developed countries. It also works in Timor-Leste.

Since its creation in 2005 it has built or rehabilitated more than 2,000 classrooms in basic education schools throughout the country. The IFU is also responsible for developing the government’s capital investment program for schools, which entails wide community consultations. A recent government-commissioned audit of the IFU’s procedures and results was undertaken by Deloitte, found the IFU to be a model of best practice in the country.

IFU is part of the World Bank Education Sector Support Program.
In Recent News

The World Bank Justice for the Poor Team recently organized an informal discussion to present the findings of their research.

Land Access and Dispute Resolution in Timor-Leste; Youth Perspectives on Community, Trust, and Conflict; and Trust, Authority, and Decision Making were the three key topics covered.

This research followed on from findings in the Extended Timor-Leste Survey of Living Standards in 2007.

The discussions that took place on July 29th and 30th were attended by the National Youth Council, members of the Government, NGOs, and development partners.

For more information visit http://www.worldbank.org/justiceforthepoor.

The World Bank Group Timor-Leste office would like to say farewell and express its strong gratitude to the colleagues and friends who have recently left Timor-Leste. You will all be greatly missed.

Antonio Franco (Former World Bank Country Manager)
Rainer Venghaus (Former IFC Country Director)
Homa Fatohi (Former World Bank Senior Operations Officer)

We wish you all the best in your future endeavors!

Business Community Unites in Forming a Chamber of Commerce

The Chamber of Commerce came into being during the National Congress in April 2010, which brought together over 200 representatives from 17 business associations. Over the two day event, members of the business community voted to elect the leadership and formalize the Chamber.

Opening the event, the Prime Minister expressed his support for establishing a body that united the business community. “The development of the private sector is critical to the development and economic growth of the country,” said Timor-Leste’s Prime Minister, Kay Rala Xanana Gusmão. “We are committed to working with the Chamber to ensure that Timor-Leste has the necessary business and economic conditions to further private sector growth.”

Prior to the Chamber’s creation, the Timor-Leste government did not have a consistent consultative partner in private sector reform. The sector was organized in weak, factionalized associations, often with competing agendas and diverse needs. The Prime Minister identified this weakness in a private sector consultation he convened in March 2009 and called on the private sector to organize itself.

Private sector leaders turned to the International Finance Corporation (IFC) funded public-private dialogue group, known as the Better Business Initiative (BBI), to help build a process to unify Timor-Leste’s private sector factions. In September 2009, the BBI joint government/private sector group was formed, with a strong participation of 18 associations. They were tasked with the job of recommending appropriate regulation that would allow for the creation of the Chamber. Group members also worked together to develop the draft constitution and rules to unite the associations for election of leadership of the Chamber.

Providing Training for Midwives Across the Country

Thirty one midwives from Community Health Centers across Timor-Leste are taking part in an 18-months course to upgrade their qualifications and skills from Diploma I to Diploma III at the Institute of Health Sciences, Comoro Dili. The course started on 12 October last year.

The midwives in Timor-Leste are employed to provide not only midwifery care, but also to be primary health care providers at all levels of the health care system including SISCa (Sistema Integrado Saudes Comunitaria), the Ministry of Health’s initiatives to increase access and coverage of service delivery.

The midwives functions include assisting with delivery, providing antenatal services. According to Ministry of Health data around 44 percent of births are attended by a skilled birth attendant. This figure is lower in the recent Demographic and Health Survey 2009 where approximately one quarter of births in Timor-Leste are attended by health personnel. The remaining 72.8 percent of deliveries occur at the community health center or at home assisted by family members or traditional birth attendants.

Statistics show Timor-Leste as the country with the highest fertility rate in the world, a maternal mortality ratio of 660 per 100,000 and an infant mortality rate of 44 per 1,000 live births.

“….before I just used to do things [feel for the baby] but I did not know what I was feeling for or why I was doing it……now I understand……” said a midwife student.

“…I have been a midwife since 1994 at the National Hospital Guido Valadares. The course and modules offered here has exposed us to the changes which midwives around the world experience- we’re learning to think outside of the box! We’re learning to be supportive to mothers and the family as well,” said Elisa Damas, also a midwife student.

The Institute of Health Sciences is supported by Fundacao Gulbunkain, Portugal, who provides technical assistance to implement the course. The teaching staff who deliver the course are supported by funds from the Health Sector Strategic Plan Support Project financed by AusAID and World Bank. One of the project’s components is strengthening the capacity of the Institute of Health Science by providing technical management training to health staff.