



*PRÉSIDÊNCIA DA REPÚBLICA*  
*GABINETE DO PRESIDENTE*

**SPEECH OF H.E. PRESIDENT KAY RALA XANANA GUSMÃO  
ON THE OCCASION OF THE CONFERENCE OF TIMOR-LESTE  
WITH THE DEVELOPMENT PARTNERS**

**Hotel Timor, 4 April 2006**

Your Excellency the President of the National Parliament

Your Excellency the Prime Minister

Your Excellencies Members of the Parliament

Your Excellencies Members of the Government

Your Excellency the Special Representative of the UN Secretary-General

Your Excellencies Members of the Diplomatic Corps

Your Excellency the Director of the World Bank for Timor-Leste

Heads of Delegations

Distinguished Guests

Ladies and Gentlemen

It is a great pleasure for me to open this conference with our development partners once again. However, I wish to stress that, more than just partners, we are gathered together here before friends who have been following this difficult process of building an administration from scratch to building the bases of an State and, today, to a more advanced phase of strengthening the capacity-building programmes and the financial assistance to all of the State institutions, particularly to those of the Government.

I see many new faces here today filled with the same commitment, undertaken since the Tokyo Conference of December 1999, of the Governments that you represent.

Your continuous presence after six and a half years, and beyond this, your continuous involvement in this process of support, demonstrating the confidence that we deserve from you, is of great significance. It is, therefore, with a mixed feeling of pride and gratefulness that I welcome you all, those who have recently arrived and those who have been with us in our country on a daily basis.

Ladies and Gentlemen

Naturally, I would like to take this opportunity to make a few general remarks about core questions that, as the President of the Republic, I feel it is my duty to address.

Within a little more than one and a half months, we will be approaching the end of the United Nations Mission in Timor-Leste. In a letter dated 17 January last, the Prime Minister, Dr Mari Alkatiri, requested the continuous presence of the United Nations geared towards providing continuous technical assistance in the areas that we most need.

I had the opportunity to reiterate this request to the Security Council on 23 January last and to the Secretary-General Kofi Annan himself, in a meeting he accorded us three days before the Security Council meeting.

We asked for specific support, according to the real needs of the country, in essentially four areas: electoral assistance, police training, military liaison officers and civilian advisers in critical areas that require continued assistance for the consolidation of democracy and institutional capacity. These components must be interconnected through a Special Political Office that will focus on the electoral

process to take place in 2007. With regard to the civilian advisers, the Government has already secured the agreement of the World Bank for the finance sector and bilateral donors for some of the posts in the judiciary. However, there is a need to secure the service of international advisers to strengthen the prosecution services, as well as to build the organizational foundation and the institutional capacity in the area of defense. The support of our Development Partner friends in this sense will be an important step for the country.

Last week, I sent another letter to the UN Secretary-General reaffirming our conviction that continuous assistance, within the framework of previously formulated requests, is extremely necessary.

Ladies and Gentlemen

The year of 2006 has been filled with many political activities on the part of political parties that have been making efforts to consolidate their organisations across the territory through the holding of Regional Conferences and National Congresses. And because this involves followers of political parties nationwide, we are all making continuous appeals for them to observe the principles of liberty and tolerance so that there can be social harmony, which will be guided by the values of democracy.

These political activities are themselves a preparation for the general elections in 2007. At the same time, the entire society has been participating in the electoral process, ranging from discussions about the need for women's participation in the decision-making process to debates regarding the formulation of fundamental principles of an Electoral Law to be drafted by the Government.

Elections for community leaders took place just recently in a commendable civic climate, revealing the political maturity of our people and the organizational capacity of the Government. However, since we have already started a new process, it is always advisable to keep in mind the prospect of imperfections or making mistakes, particularly in terms of operational mechanisms that may err for not allowing our actions to be transparent.

Thus, it is extremely important that a specific law be formulated to regulate the National Electoral Commission (CNE), with appropriate competencies, operating in total independence and with the necessary funds to efficiently oversee and cover the process. Without an adequate budget, the CNE would be limited to being merely an observer. Linked to it, and under the tutelage of the National Electoral Commission, there would be a professional Technical Service with its own duties, so that the entire process would be credible and law abiding, not allowing speculations to be made, which would undermine the huge effort the Government has been making to serve.

The Electoral Law, to be drafted by the Government, must be object of an extensive and profound debate, so that its comprehension and implementation would ensure a truly democratic process, where the parties, even the small ones, would have the possibility of competing with confidence. A party is only elected if it deserves the confidence of the voters and, as a matter of principle, let us leave the last word to the people.

Continuous assistance to the Police, knowing that its mission is to ensure democratic legitimacy, will allow the members of this Institution to move away from the vices of the previous Indonesian system, focusing on the support of party at the expense of the right of other political parties to participate. The Police must know

how to be completely non-partisan and to avoid committing abuses that violate democratic principles.

Ladies and Gentlemen

The Law on the Statute of the Combatants of the National Liberation has already been approved by the National Parliament. I would like to commend here all the effort made by the distinguished Members of Parliament and, above all, the fact that, in this law, the conscience and commitment to serve the superior interests of the State have been highly manifest in the debates and resolutions adopted. Congratulations to the Members of the National Parliament.

All of you here might know that I have established three Registration Commissions, one for the Former Combatants, the second for the Veterans of Falintil and the third for the Civilian Cadres of the Resistance. We have already started working on creating a single Database, highlighting the different components and grouping them into Orders of Decoration that will be conferred to them, in accordance with the Law. Due to delays beyond our control we have not yet been able to affix the final lists in the villages and, although we will have to do so later, this process of affixing the lists is not currently a priority since the previous Commissions have already done so.

We are currently working with the Government in the process of gradual and efficient transfer of the Database to the competent Ministries, such as to the Ministry of Labour and Community Reintegration that has a Secretariat of State for the Veterans and Former Combatants Issues and the Ministry of Finance, that has the

portfolio of inherent expenditures to the Homage and to the future pension activities to those who will be entitled to it.

For purposes of the quantity of beneficiaries, the Government has already agreed with the following calendar for the Homage ceremonies:

- 20 August 2006, Order of the Guerilla, to be conferred to the Veteran Combatants of the National Liberation who participated in the struggle as military for eight or more years, as well as to the Combatants of the National Liberation who exercised their functions as military cadres of the Support Base;

- 30 August 2006, Order of Nicolau Lobato, to be conferred to the Veteran Combatants and Combatants of the National Liberation who participated in the struggle as civilians for eight or more years, as well as to Combatants of the National Liberation who exercised their functions as civilian cadres of the Support Base;

- 28 November 2006, Order of D. Boaventura, to be conferred to the Combatants of the National Liberation who were Founders of Movements;

- 7 December 2006, Order of *Funu Nain*, to be conferred to all Martyrs of the National Liberation;

- 5 May 2007, Order of *Laran Luak*, to be conferred to foreign citizens recognised as Combatants of the National Liberation.

I would like to thank here all the support provided by the World Bank, UNDP, USAid, IOM, Ireland, United Kingdom, Norway and Sweden in this painstaking and delicate process of Registration and Treatment of Data until the lists are affixed in the villages for subsequent challenges or necessary corrections. I hope to count on the continuous support of the development partners for another registration process of the combatants of the Diplomatic Front, whose Commission will be established in due time.

The Government will allocate 2 million dollars in its next budget and we hope that everything will be duly concluded so as to fulfill the Constitutional mandate of recognising and paying homage to all those who, whether deceased or living, have contributed towards Liberating the Homeland in a heroic and decisive manner.

Ladies and Gentlemen

Lately I have been busy with delivering and sending the Final Report of the CAVR to the relevant instances prescribed by law as well as distributing it to organizations and groups within the country. Last week, I had the opportunity to witness the signing of an agreement between the Director of the Post-CAVR Technical Secretariat and the Ambassador of Japan, Mr Shimizu, which will allow us to soon begin disseminating the Report to the populations.

I would like to take this opportunity to thank the UN, its Agencies and the development partners that have followed the CAVR activities from the beginning. I also intend to hold a Workshop on the theme of “Reflection about Victims”, so as to enable a broad public debate on the policy of the State regarding the question of

Justice within our context. I hope that the development partners can also contribute towards this effort.

I should also like to inform that the Commission of Truth and Friendship has been working at a good pace and within the principles established by both States and Governments. We only hope that the international community will also make efforts to provide us with technical and financial assistance so that we can obtain the results that, I know, everyone has been asking to be credible.

I shall now turn to the theme of this Conference, making an analysis of the items that are part of the Government's programme for this new fiscal year.

Over the last four years, the Government has not spared efforts to improve the basic services, particularly in the areas of education and health. Timor-Leste has been making important advances through programmes for the development of human and institutional capacities and there have been signs of economic recovery over the last two years, following the contraction suffered after the departure of a large number of UN staff members at the beginning of 2002.

In spite of it all, the vast majority of Timorese continue to live in poverty or remain vulnerable to poverty and food insecurity. We know that, on the basis of substantial financial returns originating from profits obtained through natural oil and gas exploration, the Government believes that the country is in a condition to combat poverty in a persistent and generalised manner.

From the beginning, Timor-Leste has adhered to the mission of the International Community for each country to halve poverty, worldwide, within a

period of 15 years, as defined in the Millennium Development Goals. Today, together and consensually, we declare poverty a national issue and the fight against it shall be a national cause.

We also know that the Government will launch a large public investment campaign to this end next year in the hope that the campaign will be followed by an increase in private investment. However, this will require a development programme that is balanced, because only in this manner, will the programme benefit all of the social groups, regardless of the place where they live. For this, it is urgently necessary to define and redefine specific growth levels so as to reduce urban population growth in Dili and its surroundings, which would otherwise hinder a more equitable policy of urban development. Such strategy to decentralise growth would have to be supplemented by the continuous promotion of access to basic services to all the populations, including residents in the rural areas and towns. These basic services would include health and education, improvements in water supply, basic sanitation, electricity and greater access to transportation and communication services at a low cost.

I said low cost because if we want to attract foreign investment, including having more participation from the national private sector, we will have to look at a broader spectrum of conditions that we must create, without which it would not be so easy to do so.

The fight against poverty can only be unleashed with the participation of the private sector. We applaud the Government's initiative to promote workshops with the Timorese private sector. We hope that everyone will be guided towards facilitating

the growth of this sector, allowing for employment generation, which is so needed these days given that hundreds of youths are entering the labour force each year.

We must correct the negative effect that our teaching institutions (public and private in essence) have been creating in the sense that the youths have been concluding their courses without acquiring any professional skills to obtain jobs.

Little by little, we will have to carefully address the need to review the minimum salaries and the taxes, without which we cannot enter into the competitive game, if we are to talk about investments.

In this sense as well, investors and the general public alike must have access to information on the businesses, who is who, who won public tenders and why others did not win. It is necessary to avoid the danger of 'inside-trading', which allows, beforehand, access to important information about public tenders to be within the reach of some, thus giving unfair advantage to certain companies and eliminating others that preferred to follow the rules of transparency.

The 'Procurement' sector, which is frequently accused of becoming a nest of corruption, must be structured in a way that provides transparency and public scrutiny.

Measures aimed at systematically making information available to the public, by virtue of transparency itself, must be undertaken because public access to information by the media, academia and professional sectors, will result in greater credibility to the Government, thus contributing towards the development of the State.

Ladies and Gentlemen

Finally, I know that everyone would like to hear something about the so-called “present crisis in the F-FD’TL.” I appeal everyone not to become alarmed if I say that a crisis exists! There is a crisis of leadership, due to the lack of capacity to manage the problems properly. The Prime Minister has already affirmed that he will work towards finding a better solution to the existing problem: the abandonment of the 591 persons from the barracks. As the President of the Republic and as the Commander-in-Chief of the Armed Forces, I hereby declare that I will do everything for the F-FD’TL to come out of this crisis and for them to definitively become a factor of national stability.

Thank you all for your attention.