

Timor-Leste & Development Partners Meeting 2010

Dili, 7 April 2010

Statement by Norway

On behalf of the Norwegian Delegation allow me first of all to express our gratitude for the invitation to this meeting and for your, as always, most friendly and generous hospitality. We very much welcome this opportunity to continue our discussions with the Government of Timor-Leste and with other development partners on how to best support the people of Timor-Leste in their democratic, economic and social development.

As such we have listened with great interest to the presentation this morning of the draft Medium to Long-Term Strategic Development Plan.

The theme; "Goodbye Conflict, Welcome Development", sets a positive stage for today's discussion. This is highly appropriate, keeping in mind that the challenges are many and development is a long-term process.

Timor-Leste has recorded impressive economic growth rates over the last few years. Norway has been able to support the planning and operation of the Petroleum Fund, a fund which has achieved impressive returns, also compared with other similar funds. We are also encouraged that the withdrawal from the Petroleum Fund this year is to be in line with the Sustainable Income. Strengthening Timor-Leste's own capacity for economic management and technical skills in a number of sectors will however, remain a major challenge for quite some time.


Poverty stays the most serious development challenge in Timor-Leste. The fact that almost half of the population lives below the poverty line is a challenge for Timor-Leste, a challenge for all of us.

Most worrying is news (reported in the draft Country Consultation Report for Timor-Leste to the International Dialogue on Peace- building and State Building Meeting later this week) that poverty increased between 2001 and 2007, unemployment rate is between 20 % and 40 % among urban youth, and that far too much of donor and government budget have been spent in Dili, neglecting the needs for infrastructure investment and social service delivery in the rural areas.

Norway supports the shift in channeling more of the development investments to the rural areas, into their health and education. We strongly believe in programs to create jobs and in particular to secure employment for youth. Gender equality and improving women's rights and possibility to fully participate in the political and economic life is yet another must for succeeding in Timor-Leste's development aspirations. Looking at the women participation in Government and Parliament, you are clearly on the right track. 3-5.


Given these challenges, we must all work to ensure transparency, accountability and effectiveness in Timor-Leste's investments for development.

At the last year's meeting we discussed anti-corruption and transparency regarding public procurement. We welcome at this meeting the recent appointment of an Anti-Corruption Commissioner. His office must be given adequate financial and staff resources, as well as full political support from all parts of the society. Experience from other countries however, shows that it takes much more than a Commission to fight corruption. Acc





A strong legal framework and effective enforcement is needed, state auditing institutions will have to be established and strengthened, ethical standards in the government formulated and followed, with an active civil society and media acting as guardians outside the Government.

Talking about transparency and accountability, allow me to compliment the Timor-Leste Government and in particular its State Secretary for Natural Resources for Timor Leste being very close to be EITI, the Extractive Industries Transparency Initiative, compliant, to soon probably become the very first Asian country to do so. Timor-Leste will this way set an example for the rest of the world, and Norway is proud to work with Timor-Leste on this.




Security sector reform remains a priority for peace and state-building in Timor-Leste. Important improvements have been made. A strong commitment by the Government to continue a comprehensive security sector reform process is required. Also here is accountability important, as well as effective civilian oversight.

Norway continues to give strong support to the work of UNMIT and development cooperation undertaken by a number of UN Agencies in Timor-Leste. Over the coming years, a reduction of the UN presence will take place. Reductions in UN staff and transfers of responsibility to Timorese authorities, such as for policing, should take place against agreed benchmarks for preparedness and results, rather than according to a fixed time schedule.



Norway has supported Timor-Leste's efforts for peacebuilding and development since before 2002. We have a long-term commitment to Timor-Leste's development. We are committed to the Paris Declaration and the Accra Agenda for Action on



harmonization, alignment, aid effectiveness and achieving results.

Norway's development cooperation with Timor-Leste has in general amounted to around USD 10 million per year. The last two years more due to support to the Norwegian Refugees Council's work for refugees and education. Our long-term commitment and priorities are reflected in the multi-year Memorandum of Understanding (MoU) for development cooperation between Norway and Timor-Leste, the current covering the period 2008-2012.

In accordance with the MoU, we focus our assistance in: (1) Good governance, democracy, rule of law and human rights, and (2) Sustainable management of natural resources. The major bilateral programmes are in the petroleum and the renewable energy sectors. Support for good governance is primarily channeled through multilateral organizations, in particular UNDP in the case of strengthening the judicial sector and the Parliament. For all major programmes, bilateral and through multilateral organizations, we have established multiyear agreements which will take us through to 2012, some even to 2014.

Allow me to conclude by also mentioning the work of Norway's special envoy Gunnar Stålsett, or Bishop Gunnar, currently in assisting the National Consensus Dialogue on Truth, Justice and Reconciliation in Timor Leste. Norway fully supports this dialogue, and look forward to the outcome of the Parliaments consideration of a follow-up mechanism.