

(as delivered)



**Speech by the Special Representative
of the Secretary-General for Timor-Leste and Head of UNMIT
Ms. Ameerah Haq**

**Timor-Leste Development Partners Meeting 2010
7 April 2010**

Your Excellency Prime Minister Xanana Gusmão,

Your Excellency Minister of Foreign Affairs Zacarias Albano da Costa,

Your Excellency Minister of Finance Emilia Pires,

Excellencies the Ministers and representatives of the Government of Timor-Leste, Members of the National Parliament,

Excellencies, Heads of Delegations and representatives of the international community, delegates and observers from fragile states partners,

Distinguished Country Director of the World Bank, Mr. Ferid Belhaj,

Deputy SRSG, Mr. Finn Reske-Nielsen,

Dear Colleagues and friends,

It is an honour and pleasure for me to address this important meeting, which is the third of its kind hosted by Timor-Leste. Once again, the TLDPM brings some 25 partner countries to the table, many of them from diplomatic representations based outside Dili.

Since my arrival in Timor-Leste in January, I have often remarked about the tremendous level of goodwill of the international community for Timor-Leste. The UN Security Council debate in February and my own consultations in New York confirmed the continuous support of these nations towards this country.

As you all know, the mandate of UNMIT was renewed last February for one additional year, and together with the UN agencies, funds, and programmes, we stand ready to “deliver as one” and continue our support in a way most suited to the country’s needs. The emphasis will be on capacity development. The expectation of the UN member states, and of the Government of Timor-Leste, is that UNMIT will draw down in 2012. Preliminary planning has already started for a smooth transition. This includes identifying tasks that will need to continue beyond the life of UNMIT and, of these, which need to be carried out by the UN agencies, fund and programmes, which are of course expected to remain in Timor-Leste for many years after the withdrawal of peacekeeping support.

This process will require further consultations with the relevant development and other partners and the Government to ensure that the UN will continue to support agreed priority areas and that the necessary resources will be available either from the State budget or through development cooperation.

The Prime Minister made reference to the many successes over the past year. We have indeed reasons to be pleased with Timor-Leste's good progress in consolidating peace and security. The world concurs that the country is once again stable. However, the fragility and continuing needs of this young nation and its institutions warrants the continued support of the international community and points to the need to continue to address systematically the four key areas of UNMIT's mandate, viz., peace and security; justice and the rule of law; democratic governance; and socio-economic development. Good progress has been made in all these areas but further consolidation will be required to help ensure that when peacekeeping ends, the country will be firmly on a plateau from which it will not regress back into violent conflict. In this regard, I'd like to note that socio-economic challenges, particularly high population growth, youth unemployment and lack of equity between urban and rural areas can easily become triggers of future tension and, possibly, violence.

Hand-over of policing responsibility from UNPOL to PNTL has already been accomplished in four districts and we expect that Ainaro and Baucau districts will follow soon thereafter. We are working with the Government to achieve the goal of handing over policing responsibility in all districts and units by the end of 2010, subject to the fulfillment of the mutually agreed criteria for the resumption process, including the availability of adequate logistical support for the PNTL.

I welcome the steps taken by the Government of Timor-Leste to interact actively with its citizens and to improve accountability, as evidenced by the recent appointment of the ACC Commissioner. I am also encouraged to note significant improvements in the functioning of the public service – an area that will undoubtedly receive even greater attention with the recent establishment of the Civil Service Commission. Likewise as I reported to the Security Council, I am pleased to note the increasing capacity of the National Parliament to discharge its critical oversight and legislative functions. The rule of law depends on sustainable, properly functioning justice institutions, including effective accountability mechanisms, as an integral part of development in Timor-Leste. In this regard, the recent Justice Sector Independent Comprehensive Needs Assessment, has made a number of recommendations envisaging the deepening of the roots of the rule of law. All in all, I believe that Timor-Leste is making excellent

progress in building its democratic institutions, in accordance with its constitutional requirements, but more still needs to be accomplished in the coming years.

We very much appreciate the Prime Minister's presentation of the Strategic Development Plan that is in the process of being finalized. We look forward to further consultations before the final adoption of the Plan as its medium- to long-term vision is critical for the allocation of national resources and for the alignment of donor commitments with top government priorities. In this regard, I wish to take this opportunity to reaffirm our support to the Government of Timor-Leste in the operationalisation of the plan, taking into account the agreed objective of achieving the Millennium Development Goals, for which the Government will have to report at the General Assembly in September this year.

Ladies and Gentlemen,

As we move along towards the gradual drawdown of UNMIT, socio-economic priorities will increasingly take center stage. Basic social services, particularly health and education, should continue to be at the core of the Government's efforts to eradicate poverty. Without investment in human capital, much of the workforce entering the labor market will remain unprepared for the demands of a modern economy.

Indeed, a renewed emphasis on building the human and institutional capacity of this country is a pre-condition to long-term peace, stability and prosperity.

I wish to congratulate the Government of Timor-Leste on its achievements in promoting macro-economic stability and pursuing sound policies of prudent fiscal management. I also welcome the strong Government's focus on private sector development as the basis for tackling the critical issue of employment generation. These efforts must be continued, and indeed strengthened, in the years to come. However, in the interim, we must emphasize the role of the public sector, e.g. in absorbing unemployed youth through labor-based public works programmes.

The UN was delighted to co-host, with the Government of Timor-Leste, the recent visit of Professor Jeffrey Sachs, who conveyed key messages to policy makers and academia, with a very optimistic outlook for the future. The Timorese economy is at a turning point from recovery to development. Policies and strategies should be directed to move the economy from oil-based to non-oil based development for sustainable growth, particularly in rural agriculture. In this regard, I agree with Professor Sachs that these should be bolder, yet fiscally responsible, withdrawals from the Petroleum Fund, to invest more heavily in human capital and productive physical assets to support strong socio-economic development in the years to come.

As he said, and I quote, “this requires an implementation strategy, a managerial team, control mechanisms, and those do not exist right now, so they need to be part of any plan for sure’ unquote. Much has been said about the Government’s capacity to spend its budgetary resources and much progress has been made in the past couple of years but more can and should be done! And let me add this: If the necessary capacity is not available locally, go outside the country and buy it!

Distinguished Government partners, fellow delegates,

These are clear signs of prosperity in Dili and other urban areas. Timor-Leste’s development challenges are enormous. But they can be overcome. Continued outside assistance will be required. I therefore echo the Prime Minister and the Government of Timor-Leste in encouraging all development partners to continue their assistance to Timor-Leste in a predictable manner. Similarly, I convey to the Government of Timor-Leste the continued expectation of the international community for a true partnership, where development partners, as well as wishers, are not solely financial contributors to Timor-Leste but true participants in policy dialogue, led by the Government.

To conclude, allow me once again to congratulate the Government on its significant progress since our last meeting a year ago. I pledge the continued full support of the entire UN system in the years in all the broad areas of our mandate with an increased and firm focus on building human and institutional capacity as a prerequisite to long-term, sustainable poverty eradication.

I thank you and wish you all fruitful discussions and a successful meeting.