

Annual Report

La'o Hamutuk

January – December 2008

Table of Contents

Vision and mission	2
Situational background	2
Goals and objectives	3
Program activities	4
Bulletin and reports	4
Website and email lists	5
Radio program.....	5
Public meetings.....	6
Resource center and library	6
International and national media.....	6
Principal areas of research, monitoring and advocacy.....	6
Natural resources (petroleum development)	7
Governance and democracy.....	12
Agriculture	14
Economics and trade.....	16
NGO coalitions.....	17
Timor-Leste coalitions	17
Evaluating and strengthening La'o Hamutuk's work.....	18
Results of La'o Hamutuk's work.....	20
Appendix I: Financial information.....	22
Appendix II: Radio programs	27
Appendix III: Public meetings and presentations.....	29
Appendix IV: La'o Hamutuk in the media.....	31
Appendix V: Staff and Advisory Board biographies.....	33

La'o Hamutuk

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Vision and mission

La'o Hamutuk ("Walking Together" in English) is a Timor-Leste organization that monitors, analyzes and reports on the principal international institutions present in Timor-Leste as they relate to the physical, economic and social development of the country. *La'o Hamutuk* believes that the people of Timor-Leste must be the ultimate decision-makers in this democratic process.

La'o Hamutuk's Vision

The people of Timor-Leste, women and men, of current and future generations, will live in peace and contentment. They will control a transparent, just and sustainable development process which respects all people's cultures and rights. All citizens will benefit from Timor-Leste's resources, and will accept the responsibility for protecting them.

La'o Hamutuk is an independent organization which works to facilitate effective Timorese participation in the reconstruction and development of the country. In addition, *La'o Hamutuk* works to improve communication between the international community and Timor-Leste's people, facilitating cooperation and solidarity. Finally, *La'o Hamutuk* is a resource center, providing literature on conventional and alternative development models, experiences and practices.

Since our founding in 2000, *La'o Hamutuk* has had a policy to preserve our ability to monitor institutions objectively, as well as to avoid perceptions that we might be influenced by funders. We do not accept grants from donors with significant interests in Timor-Leste, such as the United Nations and its agencies, the World Bank, ADB, IMF, major donors to Timor-Leste, the Timor-Leste government and political parties, and companies operating here. We rely on private foundations, NGOs, governments of small countries, and individual donations.

La'o Hamutuk's six Timor-Leste and two international staff have equal responsibilities and receive the same pay and benefits. We are committed to equal representation for women among our staff, which currently includes three women and five men, as well as two male security and support staff. Our Advisory Board includes three Timor-Leste people active in civil society and three internationals, former *La'o Hamutuk* staff who remain closely involved with Timor-Leste.

Situational background

Indonesia's 24-year occupation of Timor-Leste was horrific, taking the lives of more than 100,000 Timor-Leste people. In 1999, the Indonesian military launched a wave of terror and devastation before and after the referendum. In response, the international community established the United Nations Transitional Administration in East Timor (UNTAET). On 20 May 2002, sovereignty passed from the UN to Timor-Leste's government, but foreign governments, international financial institutions and multinational corporations continue in major roles.

During the years after 1999, international organizations provided resources and expertise, but coordination was often poor, with international workers insensitive to local needs and capabilities. Some decisions were poorly thought through and have returned to haunt Timor-Leste.

Timor-Leste has received more international aid per person than any other recent post-conflict country, but the results are hard to see. More than three billion dollars have been spent and international advisors are widespread, but much remains unreconstructed and massive skills shortages remain. The international community has failed to fulfill its promise to end impunity for crimes against humanity.

In 2006, Timor-Leste confronted a multidimensional crisis, a consequence of centuries of colonization, occupation and the uncompleted process of self-determination. Another outbreak occurred in February 2008, with the near-fatal shooting of the President Jose Ramos-Horta and an attack on the Prime Minister. A temporary 'State of Siege' was then imposed, including a nightly curfew and a joint police-military command with larger authority to maintain law and order. The government and international agencies increased their focus on security and the priority of getting people dis-

placed in 2006 to return home. By year-end, most had, but poverty, unemployment, lack of accountability, class divisions and anxiety continue.

It will take at least a generation for the legacy of trauma, violence, war, impunity and lack of experience with self-government to evolve into peaceful stability under the democratic rule of law, and *La'o Hamutuk* continues to support this evolution.

Democratic processes have not consolidated as much as people had hoped. Notwithstanding the successful election and peaceful transfer of power in 2007, Parliamentary and other political debates are often polarized along party lines, focusing on rhetoric rather than substance, often excluding people outside the capital. When the weak judicial system holds government accountable, a judge is fired. Public officials often conceal specifics about government plans and projects (although *La'o Hamutuk* circulates some of these). A journalist who writes about corruption is charged with defamation, and rhetoric or gestures often substitute for substance. Nevertheless, *La'o Hamutuk* itself has not experienced any threats or sanctions, and we continue to help people understand the policies of international and Timor-Leste institutions.

In December 2007, Timor-Leste's Parliament approved a \$348 million annual budget for 2008. For the first time, the Government decided to spend the entire Estimated Sustainable Income from the Petroleum Fund, \$294 million. In June 2008, Parliament enacted a Tax Reform Law, drastically cutting import, business and wage taxes. In July, the Government enacted a mid-year rectified budget with a 126% increase in expenditures, totaling \$778 million, planning to withdraw \$687 million from the Petroleum Fund. In October, the Court of Appeals ruled that parts of the budget were illegal and unconstitutional, limiting expenditures to \$602 million. Not to be deterred, the Government proposed a 2009 budget of \$681 million in December. The Petroleum Fund will provide \$589 million of this, even though oil income during 2009 will be less than half of 2008, which saw the peak of production from the only operating oil and gas field.

During 2008, the Government signed several MOUs with international companies in the agrofuels and petroleum sectors, keeping many of them secret. Massive imports of rice undermine local agriculture, and Timor-Leste's total imports are 20 times as much as its non-oil exports.

However, Timor-Leste continues to progress from foreign occupation to democratic self-government, from resistance to rule of law, from aid dependency to economic self-sufficiency. Nevertheless, the country's situation is perilous, and current government policies are often grounded in nationalist rhetoric and alleviating short-term demands. The government dreams of an affluent Timor-Leste supported by foreign investment, but *La'o Hamutuk* fears that dependence on transient oil revenues and food imports could worsen economic hardship and lead to civil unrest when the money runs out in a decade or two – a classic case of the "resource curse."

La'o Hamutuk's radio program reaches every district; our *Bulletin* has a circulation larger than any newspaper; our website receives 5,000 accesses every day; our global connections have no parallel in Timor-Leste. Our work helps develop knowledge and confidence in the stability and openness of the political system, so that everyone can participate in the development of the nation. People in Timor-Leste civil society, government, and international agencies tell us that *La'o Hamutuk* is essential, and we expect to continue for many years.

Goals and objectives

The principal objective of *La'o Hamutuk* is to increase the Timor-Leste people's knowledge and participation in the development of their country. We implement this with these Strategic Goals:

- ★ To monitor, analyze and provide information on the development of Timor-Leste, and to help make that process more just and responsive to Timor-Leste needs and desires.
- ★ To empower the people of Timor-Leste, especially women, to participate more effectively in the development process.
- ★ To facilitate relationships between the people of Timor-Leste and international solidarity networks.

- ★ To provide information on alternative development models.
- ★ To increase communication and understanding between the people of Timor-Leste and international institutions.
- ★ To advocate for improvements in transparency, economic and social justice, human rights, democracy and sustainability.
- ★ To help Timor-Leste learn about the pitfalls of globalization, petroleum dependency and "free market" policies.
- ★ To strengthen *La'o Hamutuk's* effectiveness and internal organization.

Program activities

Our main work is to research, monitor and analyze international institutions and global systems which affect people here. Details are described on page 6. We disseminate the results through several tools:

Bulletin and reports

Our findings are published in the *La'o Hamutuk Bulletin* in English (circulation 1,500) and Tetum (circulation 2,500 - larger than any of Timor-Leste's newspapers). The *Bulletin* is distributed free to the public, as well as to schools, churches, government offices, and NGOs throughout Timor-Leste. Within Dili, we distribute to embassies, IFIs, the UN, government offices, hotels, restaurants, libraries, and other public places. The *Bulletin* is also circulated by email and posted on our website.

Since 2000, we have published 39 *Bulletins*, ranging from eight to 24 pages. Each has a main topic, a few other articles, reports from activities and editorials. During 2008, we published three *Bulletins*:

Volume 9, No. 1 (January)

- ★ Issue focus: Oecusse Communication Activation Program
- ★ Publish What You Pay: Consolidating the Asia-Pacific movement
- ★ Extractive Industries Transparency Initiative working group, TOR, and workplan
- ★ Public meeting explains Government program on agriculture
- ★ Editorial: World Bank recommends neo-liberal pathway, again

Volume 9, No. 2 (August)

- ★ Issue focus: Cooperation in health between Timor-Leste and Cuba
- ★ Public meeting on OCAP in Oecussi
- ★ What is liquefied natural gas (LNG)?
- ★ Civil Society Forum on climate change at UNFCCC Bali
- ★ The impact of mining on women in the Pacific
- ★ Public meeting discusses proposed Tax Reform Law
- ★ Editorial: Tax Reform Law will Increase Injustice

Volume 9, No. 3 (November)

- ★ Issue focus: Jatrophia: Jobs for farmers or fuel for foreigners?
- ★ Struggle for gender equality continues
- ★ Climate justice conference in Bangkok
- ★ Will Sunrise LNG be in or for Timor-Leste?
- ★ *La'o Hamutuk* brings LNG Information to south coast
- ★ Editorial: Budget Invites the Resource Curse
 - ★ Heavy oil power plants - \$390 million over four years
 - ★ Budgeting for the future

We also published a 130-page book *Sunrise LNG in Timor-Leste: Dreams, Realities and Challenges* in both English and Bahasa Indonesia. We also produced a Tetum popular version and PowerPoint presentation. They are each available on paper, our website, and CD-ROM.

La'o Hamutuk produces many other reports and analyses, circulated privately and publicly. We write submissions and letters, or give oral testimony, to legislatures and other policy-makers. We often lead coalition lobbying efforts, and were chosen to represent the NGO community at the 2008 Development Partner's Meeting. UNDP commissioned *La'o Hamutuk* to write a background paper for their forthcoming National Human Development Report, they and others sometimes nominate *La'o Hamutuk* to represent Timor-Leste civil society at local and international conferences.

Website and email lists

La'o Hamutuk's website <http://www.laohamutuk.org> includes many *La'o Hamutuk* reports, statements, analysis and press releases, as well as those from coalitions and organizations we work with, totaling more than 2,600 documents. A [topic index](#) makes it easy for researchers to find material many specific issues, such as Justice and Human Rights, Oil and Natural Gas, Global Trade and Markets, Timor-Leste Government Finances, Aid to Timor-Leste, United Nations, Militarization and War, and Agriculture.

People access more than 5,000 pages on our website every day. During the past year, the readership has more than doubled, becoming the principal global source of information on issues as diverse as the State Budget and Petroleum Fund, agrofuels projects, the proposed Heavy Oil electric power plants, Development Partners Meetings, and UN reports and resolutions related to

Timor-Leste. The map shows where users of our website are, and the size of each pink circle is the number of readers.

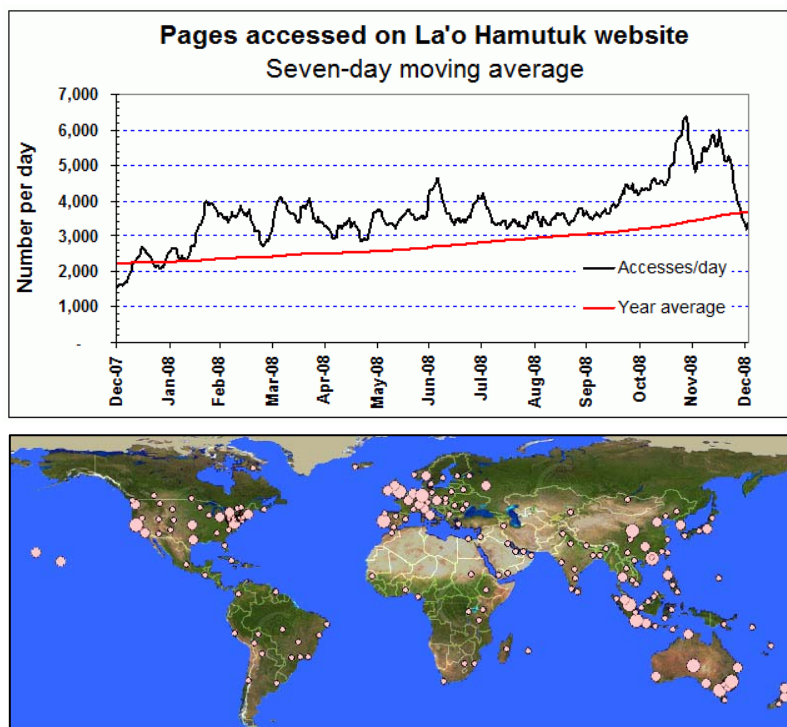
In addition to advocating transparency, we implement it. Our website and list emails circulate and explain essential documents like the government budget, program, draft legislation and UN agreements, even when the responsible agency has not published them.

Responding to many requests, we translated the principal pages into both Tetum and English during 2008, and post new items in both languages. We also added [podcasts](#) (audio files) of some *Radio Igualidade* programs.

La'o Hamutuk maintains an [email list](#) with around 175 subscribers. In addition, we circulate many of our materials to other lists and information sharing networks, reaching thousands. Our online materials are frequently picked up by other websites, new outlets and bloggers; Google Alerts found new references to "La'o Hamutuk" on news and blog sites (not including our own website) more than 50 times during the last six months.

Radio program

Radio is the most effective medium to reach most people in Timor-Leste. *La'o Hamutuk's* program *Radio Igualidade* is broadcast in Tetum every Sunday on the national radio station, RTL, which has



transmitters across the country, as well on community radio stations in Viqueque and Oecussi, reaching many listeners who have no other access to the information in our broadcasts. *La'o Hamutuk* staff discuss topical issues with knowledgeable guests, often presenting diverse views.

We began posting podcasts of *Radio Igualidade* to our website at the end of 2008, in order to reach an international audience.

Appendix II lists the 35 programs *La'o Hamutuk* produced and broadcast during 2008.

Public meetings

La'o Hamutuk public meetings bring together people from government, international institutions, media and civil society to discuss and debate key policy issues. Decision-makers, including Ministers and heads of international agencies here, appreciate these opportunities to engage with the public, and citizens and civil society organizations use them to inform and express themselves.

La'o Hamutuk staff often give talks or serve on panels at public events and conferences organized by other organizations and institutions. During 2008, we purchased a projector, screen and generator to present more effectively, especially in rural areas. Over the past year, we have shared our knowledge and research by providing trainings, including for the Core Group on Transparency, the NGO Forum, and the International Center For Journalists. We expect to continue and expand these activities, some of which provide income to *La'o Hamutuk*.

The 15 public meetings *La'o Hamutuk* organized during 2008 are listed in Appendix III, as are the events when *La'o Hamutuk* staff was invited to speak to other organizations.

Resource center and library

Our resource center includes books and audiovisual materials in several languages which students and visitors can use, as well as to inform our own research. Our internal computer "intranet" includes hundreds of documents, websites and reports, helping to overcome difficulties with internet access. When we move to our new office, hopefully during 2009, we will purchase new materials and equipment to make the center (including audio-visual materials) more accessible and useful to our own staff, students, international researchers, activists and others.

International and national media

Media is very important for advocacy, and *La'o Hamutuk* frequently gives interviews or provides information to visiting journalists or those who contact us. During 2008, we provided training for journalists on budget issues, and continued to augment and strengthen our relationships with reporters, in addition to writing more articles to publish in local newspapers.

During 2008, *La'o Hamutuk* was on Timor-Leste radio and television more than a dozen times, and reported on in local newspapers more often. We were cited by media outside Timor-Leste more than 16 times. A partial list of articles by or referencing *La'o Hamutuk* is in Appendix IV.

Principal areas of research, monitoring and advocacy

Our research takes a holistic approach, looking at issues strategically and exploring how international systems and institutions interact with them. We also actively engage and respond to policy development processes, including legislation and contracting. Monitoring donor projects remains part of our work, but our scope is broader than the assumptions made by the donor, and we focus on systems and policies rather than individual wrongdoing.

In addressing an issue, we consult with local and international experts, as well as people directly encountering the impacts and/or working to alleviate them Timor-Leste and elsewhere, making special efforts to look at the consequences for and perspectives of women and rural people. We also provide information on alternative models to those currently available here.

La'o Hamutuk tries to include a gender perspective in all our work, as women are often discriminated against by both Timor-Leste society and international agencies. Although we don't have a

separate gender research area, we explore the impacts of policies and programs on women and children. During 2008, Yasinta Lujina participated in workshops on empowering the Women's Movement, in Indonesia in June and in South Africa in December. In early 2009, *La'o Hamutuk* received a United Nations Award in recognition of our "leadership and dedication in promoting gender equality and the empowerment of the women of Timor-Leste."

We organize our monitoring and advocacy into four principal areas:

- **Natural resources**, especially oil and gas. This includes petroleum dependency, revenue management, regulation of oil companies, environment, transparency, accountability, sustainability and how extractive projects affect human and community rights.
- **Agriculture and food sovereignty**. This includes agriculture policy, agrofuels, land rights, corporate technologies, permaculture/agro-ecological farming, markets and climate justice.
- **Governance**, including justice, security, rule of law, human rights, civic education, corruption, elections, legislation, state institutions, decentralization and government administration.
- **Economics**, including macroeconomics, donor activities, tax and budget policy and trade agreements. This will be expanded to include foreign investment, privatization and trade.

La'o Hamutuk has three-person teams working on Agriculture and on Natural Resources, as well as one person on Governance. Our Economics and some Governance work is shared among people on other teams. We hope to fill out the Governance team and to create a separate Economics team during 2009. If recruitment succeeds beyond expectations, we will start another team to monitor Service Delivery (health, education, communications, water, electricity, etc.).

The rest of this section discusses work done during 2008; the results are summarized on page 20.

Natural resources (petroleum development)

Oil and gas production and sales are critical to Timor-Leste, comprising 83% of Gross National Income during 2008 and providing 98% of Government revenues. This dependency is likely to worsen in coming years, due to little non-oil economic development and escalating government expenditures (expenditures in the 2009 budget will be 96% higher than were planned for 2008). However, Timor-Leste's oil revenues are dropping fast (2009 will be less than half of 2008), and we believe current policies are bringing Timor-Leste into the "resource curse" which damns nearly every other impoverished, oil-dependent country.

La'o Hamutuk has long been the leading organization in Timor-Leste providing information and alternatives for officials and civil society about these dangers and possible solutions. This includes not only revenue management and transparency, but also macroeconomic policy, effective regulation, and the environmental, social, political and economic dangers of petroleum dependency.

Our October 2008 strategic planning, we identified two fundamental objectives for this work:

Preventing the resource curse in Timor-Leste, which includes

- Promoting intergenerational equity by opposing overspending and risky investments
- Teaching about the effect of import dependency on local production and the consequences when petroleum revenue falls
- Protecting the environment from the impacts of petroleum exploitation
- Supporting transparency to prevent corruption, corporate avarice, and unsustainable policies.

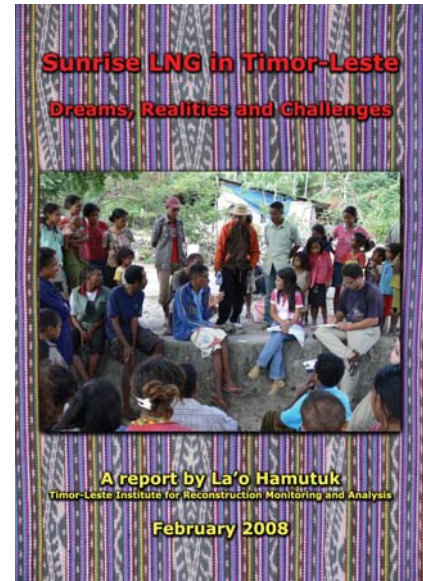
Avoiding unjust and/or predatory relationships related to oil and gas exploitation.

- Safeguarding human and community rights from extractive projects
- Preventing ruthless companies taking advantage of Timor-Leste's lack of effective regulation
- Securing just maritime borders and arrangements with Indonesia and Australia
- Ensuring transparency and regulation of international, domestic and state-owned companies
- Enabling local communities to participate in decision-making about their petroleum birthright.

Proposed Sunrise Liquefied Natural Gas (LNG) Plant

In 2006, *La'o Hamutuk* began to research the negative and positive impacts of a possible natural gas liquefaction plant in Timor-Leste, liquefying gas from the Greater Sunrise field and shipping it overseas. In February 2008 we published a 131-page report “*Sunrise LNG in Timor-Leste: Dreams, Realities, and Challenges.*” The report explains the economic, environmental and social risks and benefits of this facility for the Timorese people, and includes recommendations about what the government, oil companies and civil society should do to maximize the benefits and minimize the risks.

More than 115 people came to our 18 February book launch, including civil society, government officials, journalists, diplomats, and representatives of international institutions and oil companies. Secretary of State for Natural Resources Alfredo Pires spoke, and *La'o Hamutuk* presented our report. We later published the report in Bahasa Indonesia, and produced a popular version and slide presentation in Tetum, all of which are available on CD-ROM or for [download](#). We use information from the report, sometimes simplified or updated, as the basis of many *Bulletin* articles and radio programs.



La'o Hamutuk has sold more than \$500 worth of books and CD-ROMs, in addition to the 100 copies purchased by the Secretary of State for his staff. Public debate about an LNG plant in Timor-Leste has escalated, with much press attention. Although the debate sometimes lapses into polemics, nationalism and fantasy, *La'o Hamutuk's* report provides a fact-based foundation.

In August, *La'o Hamutuk* took our findings to the people who will receive the primary impacts from this project – the communities where it may be built. We conducted workshops in Betano, Lore I, Los Palos, Beaçu and Viqueque, drawing large numbers of community people, local officials, police, media, NGO and church representatives. Every workshop drew at least 35 people. Especially in the coastal towns, participants said that they rarely receive balanced information, and that it was the first time an organization which researched in their area had returned to share their findings.

Sunrise operator Woodside Petroleum (which has had an exclusive contract since 1991) did its own study of development options, which it presented to Timor-Leste officials during the second quarter of 2008. Woodside concluded that an LNG plant in Timor-Leste was less profitable than building a floating one at sea or expanding the existing plant in Darwin. Woodside's study includes deeper technical and economic analysis than *La'o Hamutuk's* (theirs cost 100 times as much as ours), but omits some important aspects. Nevertheless, Woodside's information and many of their conclusions support our findings, and nothing in their report contradicts our analysis.

During the first half of 2008, the RDTL Government signed undisclosed agreements with two Asian oil companies, bypassing normal tender processes. Petronas (Malaysia) and Korea Gas. Petronas has provided funding and technical expertise to a Task Force studying the feasibility of bringing the Sunrise gas pipeline to Timor-Leste. *La'o Hamutuk* staffer Santana Soares left us for a few months to join the Task Force, before heading off to graduate school in Thailand. The Task Force report was presented to the Prime Minister early in 2009, but its contents remain secret. Korea Gas paid for a detailed study of sea depths in the Timor Sea, necessary for pipeline design. Throughout the year, *La'o Hamutuk* publicly and privately urged that these agreements be disclosed, asking for greater transparency and fact-based discussion in the LNG debate.

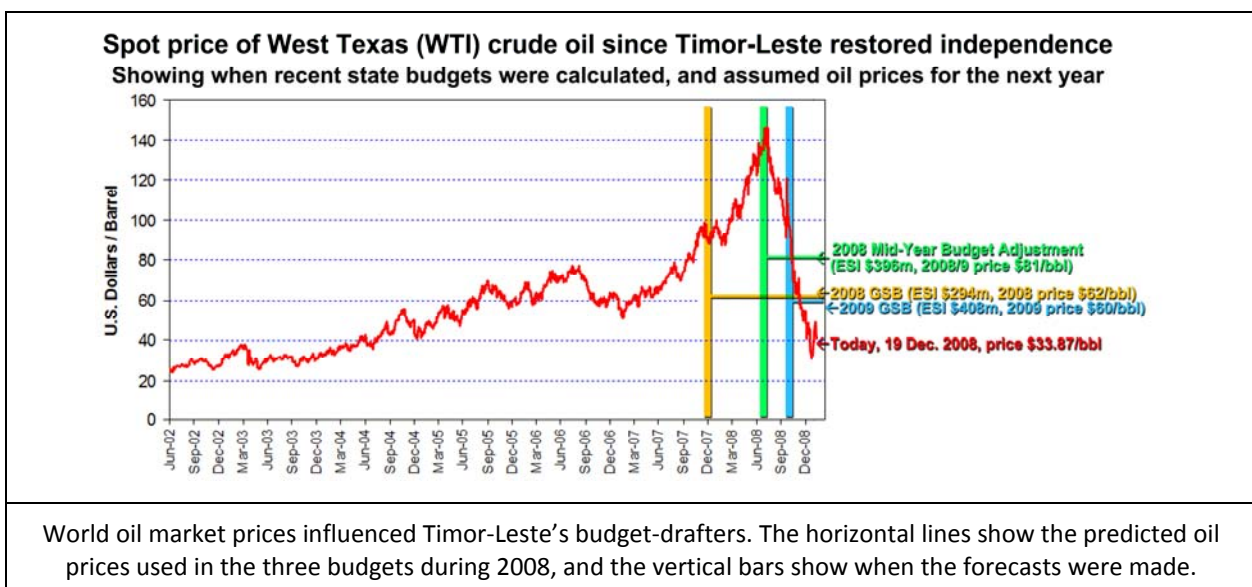
In December, the government invited us to a three-day pipeline engineering training with the Sunrise Task Force.

Petroleum Fund and State Budget

We have monitored the **Petroleum Fund** issue since it was first discussed five years ago. We continue to support the principles of intergenerational equity underlying the Petroleum Fund Act, to advocate for transparency and accountability, and to reiterate the risks of petroleum dependency.

The Banking and Payments Authority (BPA) has published 13 quarterly and two annual reports on the Petroleum Fund, and *La'o Hamutuk* has participated in every quarterly press conference, analyzing the report and posting them on our website.

In May, *La'o Hamutuk* learned that the Government intended to double the \$348 million **State Budget** for 2008 in a “mid-year adjustment,” but we didn’t get details or confirmation until the Council of Ministers approved a 122% increase to \$773 million on 18 June. The spending spree was to be financed by withdrawing money from the Petroleum Fund far above the Estimated Sustainable Income (ESI), which itself had been increased from the \$294 million estimated in late 2007 to \$396 million. This was the first time a Timor-Leste government had openly defied the principle that the nation’s non-renewable resource wealth should also benefit future generations.



La'o Hamutuk then took the lead in disseminating budget information and analysis, training civil society and helping write a coalition statement *New Mid-Year Budget is First Step to Resource Curse*. We sharply criticized the proposed \$240 million Economic Stabilization Fund (ESF) to subsidize imported food, fuel and construction materials, which pushes Timor-Leste toward an import-dependent economy which will collapse when oil revenues wane. In a change from the tax reform debate (see page 16), the World Bank and the IMF now agreed with *La'o Hamutuk*.

Although Parliament approved the mid-year budget increase despite these warnings, several MPs challenged it in court, using our arguments. On 13 November, the Court of Appeals ruled that the mid-year budget increase illegally violated the Petroleum Fund law by spending more than the Estimated Sustainable Income without adequate justification, and that the ESF was unconstitutional because it was hidden from Parliamentary oversight. We were not involved in the case but were first to publish the court’s decision, while local media covered the politics but not the substance. Officials’ defiant reactions undermined the rule of law (including firing the judge who wrote it), but we continued to focus on legal and constitutional issues. In the end, the government largely complied with the court’s ruling, primarily because they could not execute the huge increase in spending and because falling rice prices reduced the demand for subsidized imports.

In October, *La'o Hamutuk* was contracted by the International Center for Journalists to provide a week-long training to local media on how to read and analyze the budget documents. Our November *Bulletin* includes comprehensive analysis of budget issues, in preparation for the next cycle.

Sadly, the 2009 budget proposed in early December 2008 continued the same trajectory. We obtained the budget documents in English and Portuguese, and our website was the only public source of this information for more than a month. We analyzed the budget, which included another plan to spend above the ESI, which was re-estimated at \$408 million, notwithstanding the crashing world oil price. Our submission to Parliament at year-end helped persuade the Budget Committee to unanimously reject exceeding the ESI, but the plenary overruled them and passed the \$681 million budget largely unamended, spending \$589 million from the Petroleum Fund.

The Prime Minister's budget message promised "2009 and future spending levels to exceed the Estimate of Sustainable Income," so we expect to increase our advocacy and the diversity of our allies in 2009 and beyond.

Before oil prices and stock markets started to crash, some in Government were suggesting that the Petroleum Fund rules should be revised to make it easier to spend money faster and to ease shifting Fund **investments** from U.S. government bonds into equities, real estate, or other riskier investments which might yield higher interest. We raised cautions about this throughout 2008, and our fears were proven valid by the financial crisis. In fact, Timor-Leste's Petroleum Fund is probably the only sovereign wealth fund in the world that didn't lose value during 2008.

Transparency

Throughout 2008, we continued as one of two civil society members of the Government-Company-Civil Society-IFI Working Group on the **Extractive Industries Transparency Initiative (EITI)**, with extensive coverage in our January Bulletin. As the EITI process moved along, we pushed for greater disaggregation, publication of existing Production-Sharing Contracts, and more openness and inclusion. Our advocacy was a counterweight to the oil companies' predilection for "commercial confidentiality."

In November, *La'o Hamutuk* staffer Viriato Seac, representing Timor-Leste Civil Society Organizations, attended a training on *Implementing EITI: Best Practices and Tools* in Berlin, Germany. This training, conducted by the EITI Secretariat and InWent, discussed how to implement EITI, especially in countries like Timor-Leste which are becoming EITI-compliant.

We continued to cooperate with groups in other countries working on revenue transparency, and to discuss these issues with Timorese and international NGOs and agencies, government officials and advisors, Petroleum Fund managers, oil company representatives and others.

Helping Timor-Leste's government regulate company activities

Some of the most serious dangers from petroleum development do not come from mismanagement of revenues received by government, but from the profit-driven transnational petroleum industry. *La'o Hamutuk* works to engage oil companies and strengthen government regulation to ensure that they respect the economic, human and environmental rights of this country, as well as implementing best international principles on transparency and accountability.

During 2007, *La'o Hamutuk's* advocacy helped prevent the enactment of poorly-drafted decree-laws to restructure petroleum regulation and establish a national oil company. After a few months rest, the new AMP government picked up where Fretilin had left off, and again *La'o Hamutuk* was the only Timorese organization to engage actively and substantively in the legislative process.

Although the Government had promised a consultation on legislation transforming the Australia-Timor-Leste Timor Sea Designated Authority (TSDA) into a **National Petroleum Authority (NPA)**, no information was forthcoming. In May, *La'o Hamutuk* wrote an open letter to Secretary of State for Natural Resources urging public consultation, which was then half-heartedly granted. In one week, *La'o Hamutuk* submitted a 31-page analysis of the proposed law. As a result of our effort, the law was slightly amended, and passed by Decree-Law on 18 June, and the NPA opened on 1 July, although much of it is still not operational. We still believe that NPA's lack of transparency and autonomous finances are dangerous and illegal, and reiterated this concern in submissions on the mid-year and 2009 state budgets.

In late May 2008, the TSDA (which has since become the NPA) circulated draft **Technical Regulations** for the Exploration and Exploitation of Petroleum in the Joint Petroleum Development Area, covering protection of health, safety, and environment. On 5 June, *La'o Hamutuk* submitted eleven pages of detailed review, and met with the TSDA to discuss our concerns. They circulated a revised draft, incorporating some of our recommendations, but ignoring the most important ones. The new Technical Regulations had not been approved by the end of 2008.

We were the only civil society organization to participate in a March public consultation about environmental impacts of an offshore **seismic survey** by the Indian oil company Reliance, providing a written submission and participating in a meeting with government and company officials. Our input resulted in some small changes to Reliance's Environmental Management Plan. In June, the Italian company ENI proposed another seismic survey, with a brief public consultation, and *La'o Hamutuk* again wrote the only submission, as we had for a similar ENI survey in 2007. In both years, ENI amended its Environmental Management Plans to incorporate many of our suggestions.

In July, *La'o Hamutuk* participated in a three-day workshop organized by the State Secretary for Natural Resources to share perspectives on how to create strong and durable laws to regulate and develop **mining** in Timor-Leste. In November, the Government initiated developing a geological map of Timor-Leste, at which time traditional leaders gave permission to exploit minerals under Timor-Leste's soil. We will continue to monitor legal and other processes related to mining.

Heavy oil power plant and national electric grid

Timor-Leste is paying nearly \$400 million to a Chinese company to build three electric generating stations using imported heavy (residual) fuel oil, together with a national electric grid. The power plants are second-hand, used in China for more than two decades. This is highly polluting, difficult to manage technology which most countries have phased out. In addition to environmental and reliability concerns, project information is undisclosed and rumors abound about irregularities in tender and contracting. Secret agreements about the project started in February 2008, the first tender was issued in June, the contract signed in October, and construction started soon thereafter, without the legally-required Environmental Impact Assessment. The Prime Minister has promised that it will be operational by the end of 2009.



La'o Hamutuk began researching this project in June, when the Government advertised for the "Construction of Nationwide Electrical Power Grid and Power Plant and its Facilities." Our website broke the issue, and it has since been picked up by many journalists and politicians, as well as civil society. Parliament removed it from the 2008 mid-year budget, but the Government exploited a technical error in the amendment to restore the funding. In the State Budget for 2009, this project is allocated 61% of Timor-Leste's entire capital spending over the next three years.

We raised questions and objections in every available forum, including the media, our website, our *Bulletin*, our radio program, Parliamentary submissions and civil society coalitions. We are recruiting knowledgeable volunteers to research this in more depth, jointly with Haburas, and are building relationships with communities where the plants will be built. Virtually every independent, knowledgeable person we ask considers this project a bad idea, and *La'o Hamutuk* will continue to advocate for more comprehensive information, for effective pollution mitigation and avoidance, and for cleaner, more sustainable energy solutions.

Other

UNDP commissioned *La'o Hamutuk* to write a **Technical Background Paper** for its third National Human Development Report for Timor-Leste, which will be published in 2009. Our *Managing Non-*

Renewable Resources: Processes of Consultation Promoting Sustainable Development is the only paper by a Timorese contributor. We will publish it after UNDP finishes its report.

During 2008, the RDTL Ministry of Economy and Development wrote a **State of the Nation Report** reviewing various facts of Timor-Leste's situation. *La'o Hamutuk* was asked to review draft chapters on Natural Resources and other sectors, and we provided comments and graphics which were incorporated into the final report.

In April 2008, U.S. Federal Judge Lynn Hughes dismissed a multi-billion dollar **lawsuit brought by Oceanic Exploration (Petrotimor) and others against ConocoPhillips**. The suit alleged that ConocoPhillips bribed Mari Alkatiri to prevent Petrotimor from exploring for oil in the Timor Sea. Although it received attention when it was filed in 2004, only *La'o Hamutuk* continued to follow the case, placing the most important events on our website. Six weeks after the judge's decision, we circulated an article and created a [web page](#) to explain the process. Our release was the first anyone outside the U.S. had heard of the decision.

Throughout 2008, *La'o Hamutuk* added new information to our **web site** on all the issues discussed above. In May, we published version 4.2 of our **OilWeb CD-ROM**, a comprehensive source of petroleum-related information relevant to Timor-Leste and which, like our Sunrise LNG CD-ROM, is easier to access than internet in this infrastructure-deficient country.

We continue to act in **solidarity** with people in other countries confronting similar issues to our own. For example, in March we signed an international [group letter](#) to the president of BP about the Tangguh LNG plant in West Papua. Through meetings, email and other communications, we share information, ask questions and coordinate campaigns with a wide range of civil society, media, government agencies, petroleum companies and others. By keeping to the facts, we maintain respectful relations even with those who have different objectives.

Governance and democracy

Governance incorporates several topics: justice, security, rule of law, international influence and democracy. Much of this work uses or responds to opportunities, events and initiatives.

Ending impunity

Our main objective is to keep the justice issue alive until an international tribunal is established to try the principal perpetrators of crimes against humanity during the 24-year Indonesian occupation of Timor-Leste. Together with other local and international movements, we give voice to the widespread popular concern that accountability is critical to effective law enforcement in Timor-Leste for the past, present and future. The lack of justice was a major contributor to crises during 2002, 2006 and 2008, and it continues to disrupt Timor-Leste as a democratic state governed under the rule of law.

Much of this work is coordinated with the Timor-Leste National Alliance for an International Tribunal (ANTI), within which *La'o Hamutuk* is responsible for liaison and sharing information with international solidarity and justice movements.

During 2008, we undertook the following activities:

- ★ Conducted a public meeting and radio programs about the *Chega!* report from the Timor-Leste Commission on Truth, Reception and Reconciliation (CAVR) (February)
- ★ As the UN considered extending UNMIT's mission, *La'o Hamutuk* inquired and campaigned about the failure to implement UNMIT's Serious Crimes Investigative mandate. We also published the UNMIT-RDTL Agreement on serious crimes investigation, criticizing its limited scope and slow implementation. We wrote the Secretary-General to strengthen UNMIT's mandate for justice, kicking off global pressure which encouraged several countries to raise this in the Security Council (February).
- ★ Together with ANTI, made statements to Parliament and the media criticizing the President's pardoning people convicted of horrendous crimes, and produced two radio programs (May).
- ★ Obtained pre-release text of the Truth and Friendship Commission (TFC) report and circulated it, under embargo, to key journalists and activists. We also broadcast two radio programs and wrote an open letter with ANTI responding to the TFC report (July).

- ★ Wrote a submission to Parliament Commission A regarding draft resolutions to follow up recommendations from TCF and CAVR (September).
- ★ Circulated ANTI statement against impunity on the anniversary of Indonesia's invasion. (December).

International Assistance to Timor-Leste

La'o Hamutuk was elected to represent civil society to the March 2008 **Timor-Leste and Development Partners Meeting**. The NGO statement highlighted justice, transparency, development coordination and security. Our [website](#) is still the primary source of documents from the meeting

Throughout 2008, Timor-Leste officials and media discussed how to get hundreds of millions of dollars from the U.S. government through the **Millennium Challenge Corporation (MCC)**, which assists countries who pass certain indicators measuring human rights, democracy, open economies, good governance and corruption. *La'o Hamutuk* asked visiting MCC officials to help develop local skills and economic capacity, in addition to building infrastructure. Throughout the year, we engaged with the U.S. Embassy and the RDTL Ministry of Finance, and we circulated relevant information, particularly to clarify the objectivity and timeliness of the indicators used by MCC. In December, the Ministry of Finance asked *La'o Hamutuk* staffer Charles Scheiner to speak on a panel about MCC, together with the Minister, the U.S. Ambassador, and the chair of the Parliamentary Subcommittee on Corruption. Soon thereafter, Washington decided that Timor-Leste's declining indicator scores ruled out eligibility for MCC in 2009, and Timor-Leste is now trying for 2010.

International Stabilisation Force

Status of Forces Agreements between Australia and New Zealand and RDTL define the roles and responsibilities of foreign soldiers here. *La'o Hamutuk* continues to raise awareness regarding their activities and the impunity they enjoy for any crimes they might commit here, on or off duty.

In July we met with the International Stabilisation Force (ISF) about their **late-night shooting** drills off the coast of Liquiça, announced in local newspapers. We raised several concerns, including justification, community consultation and socialization, sensitivity to local trauma and feedback processes, as well as suggesting that they practice in Australia. We shared this information with peace activists and journalists, resulting in an article in the *Canberra Times*.

In November we made a submission regarding the ISF to an **Australian Parliamentary inquiry** on human rights mechanisms. We suggested improvements in the Status of Forces Agreements, accountability, compensation to victims, civil-military separation, community liaison and operational sensitivities to a traumatized population. We followed up with the Australian military itself, Australian media, the UN Association of Australia and local activists. The submission is on our [website](#), as well as those of the East Timor Law Journal and the [Australian Parliament](#).

Preventing corruption

For many years, *La'o Hamutuk* has made submissions emphasizing that corruption plagues oil and gas activities everywhere, due to the large amounts of money and the secretive instincts of oil companies. We proposed open structures, transparency, checks and balances, and public accountability as essential mechanisms to prevent corruption and conflicts of interest. Unfortunately, most of our suggestions have not yet been adopted.

In September, staffer Charles Scheiner spoke on two panels at a Parliamentary conference on *Strengthening the Role of Parliament in Promoting Transparency, Accountability and Combating Corruption in Timor-Leste through The Establishment of a National Network on Anti-Corruption*.

Other Governance work

In February, staffer Santana Soares attended the conference *Democratic Governance in Timor Leste: Reconciling the Local and the National* at Charles Darwin University in Darwin Australia.

The Government's defiance of the November Appeals Court ruling on the mid-year budget (see page 9) raised serious threats to the independence of the judiciary and Timor-Leste's Constitution. *La'o Hamutuk* wrote an [article](#) to keep these principles in the public eye, and provided information and suggestions to journalists and others to minimize personality-based, partisan coverage of this

critical issue. We helped write a statement *"The Law does not only apply to small and poor people"* and spoke at a press conference at the NGO Forum.

We continue to watch and engage with the United Nations Integrated Mission in Timor-Leste (UNMIT), including individual communication with staffers and officials, as well as participation in many of their meetings and conferences. *La'o Hamutuk's* [website](#) includes many UN and UNMIT documents related to Timor-Leste, some of which have not been released.



Agriculture

During 2008, *La'o Hamutuk's* work on agriculture began to focus on food sovereignty. This is different from "food security" which focuses on guaranteeing access to food without distinguishing if it is grown locally or imported.

"Food sovereignty" concentrates on local food self-sufficiency. It looks at the whole food cycle, particularly the important economic role of food. It promotes growing food locally, and explores factors that affect people's ability to grow food, such as land rights, markets, gender, environmental sustainability, biodiversity and peasants rights. Food sovereignty is the ability of community, and the government, to decide on food policy based on their own needs, not the desires of foreign agencies or transnational corporations. We also see it as the democratization of agriculture, ensuring that farming remains a viable livelihood in Timor-Leste.

This perspective informed our work on the following topics.

Agrofuels

During 2008, the Timor-Leste government signed four agrofuels agreements: GT Leste Biotech sugarcane Memorandum of Understanding (January), Enviroenergy Developments Australia jatropha contract (February), Jacobsen Elektro jatropha/electricity MoU (June) and KOMOR corn/jatropha MoU (August). All except Jacobsen are for export, and all involve a contribution from Timor-Leste: lease-free land, build-operate-transfer agreements, or providing money through a future "agriculture fund." The government could also be responsible for roads, infrastructure, relocation, emergency services, importing heavy oil (for a dual fuel system) and clean-up. *La'o Hamutuk* found that the promised benefits to Timor-Leste, such as job creation and investment, are grossly exaggerated.

Throughout the year, we met with the Minister for Agriculture and Fisheries and the Secretary of State for Energy Policy to discuss agrofuels projects. We requested agrofuels contracts and MoUs, which we published on our [website](#) in June.

The Minister for Agriculture and Fisheries (MAF) Memorandum of Understanding with the Indonesian company GT Leste Biotech promises to develop 100,000 hectares of sugarcane plantation to create ethanol for export. This is one-sixth of all land available in Timor-Leste for food production.

When we published the GT Leste MoU, it catalyzed national and international debate. Together with other civil society groups, we lobbied for an independent Environmental and Social Impact Assessment; this has not happened, although a MAF representative is accompanying GT Leste's viability study. In June we asked the Centre on Housing Rights and Evictions (COHRE) to analyze what the government should do to ensure that this project respects laws and international conventions on housing and land rights in effect in Timor-Leste, and we helped distribute COHRE's report to key people in government. The Ombudsman on Human Rights and Justice cited COHRE's concerns in his October 23 finding that the project could violate land rights and was maladministered.

In November we held a public meeting on the sugarcane plantation.

During the last few years, jatropha has attracted the interest of agrofuels promoters, including those who want to do projects in Timor-Leste. Most information globally is provided by promoters and seed sellers, with little independent research about large-scale jatropha production.

La'o Hamutuk investigated a jatropha processing plant (to make oil from imported and local seeds) proposed for Carabela by Enviroenergy Developments Australia (EDA). EDA estimated their capital investment to be \$550 million dollars over 10 years (more than the Timor-Leste's non-oil GDP), which they said would create 30,000 jobs. The project includes a port, water desalination plant and jatropha refining facility. It is to be built on 59 hectares of the Carabela Industrial Development Zone and other land. We interviewed jatropha investors, farmers, community leaders and representatives in Dili, Baucau and Viqueque about EDA's previous and proposed activities. *La'o Hamutuk* shared our findings through email networks and media, and provided input to Oxfam New Zealand's jatropha position. Our November *Bulletin* had a cover article on jatropha – it's now on the [Aid/Watch](#) website – and several groups distributed extra copies in the districts. We provided this report to EDA, who have declined to comment or participate in a public meeting.

We regularly update our agrofuels webpage, and it remains the principal source of primary documents, analysis and commentary on agrofuels in Timor-Leste, supporting worldwide advocacy. In 2008 we produced radio programs on jatropha, sugarcane, and alternative energy.

Our discussion and advocacy on agrofuels raises broader issues, such as export-oriented agriculture (i.e. plantations), industrial agriculture and land rights, in an effort to promote more accountable and inclusive development processes.

Coffee

In June, as part of preparation for the comparative study in Brazil *La'o Hamutuk* staff looked into coffee, Timor-Leste's largest non-oil export. *La'o Hamutuk* did field research in Aileu and Ainaro, spoke to coffee farmers, coffee companies and donor projects, and visited coffee processing sites. We discovered positive initiatives: increasing farmers' roles in value-adding activities, and coffee purchasers providing food on credit to farmers during the hungry season. We also found that companies didn't report accurate prices to farmers, that river water was sometimes unusable because of dumped coffee processing waste, and that farmers knew little about international commodity markets. In August, we reported our findings to a *Just Coffee* (fair trade) delegation, the Australian Fair Trade and Investment Network, HASATIL and on our radio program.

Comparative Study, Brazil

In July/August *La'o Hamutuk* staff Inês Martins and Yasinta Lujina undertook a four-week comparative study with the Movimento dos Trabalhadores Rurais Sem Terra (MST), the landless workers movement in Brazil. We learned about the impacts of industrial and plantation agriculture on land rights and local agriculture systems. Inês and Yasinta visited a sugarcane plantation, speaking with local workers and activists. Since 1970 Brazil has promoted and subsidized sugarcane for ethanol production. The expansion of sugarcane led to the widespread loss of land rights and intrusion on indigenous people. Plantation agriculture also creates poor working conditions, particularly impacting women. Chemicals, pesticides and pollution bring health problems.

Inês and Yasinta also visited communities of landless workers occupying unused land who practice agroecological/permaculture including seed saving, organic farming and intercropping, and spoke with people from the La Via Campesina agroecological school. They learned about the landless workers movement; their structures for organizing communities, women and youth; and local and national advocacy for agricultural workers' and land rights.

This information will inform our analysis and advocacy on agriculture issues in Timor-Leste.

Land Rights

We worked as part of the NGO Forum Land Rights Network to secure funding for a land law mentor to help civil society monitor land registration and land law development processes in 2009. We expanded our understanding of land rights, communicating with individuals, groups and networks in preparation for future work. We met with staff from *Ita Nia Rai* (the USAID funded land reform

project), and participated in public information events. Our November *Bulletin* raised the impacts of agrofuels on land rights. In October we held a public meeting on land processes.

Food Security

Throughout the year we tracked food security. We liaised with many local and international agencies, the Ministry for Agriculture and Fisheries and overseas academics. We also observed two Donor Harmonization meetings by the Ministry for Agriculture and Fisheries.

The food security situation in Timor-Leste is hard to analyze. Most people are subsistence farmers, and the food they produce never enters the market. Nobody knows how much people rely on root crops, and different areas of Timor-Leste have distinct climates, food crops and risks. Much commentary on food security is based on an industrialized agriculture perspective, not considering conflict, forced removals from land, socialization of crops such as imported rice, and propaganda campaigns for Indonesian foods. Government and international agencies focus on big investment, big infrastructure and quick fixes such as chemical fertilizers and hybrid seeds, rather than more sustainable permaculture training and community enterprise. We learned a lot about food security debates in Timor-Leste, but due to a lack of reliable current data, we could not publish reports up to *La'o Hamutuk's* standards. As a result, we decided to work on food sovereignty in 2009, promoting national food self-sufficiency across the whole food system.

Climate Change

Climate Change is a global problem, requiring a global solution. This must be just, respecting those who have been victimized or are most vulnerable, such as, farmers, fisher folks, indigenous people and women. As a small developing country, Timor-Leste's people will suffer the impacts of climate change, particularly because most of our people are small hold farmers. Our work regarding climate change is to disseminate information. By participating in international activities, we hope to bring alternative ideas to the adaptation and mitigation process in Timor-Leste.

In December 2007, staffers Maximus Tahu and Santina Soares attended the global UN Climate Change conference in Bali, beginning a new area for La'o Hamutuk's work.

During 2008, we provided information on Climate Change through a public meeting, two radio programs and two *Bulletin* articles. Maximus Tahu attended a Climate Justice conference in Bangkok hosted by Focus on the Global South, and then met with key advocacy groups. We are active internationally through the Climate Justice Now! Network.

Other

In March, *La'o Hamutuk* hosted a public meeting on alternative energy with the Secretary of State for Energy Policy.

La'o Hamutuk also attended several Permaculture Timor-Leste events and produced a radio program on Permaculture.

During 2008, we finished up projects from the previous rural development team. We published our report on the Cuban health care support for Timor-Leste in January.

In 2007 we published a critical report on the Oecusse Community Activation Program. After that, OCAP got better at sharing information, but they declined to attend the public meeting we organized in Oecussi in April. However, the meeting was attended by MAF and local officials, and the Government now is more involved in OCAP.

Economics and trade

Much of *La'o Hamutuk's* work on economics during 2008 was integrated with our work on Natural Resources, as it relates to averting the resource curse by trying to reduce dependency on petroleum revenues. Our work on the state budget is discussed on page 9. Other economics-related work included agriculture market policy (previous page) and monitoring donor assistance (page 13).

In March 2008, many policy-makers were optimistic that petroleum revenues were the stuff that dreams are bought with, including an way to escape the regional food price spike. Following an IMF

suggestion, they drafted a **tax reform law** to slash wage, import and business taxes by more than 60%, suggesting that the savings would relieve consumers of price increases. *La'o Hamutuk*, skeptical of importers' generosity and afraid of increasing petroleum dependency, sought expert advice before presenting written and oral testimony to Parliament.

Together with the NGO Forum, we issued media statements and disseminated information through radio, public meetings, and our *Bulletin*. Commission C agreed with some of our recommendations, but Parliament only accepted the one not to make the tax cut retroactive, and the bill became law in June. A few months later, *La'o Hamutuk's* warning that businesses, rather than consumers, would reap the benefits became sadly obvious to all, but it was too late.

NGO coalitions

To share information, strengthen advocacy and reinforce local and global civil society movements, *La'o Hamutuk* joins with many other organizations in international and local coalitions or networks whose focus overlaps the topics we monitor. During 2008, we worked with the following:

Timor-Leste coalitions

Core Group on Transparency

The Core Group on Transparency (CGT) formed in 2005 to monitor the RDTL state budget, and to advocate for transparency and accountability, especially regarding oil and gas revenues. The Core Group includes about 10 local NGOs, and also works with organizations and networks such as Oxfam Australia, CAFOD, Global Witness, Revenue Watch Institute and Publish What You Pay (PWYP). *La'o Hamutuk* is an active and well-informed member, providing research, leadership, training and coordination for the CGT and wider civil society. During 2008, *La'o Hamutuk* gave more than five briefings and trainings to CGT members on budget and petroleum revenue issues, and helped write coordinated submissions to Parliament during every budget cycle.

Extractive Industries Transparency Initiative (EITI) Working Group

This semi-official body includes representatives from Government, oil companies, IFIs and civil society. Since 2007, *La'o Hamutuk* staff have been elected to represent civil society, and we continue to engage in the Working Group to push for greater transparency and accountability. The meetings build personal relationships with other petroleum sector "stakeholders," strengthening our research and advocacy, while international EITI activities improve our knowledge about developments in other oil-producing countries.

National Alliance for an International Tribunal (ANTI)

La'o Hamutuk is one of the most active members of this coalition of Timor-Leste human rights NGOs who push to end impunity for crimes against humanity committed during the 24-year Indonesian occupation. Our work in this coalition is described on page 12. *La'o Hamutuk* was re-elected to ANTI's Board and with responsibility for liaison and advocacy with international solidarity, human rights, and justice movements.

Rede ba Rai (Land Rights Network)

Operating from 2001 to 2005, the Rede ba Rai network was re-established in 2008 and includes local and international NGOs in Timor-Leste. It monitors, advocates and raises awareness regarding land processes in Timor-Leste (in which many international agencies are active, including USAID, AusAid, the World Bank and the IOM). The current focus is on new land-related laws, monitoring the land registration process, and increasing public knowledge about the impacts of land reform. *La'o Hamutuk* takes a leading role in the legislative working group, and in formulating information and advocacy strategies.

HASATIL (Sustainable Agriculture Network)

HASATIL is a network of 38 local organizations including NGOs, community groups and the agriculture faculty of the National University of Timor-Leste, working to strengthen sustainable agricul-

ture in Timor-Leste. In 2008, *La'o Hamutuk* participated in several HASATIL conferences and discussions, and we became a member in early 2009. *La'o Hamutuk* works with HASATIL to share information on agrofuels projects, facilitating knowledge, advocacy and coordination. *La'o Hamutuk* will continue to work with HASATIL to build a national movement for sustainable agriculture.

Housing Rights Network (Rede Direitu ba Uma Timor-Leste)

Rede Direitu ba Uma Timor-Leste (RDU-TL) monitors and advocates on communities' rights regarding house confiscation, and to guarantee that nobody will be a victim of coerced evictions. This year RDU-TL issued a statement on eviction laws and wrote a submission to Parliament about solving the IDP problem. We work in sub-groups to ensure that every citizen has a right to housing and that eviction processes respect human rights. *La'o Hamutuk* is part of the policy monitoring and analysis group.

International Coalitions

As discussed in the program work above, much of *La'o Hamutuk*'s research and advocacy relies on informal partners in other countries. The coalitions listed here are ones we relate to more formally.

Oilwatch

Oilwatch was started in Ecuador and is now based in Nigeria, and includes organizations in tropical forest countries who are resisting oil industry activities and the underdevelopment, environmental damage and social degradation which often results. Recently, Oilwatch has emerged as a leading advocate for "climate justice" – that nations and people who benefited from activities which cause destructive climate change must take the principal responsibility to address it. *La'o Hamutuk* has been a member of Oilwatch since 2002, and we are active in Southeast Asia and globally.

Climate Justice Now Network

During July 2008, *La'o Hamutuk* staff Maximus Tahu participated in a Climate Justice Conference in Bangkok which established Climate Justice Now! Network. The CJN Network coordinates civil society groups fighting for just adaptation and mitigation on climate change, including NGOs, popular organizations, indigenous people, farmers, fishers, and people living on small islands. The Network is preparing for the upcoming United Nations Climate Change Conference in Copenhagen, a key opportunity to replace the Kyoto Protocol with a fairer, more effective system.

Publish What You Pay (PWYP)

Since 2005, *La'o Hamutuk* has cooperated with the Publish What You Pay Coalition (PWYP) which has around 300 members around the world. This coalition urges oil and mining companies to publish their payments to governments, as a way of preventing corruption in countries rich in non-renewable resources. By relating to networks whose experience are similar to Timor-Leste's, we improve our advocacy for Timor-Leste to implement transparency and accountability.

International solidarity and human rights organizations

La'o Hamutuk works closely with the U.S.-based East Timor and Indonesia Action Network (ETAN), the Australian Coalition for Transitional Justice in East Timor, TAPOL (U.K.), Focus on the Global South, the Centre on Housing Rights and Evictions, and many other organizations and coalitions which support justice and equitable development for Timor-Leste. We try to help them make their work more effective and responsive to the people of this country.

Evaluating and strengthening La'o Hamutuk's work

This section describes activities which *La'o Hamutuk* planned to do in 2008, and where we changed or were unable to fulfill our plans.

La'o Hamutuk has worked hard to recruit new local and international staff, with some success, and we continue to look for capable people. Australian Shona Hawkes joined the *La'o Hamutuk* team in April, focusing on agriculture and trade. Nawri Yuliana Albadro joined in July to work on economics, but after her three-month probation we decided to part ways. In September, Adino Nunes

joined us to work on governance, and on the first day of 2009, Juvinal Dias became part of our natural resources team.

Some of our staffers moved on. In March, Santana Soares left for a short-term consultancy with the Sunrise Task Force, followed by a master's course in Thailand. Tibor van Staveren finished his contract in November, and left *La'o Hamutuk* to be a full-time father. At year's end, Yasinta Lujina left *La'o Hamutuk* to become director of Rede Feto women's network.

We hoped to move into a new office and expand our resource center during 2008. This will provide more space for the center, making it easier for researchers to work there. Although we actively looked for a new office, including several title searches and contract negotiations, we have not yet found a satisfactory space.

We organized 15 public meetings, more than the planned ten.

We produced 35 radio programs in 2008, nearly meeting our goal of 40. Although we had hoped to be on more than three community radio stations, this has been difficult to organize, and we will continue to expand the reach of our program (now also on the internet) during 2009.

We published three *Bulletins* in 2008, less than our goal of five.

Our website now has much more material, is bilingual, contains audio files, and the number of readers and pages accessed has more than doubled.

Building staff capacity

Notwithstanding our research workload, we put time into enhancing staff capacity:

- ★ Research Methodology training by Progressio. Two staff members.
- ★ Organizational Management and Leadership training by Trócaire.
- ★ Radio training by Trócaire. Two staff members. Our radio programming is now better scripted and organized.
- ★ Financial mentoring from Michelle Whalen, courtesy of Hivos. Our financial management continues to improve, and our external financial audit for 2007 did not find any significant problems.
- ★ English courses at LELI.
- ★ Strategic planning preparatory workshop by Progressio for all staff.
- ★ Extensive self-study about climate change, resource curse, agrofuels, food sovereignty, heavy oil, budget policy and other topics.
- ★ Exposure/learning trip to Brazil with MST.

Strengthening La'o Hamutuk as an organization

We finalized our Financial Policies and Internal Policies, as well as our organizational Constitution.

Although we had planned to conduct a survey on outreach and effectiveness of our publications and other outreach tools, this is being deferred until 2009, when it will be done together with an external evaluation.

In October and November, with the help of an outside facilitator, we spent about two weeks on strategic planning, identifying ways to improve our current activities and thinking about key issues for research and advocacy over the next three years. The outcomes of this process are incorporated into our 2009-2011 funding proposal, available on request

Financial management

In previous years, *La'o Hamutuk* had problems with bookkeeping and financial reporting. During 2008 we produced a report and conducted an external financial audit for 2007. The auditor found \$381 in "questioned costs," only one-fifth of the previous year. With our new financial manager, we expect to do even better in the future. Our fundraising continues to provide enough income for the

organization to operate, with support from Hivos (Netherlands), Trócaire (Ireland), Development and Peace (Canada) and project-based grants from Oxfam Australia.

During the third quarter of 2008, our internal systems identified some problematic receipts and double-billing for reimbursements. We took immediate action to limit the losses, and began an investigation which led to enforcing our “zero tolerance” policy and firing the culpable staff member in December. The amount of un-repaid misappropriated funds is under a thousand dollars, and the person involved forfeited more than \$2,000 in salary and benefits.

La'o Hamutuk alone detected and documented this problem, and our Forum and Board took decisive action, demonstrating the soundness and integrity of our financial and management systems. We informed all our donors of this problem in December, offering not to use their money to cover misappropriated funds. In subsequent discussions, they all told us that *La'o Hamutuk* handled the problem well, given the difficulty of the situation.

During 2009, we will make some changes to our systems, including payments by check and more diligent checking of reimbursements, to guard against such things from happening again.

Results of La'o Hamutuk's work

La'o Hamutuk's reputation as a source of accurate, nonpartisan information and analysis is well-established. Local and international NGOs, IFIs, UN agencies, journalists, academics, donors, embassies, political parties and government agencies rely on *La'o Hamutuk* for facts and documents to inform their own analysis and actions.

Natural Resources

La'o Hamutuk's public education and advocacy on petroleum revenue management has increased awareness among organizations, political leaders and the public. Our debate and interactions with government and politicians helped inform government and parliamentary officials about sustainable management of petroleum revenue, transparency and accountability mechanisms and the dangers of petroleum dependency.

Our open letter to Natural Resources Secretary Alfredo Pires moved him to hold a public consultation prior to enactment of the National Petroleum Authority decree-law, and raised issues which continue to be debated in Parliament, the media and the courts.

Our analysis and work on the State Budgets greatly increased public and institutional understanding and discussion about revenues, sustainability, and longer-term consequences of budget decisions.

Our exposure of the problems surrounding the planned heavy oil power plans sparked a lively, wide-ranging debate in many sectors of society, as well as bringing international attention to the issue.

The quality of our work is increasingly appreciated by other institutions. Here are a few examples during 2008:

- The Government purchased 100 copies of our book on Sunrise LNG for their staff working in the petroleum sector.
- Every page on the [website](#) of the State Secretariat for Natural Resources links to our site.
- The Appeals Court ruled the mid-year budget illegal and unconstitutional based on reasoning similar to what we had already written in our submissions and articles.
- Former Petroleum Minister Jose Teixeira publicly apologized to *La'o Hamutuk* for not accepting our recommendations in 2005 that the Petroleum Fund law should have stronger controls over non-sustainable withdrawals.
- Media, especially the weekly newspapers *Kla'ak*, *Tempo Semanal* and *Dili Weekly*, often use material and information from *La'o Hamutuk* (sometimes re-printing entire articles or web pages without attribution).

Governance

Although an international tribunal is not yet on the UN agenda, discussions continue and ANTI remains as a strong coalition. With the tenth anniversary of the terror campaign that surrounded the referendum coming up in 2009, we ready to step up local global pressure for justice.

The report of the Indonesia-Timor-Leste Truth and Friendship Commission was not as bad as some had feared, and work by ourselves and others have helped to minimize the fallout from this diplomatic effort to pre-empt accountability. The Government has largely abandoned its plans to socialize the report.

We stimulated debate in Australia and Timor-Leste on the conduct of the ISF here, and are partly responsible for the Australian military proposing a new system to compensate local residents.

Our work on the Development Partners Meeting helped bring some important issues to donors' attention. In addition, our analysis on issues regarding the MCC and corruption helped keep the issue of genuine actions to prevent corruption, rather than symbolic gestures or prosecution of individual corruptors, in the public eye.

Our response and media discussions regarding the appeals court ruling on the mid-year budget and the government's reaction to it helped return media and public attention to issues of democracy, not personalities.

Agriculture

Our report and Oecussi public meeting on the Oecussi Community Action Program (OCAP) caused OCAP to share more information with local communities, and encouraged the Ministry of Agriculture to pay more attention to OCAP.

Our circulation of several agrofuels agreements greatly expanded public awareness and debate, and has caused government officials and companies to be more careful in following the law and listening to local communities.

In 2008 we only implemented some of our plans, for two reasons:

1. Our planning before 2008 was for investigations, a legacy of *La'o Hamutuk's* previous work analyzing projects. We have now shifted to long-term monitoring, so that we can propose alternatives.
2. Agriculture and food systems are broad, and it takes time to know enough to analyze them. During 2008 we increased our capacity regarding land rights, climate change and agrofuels. We also studied corporate and global agriculture, and observed the temptation oil revenues provide for subsidizing imports and promoting high-input agriculture.

After extensive discussion at our October Strategic Planning we decided to focus on "Food Sovereignty," and to work with other civil society groups to build a national food sovereignty movement.

Economics

Our critique of the proposed tax reform law – that it would not reduce prices to consumers – is now widely accepted throughout Timor-Leste.

Appendix I: Financial information

All amounts are specified in United States dollars. *La'o Hamutuk's* fiscal year is the calendar year.

La'o Hamutuk maintains our policy of not accepting contributions from the UN and its agencies, the World Bank, ADB, IMF, major donors to Timor-Leste and transnational corporations operating here, to preserve the organization's independence.

The organization has a flat wage structure; both local and international staff received salaries of \$400 dollars per month during 2008, plus a "13th month" in December. All staff receive benefits that include health insurance, some of which is self-insurance funded from the 'Health Reserve' account in the balance sheet. International staff receive one return airfare from their home country, as well as a 'readjustment allowance' of \$200 for each month worked up to the end of the first year, payable after they finish working with *La'o Hamutuk*. Staff members who must rent housing in Dili receive \$200/month toward those costs.

In 2008, for the first time, *La'o Hamutuk* earned substantial income from our work. We were paid \$1,600 to train journalists at ICFJ, and \$5,000 to write a background paper for UNDP. In addition, sales of our report on Sunrise LNG have netted hundreds of dollars. Although this is nowhere near enough to free us from donor dependency, it is an initial step toward sustainability.

As discussed under Financial Management on page 19, we identified and dealt with some financial irregularities during 2008, resulting in firing the staff member involved. The amount of unjustified payments, including falsified receipts and double-billing, is under a thousand dollars, and the person involved forfeited much more than that in salary and benefits. However, since we do not know exactly what portion of the questionable receipts is valid, the financial report below lists expenditures as they were made.

Balance sheet

This table indicates our total cash and bank account balances at the start and end of 2008, amounts of money set aside for specific purposes, and unrestricted money available for general operations.

	Total cash & bank balances	Readjust- ment Reserve	Health Reserve ¹	Sustain- ability Reserve ²	Opera- tional Reserve ³	Building Fund ⁴	Unre- stricted Funds
Balance 31 Dec. 2007	112,776	(400)	(15,000)	(26,950)	(30,000)	(20,000)	20,426
Income during 2008	135,749	3,600	3,010	0	0	0	129,138
Expenditures during 2008	130,900	2,400	3,010	0	0	0	125,489
Balance 31 Dec. 2008	117,625	(1,600)	(15,000)	(26,950)	(30,000)	(20,000)	24,075

¹ This is a self-insurance fund to pay medical expenses for staff and their families who do not have corporate insurance.

² This reserve is to replace and repair computers, motorcycles and other capital assets as they wear out. None of this money was used during 2008.

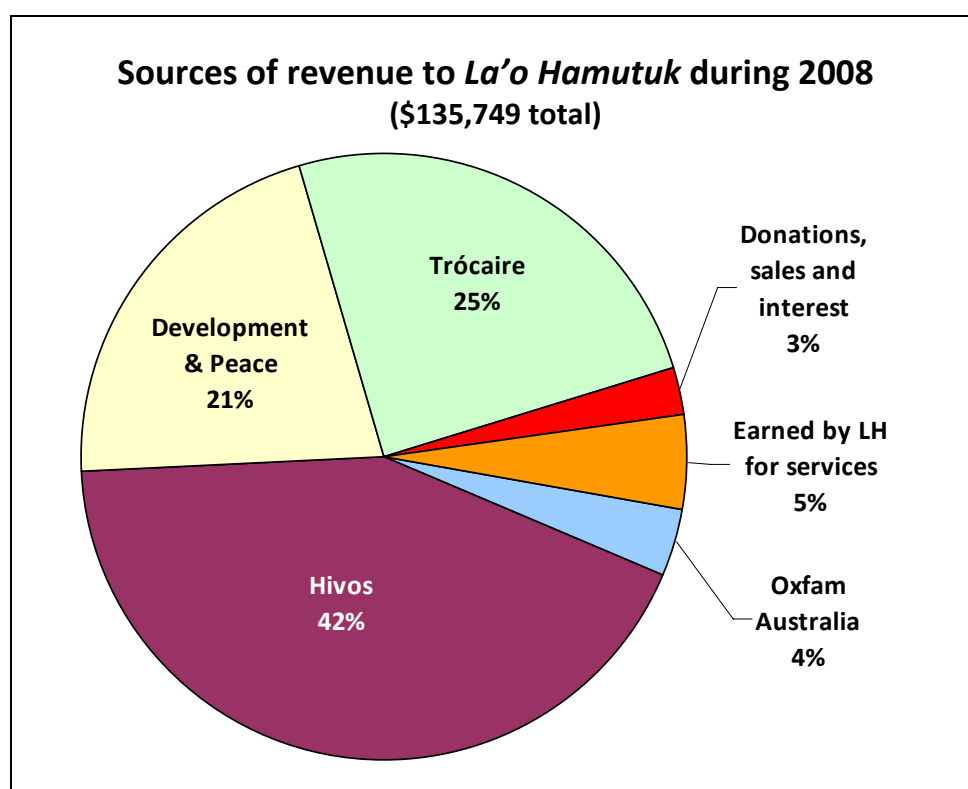
³ This fund includes approximately three months worth of expenses, established to avoid cash flow problems.

⁴ This fund was established during 2007 in anticipation of the need to build, buy or rehabilitate a building for *La'o Hamutuk's* office and resource center. We were not able to find a new site during 2008.

Revenues received during 2008

The following table shows income received by *La'o Hamutuk* during 2008. Each row shows a source of income, while each column shows the activities it was allocated to. See footnotes and expenditure list on following page for more details.

	LNG report ⁵	Brazil study ⁶	Hivos natural resource	Hivos capacity building	Climate justice conf.	Trócaire general	Unre-stricted	Total
Oxfam Australia	4,778 ⁷							4,778
Hivos		7,669	44,507	6,180				58,356
Development & Peace							28,812	28,812
Trócaire		6,603			1,238	25,609 ⁸		33,450
Paid to LH for donations, sales and interest	595						3,158	3,753
Earned for LH services ⁹							6,600	6,600
Total	5,373	14,272	44,507	6,180	1,238	25,609	38,570	135,749



⁵ Separate financial and narrative reports for this project, in its various phases, are being provided to Oxfam Australia.

⁶ A separate financial and narrative report for this project is being provided to Trócaire and Hivos.

⁷ Oxfam provided an additional \$7,500 for this project in February 2009, to be expended prior to June 2009.

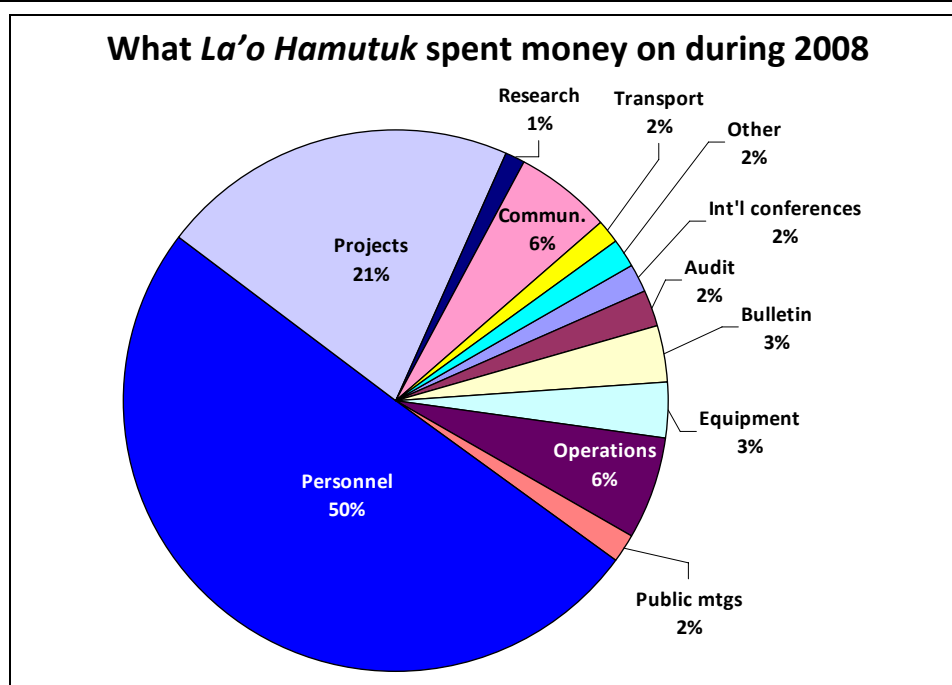
⁸ This was the first tranche of Trócaire's funding. *La'o Hamutuk* received \$18,482 additional for 2008 expenses in March 2009. It is allocated to specific line items of our general budget, as detailed in the expenditure report below.

⁹ Paid to *La'o Hamutuk* for providing trainings and writing articles.

Expenditures during 2008

The following table shows the money budgeted and spent by *La'o Hamutuk* during 2008 for different aspects of our work. Some expenditures were allocated to separately-funded projects. In the first table below, these are shown as "projects" but in the following table the individual line items have been combined with equivalent types of expenditures.

	Budgeted	Actual	Difference	Explanation
Audit	2,700	3,027	327	
Board expenses ¹⁰	-	140	140	
Bulletin	5,500	4,277	(1,224)	Published fewer than planned.
Telephone and internet	9,900	7,340	(2,560)	
Attend international conferences	1,000	2,175	1,175	Not reimbursed by host or donor.
Capital equipment	5,400	4,242	(1,158)	Fewer new staff resulted in fewer computer purchases.
Issue campaigns	300	150	(150)	
Operations and supplies	8,860	7,951	(909)	
Personnel ¹¹	86,200	66,123	(20,077)	Hard to find qualified new staff; some staff departures.
Projects ¹²	20,800	28,020	7,220	Oxfam will pay \$7,500 toward the LNG project in early 2009.
Organizing public meetings	2,900	2,158	(742)	
Radio program production	1,600	718	(882)	Has planned to be on more community radio stations.
Research in rural Timor-Leste	1,700	1,431	(269)	
Resource center materials	500	504	4	
Training for staff	900	520	(380)	Fewer new staff.
Transportation in Timor-Leste	1,640	2,128	488	We repaired motorcycles we have, rather than buying a new one.
Miscellaneous	500	(3) ¹³	(503)	All expenses listed on other lines.
Total	150,400	130,900	(19,500)	



¹⁰ Costs of Board meetings and telephone reimbursements

¹¹ Salaries, benefits, wage taxes, visa fees, housing allowances, etc.

¹² Funded separately from our regular budget: Sunrise LNG Report, Brazil study trip, Climate Justice conference

¹³ Our petty cash box had a surplus of \$2.63 over the course of the year.

The following table shows how the expenditures on the previous page were allocated among the projects and donors who supported *La'o Hamutuk* during 2008. Specifics on the various columns are explained in the Revenue section on page 23.

	LNG report	Brazil exchge	Hivos nat. res.	Hivos cap. bldg	Climate justice	Tró- caire	General support	Total
Audit							3,027	3,027
Board expenses			55				86	140
Bulletin			104			4,100	72	4,277
Telephone and internet	357		2,542			2,135	2,662	7,697
Attend internat. conferences					1,808	1,600	6	3,414
Capital equipment	284						4,242	4,526
Brazil educational trip		13,318						13,318
Issue campaigns							150	150
Operations and supplies	534		485	2,243		5,000	222	8,485
Personnel	470		31,122			17,079	17,922	66,593
Printing	5,629							5,629
Organizing public meetings	887		11				2,147	3,045
Radio program production							718	718
Research in rural Timor-Leste							1,431	1,431
Resource center			130				374	504
Training for staff				520				520
Translation	3,386							3,386
Transportation in Timor-Leste	1,915		113	3			2,011	4,043
Miscellaneous							(3)	(3)
TOTAL	13,464	13,318	34,563	2,766	1,808	29,914	35,067	130,900

Projected budget for 2009

The following is our projected budget for 2009. More details are in the proposal we submitted to our core donors in April 2009.

Expenditure		Explanation
Auditor	3,200	A foreign auditor. If our donors accept a Dili-based one, this will be \$1,000.
Bulletin	5,100	Artwork, printing, translation, distribution
Capital equipment	5,000	Computers, motorcycles, etc.
External evaluation	8,500	Includes survey of users of our materials
Int'l conferences	2,800	Non-reimbursed costs to attend international conferences
Miscellaneous expenses	1,000	Includes reimbursement for board expenses, contributions to issue campaigns.
Operations	9,800	Electricity, supplies, photocopying, advertising etc.
Personnel	87,200	Salary, wage tax, visa fees, health insurance, transport for international staff, housing allowance, readjustment
Projects	11,000	Will be funded separately
Public meetings	6,200	Space and sound system rental, publicity, refreshments, invitations and other costs connected with meetings organized by LH.
Radio program	2,300	Production costs and fuel for community radio stations
Rent and moving expenses	10,900	Costs of setting up new office and rent.
Research	2,600	Travel and housing in Timor-Leste to conduct field research.
Resource Center	1,100	Books, videos, and other materials
Surat Popular	300	Popular education publication
Telephone and Internet	8,300	
Training for staff	1,000	Language and other classes
Transportation	2,400	Transport and motorcycle maintenance, in Dili and nearby
Total	168,600	

Revenues		Explanation
Bank interest	600	
Donations	500	
Earned by LH	2,000	Training, consulting, writing papers, etc.
General support grants	148,500	
Moving expenses	5,000	Carried over from previous funding
Project grants	11,000	Will be funded separately from funds requested by this proposal
Sales	1,000	Sale of books, CD-ROMS, and other materials produced by <i>La'o Hamutuk</i> .
Total	168,600	

Appendix II: Radio programs

January

- ★ **Government concept and politics on agriculture development.** Valentino Varela (State Secretary of Livestock), Mateus da Silva (Dean of National University Agriculture Faculty) and Arsenio Pereira (HASATIL)
- ★ **Biogas and Biodiesel Development.** Avelino Coelho (State Secretary for Energy Policy) and Arsenio Pereira (HASATIL)
- ★ **Climate Change.** Santana Soares and Maximus Tahu (LH)

February

- ★ **Petroleum in Timor-Leste.** Santana Soares (LH), Francisco Monteiro (State Secretariat for Natural Resources) and Adriano do Nascimento (Parliament)
- ★ **Housing Rights and Evictions.** Joao Pequinho (Forum Tau Matan)
- ★ **CAVR recommendations.** Rev. Agostinho Vasconcelos (Post-CAVR Technical Secretariat) and Fernanda Borges (Parliament)
- ★ **Sunrise LNG Report.** Viriato Seac and Santana Soares (LH)

March

- ★ **Alternative Energy.** Avelino Coelho (State Secretary for Energy Policy) and Fr. Rolando Fernandes (Biogas project)
- ★ **International Women's Day.** Idelta Rodrigues (State Secretary for Gender Equality Promotion), Rosa da Sousa (Fokupers) and Tome Xavier (Lawyer)
- ★ **Tax Reform.** Cecilio Caminha (Parliament) and Santana Soares (LH)
- ★ **Civil Society in the Development Partners' Conference.** Santana Soares (LH)

April

- ★ **Truth and Friendship Commission Mandate.** Manuela Pereira (ICTJ) and Edio Saldanha (ANTI)
- ★ **LNG Pipeline in Timor-Leste.** Viriato Seac and Santana Soares (LH)
- ★ **Tax Reform.** Cecilio Caminha (Parliament), Rui Gomes (UNDP), and Viriato Seac (LH)

May

- ★ **Impacts of Mining on Women.** Inês Martins (LH)
- ★ **State of the Nation Report.** Helder da Costa and Edmund Viegas (authors of report)
- ★ **Pardon to Prisoners.** José Luis Oliveira (Asosiasaun HAK), Timotio de Deus (JSMP) and Vox Pop.

June

- ★ **Permaculture.** Lachlan McKenzie and Herminia Pinto (Permatil)
- ★ **MoU of Sugar Cane Plantation.** Arsenio Pereira (HASATIL) and Maximus Tahu (LH)
- ★ **Pardon to Ex-Militias and NPA law.** Timotio de Deus (JSMP), and LH statement on NPA law.

July

- ★ **Orsamento Rektifikativo.** Cecilio Caminho (Parliament), Manuel Tilman (Parliament), Viriato Seac (Core Group for Transparency)
- ★ **Orsamento Rektifikativo.** Ana Pessoa (Parliament), Manuel Tilman (Parliament), Fernanda Borges (Parliament), Viriato Seac (LH).
- ★ **Mandate of TFC.** Edio Saldanha (ANTI), Nicolau Goncalves (NGO Forum) and Vox Pop of ANTI.

August

- ★ **Jatropha Impact.** Shona Hawkes (LH), Rui Castro (Daba Loqui) and Avelino Coelho (State Secretary for Energy Policy)
- ★ **The Role of Civil Society in development.** Angelina Maria Sarmiento (Director of NGO Forum), Viriato Seac (LH), Joaquim Freitas (Prime Minister's advisor for civil society) and Augustu Pires (Board NGO Forum)
- ★ **Sharing experiences from Brazil.** Yasinta Lujina and Inês Martins (LH)

September

- ★ **Coffee production and job situation.** Sisto Kasemiro (Director NCBA), Junko Ito (PARCIC), Andre da Silva (CCT Maubisse)
- ★ **Women's Movement in ASEAN Countries.** Yasinta Lujina (LH), Maria Evelin Imam (Rede Feto)
- ★ **Climate Justice.** Virgilio Guterres (Haburas), Maximus Tahu (LH), Adao Barbosa (National Directorate for Climate Change)

October

- ★ **The Land Problem.** Carmelita Moniz (Parliament), Antonio Verdial (Director of Land and Property), Ibere Lopes (Advisor from ARD), Francisco Xavier (Parliament), Mario Araujo (Civil society).
- ★ **What is Climate Change?** Maximus Tahu (LH), Adao Barbosa (National Directorate for Climate Change), Virgilio Guterres (Haburas)

November

- ★ **Sugar Cane Plantation and In-Country Experience from Brazil.** Mariano Sabino (Minister of Agriculture and Fisheries), Youanto Kenchana (Director of GT Leste Biotech), Rui Pinto (Ecologist), Inês Martins (LH)
- ★ **Appeals Court Decision on the Budget Rectification.** Fernanda Borges (Parliament), Viriato Seac (Core Group Transparency)
- ★ **What is LNG?** Charles Scheiner (LH)

December

- ★ **2009 State Budget.** Charles Scheiner (LH), Antonio Abel (Fongtil), Helio Guimaraes (Luta Hamutuk)

Appendix III: Public meetings and presentations

The photo at right is from the launch of our Sunrise LNG report – one week after the near-assassination of the President.

The events in the list below were organized by *La'ó Hamutuk*.



Date	Topic / location	Speakers	Attendees
15 Feb.	The implementation of <i>Chega!</i> in the national curriculum HAK Association	Dr. Clinton Fernandes (New South Wales Uni), Rev. Agostinho Vasconcelhos (Director of STP), Fernanda Borges (Parliament)	40
18 Feb.	Book launch of <i>Sunrise LNG in Timor-Leste: Dreams, Realities, and Challenges</i> Memorial Hall, Dili	Alfredo Pires (State Secretary for Natural Resources), with presentation of Report by Viriato Seac and Santana Soares (LH)	120
28 March	The Government's policy on alternative energy HAK Association	Avelino Coelho (State Secretary for Energy Policy), Fr. Rolando Fernandes (Biogas project), Arsenio Pereira (HASATIL)	40
18 April	Tax reform UNTL	Rui Gomes (UNDP), Tobias Rasmussen (IMF), Viriato Seac (LH)	40
29 May	Oecusse Community Activation Project (OCAP) Oecusse Business Dev. Center	Jose Oki (Director of Agriculture for Oecusse) and Domingos Maniquen (Oecussi District Development Officer)	75
13 June	National Petroleum Authority draft decree-law HAK Association	<i>La'ó Hamutuk</i> press conference and public statement	25
8 July	Mid-Year Budget Rectification NGO Forum (CGT)	Training by Charles Scheiner and Viriato Seac (LH)	35
August	Sunrise LNG: Dreams, Realities and Challenges Viqueque, Beaçu, Same, Lore I, Los Palos	Five meetings with community people and local officials by Tibor van Staveren and Viriato Seac (LH)	200 (total)
26 Sep.	Climate Change and Timor-Leste HAK Association	Virgilio Guterres (Haburas), Adao Barbosa (Nat'l Directorate for Climate Change), Maximus Tahu (LH)	39
17 Oct.	Land Issues in Timor-Leste HAK Association	Antonio Verdial (Nat'l Directorate of Land and Property), Carmelita Moniz (Parliament), Xavier do Amaral (Parliament), Ibere Lopes (Land & Property), Mario Araujo (civil society)	33
7 Nov.	Sugar cane biofuels plantation HAK Association	Mariano Assanami Sabino (Minister of Agriculture & Fisheries), Youanto Kenchana (GT Leste Biotech), Rui Pinto (Ecologist), Inês Martins (LH)	65

Presentations given by LH staff elsewhere:

- ★ **Press conferences** of the Core Group on Transparency, ANTI, NGO Forum and the Housing Rights Network throughout the year.
- ★ **Proposed Tax Reform Law.** Santana Soares testified at Parliamentary Commission A hearing. 25 March.
- ★ **Justice, Poverty and Oil: Unresolved Issues in East Timor.** Presentation by Charles Scheiner at Bluestockings Books, New York City, organized by ETAN. 8 April.
- ★ **Strengthening the Role of Parliament in Promoting Transparency, Accountability and Combating Corruption in Timor-Leste,** conference organized by Parliament Commission C at Hotel Timor. Charles Scheiner spoke on two panels. 18-19 September.
- ★ **How to Read and Analyze the State Budget.** Trainings by Charles Scheiner and Viriato Seac to local journalists, contracted by the International Center for Journalists (ICFJ), 14-17 October.
- ★ **Millennium Challenge Corporation Aid for Timor-Leste.** Charles Scheiner on a panel with U.S. Ambassador, Minister of Finance, and head of Parliamentary Subcommittee on Corruption. Organized by Ministry of Finance at Ministry of Foreign Affairs. 6 November.

Appendix IV: La'o Hamutuk in the media

La'o Hamutuk is frequently interviewed by journalists (local and foreign) and international organizations to provide background information, comment on current events, or explain our reports.

This lists some of the coverage of *La'o Hamutuk's* work in local and international media during 2008, as well as articles by *La'o Hamutuk* staff published elsewhere. It is not a complete list, omitting publications not in English or Tetum, and does not include articles or releases by *La'o Hamutuk* which were copied or referenced by on-line publications and websites.

- ★ **Timor-Leste Security situation**, interview with Santina Soares, Radio Timor-Leste (RTL), 3 January
- ★ **Petroleum Fund and State Budget**, interview with Santina Soares, Radio Timor Kmanek (RTK), 8 January
- ★ **Impact of Timor-Leste's Situation on its Economic Growth**, Interview with Santina Soares and Charles Scheiner, Associated Press, 15 February
- ★ **LNG report**, interview with Santina Soares, TVTL, 18 February
- ★ **LNG report**, interview with Santina Soares, *Timor Post*, 18 February
- ★ **LNG report**, interview with Santina Soares, Media Weekly Internet, 19 February
- ★ **Call for Sunrise to be delayed**, Bloomberg news service, 19 February
- ★ **LNG report**, interview with Santina Soares, RTL, 20 February
- ★ **Security and Justice**, interview with Santina Soares and Charles Scheiner, ABC Radio, 2 March
- ★ **LH position on transparency**, interview with Viriato Seac, Labe Radio Program, 18 March
- ★ **Tax Reform**, interview with Viriato Seac, RTL, 28 March
- ★ **Underreported: The News from East Timor**. Charles Scheiner interviewed on live radio program on WNYC in New York City, with ex-LH staffer Guteriano Neves from Hawaii. Listenable [online](#).
- ★ **Women Program**, interview with Yasinta Lujina, RTK, 18 April
- ★ **UNMIT Political Affairs**, interview with Viriato Seac, UNMIT Radio, 23 April
- ★ **OCAP**, interviews with Inês Martins and Yasinta Lujina, RTL, *Lifau Post* and *STL*, 25 May
- ★ **Oil companies jostle over Timor Sea rights**, based on information from *La'o Hamutuk*, ABC Radio Australia, 3 June.
- ★ **Timor's Alkatiri to sue over 'false allegations' of oil and gas bribes**, based on Fretilin press release using information circulated by *La'o Hamutuk*, *The Australian*, 5 June
- ★ **Inadequate Public Consultation on National Petroleum Authority**, based on *La'o Hamutuk* press conference, *Kla'ak*, 19 June
- ★ **Sugar cane plantation in Timor-Leste**, interview with Maximus Tahu, FPA, 20 June
- ★ **NPA Law Passed by Council of Ministers**, interview with Viriato Seac, *Dili Weekly*, 25 June
- ★ **Timor land 'giveaway' under fire**, cites Maximus Tahu, *Melbourne Age*, 25 June
- ★ **Biofuels to increase poverty among Timorese**, quoting Maximus Tahu *Asia News*, 25 June
- ★ **MCC fund for Timor-Leste**, interview with Viriato Seac and Charles Scheiner, *Timor Post*, 25 June
- ★ **Sugar cane plantation in Timor-Leste**, interview with Maximus Tahu, Radio France International, 26 June
- ★ **Questions over East Timor's budget review**, interview with Charles Scheiner, ABC, 30 June. Listenable [online](#).
- ★ **Oil and gas can bring curse**, interview with Viriato Seac, *Tempo Semanal*, 1 July
- ★ **Parliament worried about NPA Decree-Law**, citing LH letter to Parliament and quoting Viriato Seac, *Dili Weekly*, 3 July
- ★ **Questions about sham power tender**, copied from LH website, *Dili Weekly*, 10 July
- ★ **CGT: Taking money above the ESI will bring Timor-Leste into the Resource Curse also Will the Economic Stabilization Fund resolve the problem?**, citing Charles Scheiner interviewed on ABC radio, *Kla'ak*, 7 July.
- ★ **Military exercises in East Timor under fire**, citing *La'o Hamutuk* on ISF night-shooting exercises, *The Canberra Times*, 9 July

- ★ **Government must explain mechanism to execute budget**, interview with Viriato Seac, *Timor Post*, 9 July
- ★ **Civil society worries about high budget rectification**, interview with Viriato Seac, *STL*, 9 July
- ★ **New Electric Center: Power on or off forever?** Quoting Charles Scheiner, *Kla'ak*, 14 July
- ★ **Interview with Januario Pereira**, citing *La'o Hamutuk* as a source, *Kla'ak*, 22 July
- ★ **Timor-Leste needs legal foundation for resources**, interview with Viriato Seac, *STL*, 24 July
- ★ **Economic Stabilization Fund will create new problems**. Based on CGT/LH press statement, *Kla'ak*, 29 July
- ★ **Dangerous to use Economic Stabilization Fund for the Market**. Based on CGT/LH press statement, *Tempo Semanal*, 7 August
- ★ **President of the Republic apologizes, who is wrong?** citing LH as first to talk about rectified budget, *Kla'ak*, 13 August
- ★ **East Timor debates use of oil riches**, quoting Viriato Seac, *The National* (Abu Dhabi), 26 August
- ★ **What is LNG?** interview with Viriato Seac, *Tempo Semanal*, 8 September
- ★ **East Timor fights to tap vast undersea gas field**, based on LH information, Associated Press, 26 September
- ★ **Government's plan to bring pipeline to TL – Viriato: “Has benefits but not now”**, interview with Viriato, *Timor Post*, 5 October
- ★ **La'o Hamutuk - Haburas climate change debate**, *STL*, 6 October
- ★ **East Timor Talks Tough**, quoting Charles Scheiner on delaying Sunrise, *Australian Financial Review*, 14 November
- ★ **Sugarcane plantation: Mariano Sabino not honest**, citing *La'o Hamutuk* as source of MOU, *Kla'ak*, 17 November
- ★ **East Timor kills Chinese power deal**. Quoting Tibor van Staveren, *Asia Times Online*, 3 December. (This article contains many errors, and *La'o Hamutuk* circulated a correction)
- ★ **Anger in East Timor over judge's treatment**. Interviewing Adino Nunes. Radio Australia, 4 December
- ★ **Like there's no tomorrow**, citing *La'o Hamutuk*, *Sydney Morning Herald*, 22 November. This article was translated to Tetum and re-published by *Kla'ak*, 12 December.
- ★ **East Timor uneasiness on troops**, based on *La'o Hamutuk* submission to Australian Parliament, Melbourne Age, 18 December.
- ★ **La'o Hamutuk report on Australian troops**, interview with Shona Hawkes, LatinRadical program on Radio Nimbin, 26 December. Audio [online](#).
- ★ **Planting sugarcane: first time in the history of Timor-Leste's ecosystem also Difference between an Environmental Impact Statement and an Environmental Impact Audit**, citing *La'o Hamutuk* as a source, *Kla'ak*, 28 December

Appendix V: Staff and Advisory Board biographies

At the close of 2008, *La'o Hamutuk* staff included five full-time Timorese and two foreign professionals, three women and four men, although more will be hired in 2009. Our staff is non-hierarchical and makes decisions collectively, although two serve as rotating coordinators. All staff share administrative and program responsibilities, with conscious effort being made to transfer skills and increase capacities.

The following people are on our staff at the end of 2008:

Shona Hawkes

Shona is from Melbourne, Australia. She has worked in Australia to promote inclusive decision making, particularly with young people. Prior to joining *La'o Hamutuk* she researched development issues for Monash and RMIT Universities, teaching advocacy and research skills. She is active in community arts and active on global trade issues. In 2007 Shona was an election observer and volunteered with *La'o Hamutuk*. She speaks Tetum, French and English and is learning Bahasa Indonesia. Shona joined our staff in April 2008 and researches agrofuels and food security, as well as monitoring the ISF. She helps coordinate the *Bulletin* and liaise with international networks on land rights and ASEAN accession.



Inês Martins

Inês was studying economics at the University of Timor Leste before the Indonesian military destroyed it in September 1999. Born in Bobonaro, Inês is fluent in Tetum, Portuguese and Indonesian, and is learning English. Inês has worked with *La'o Hamutuk* since May 2000, researching many issues including Portuguese and Cuban assistance and the coffee sector. She participated in the exchanges to Brazil in 2001 and Cuba in 2003. Inês currently works on agriculture research, public meetings, radio program and organizational coordination. In August 2008, Inês went on a fact-finding study in Brazil.



Odete Moniz

Odete joined *La'o Hamutuk* in October 2007 as office manager and finance manager. She previously worked as finance auditor in Regional Inspectorial (before the independence), finance and administration in Espada and the NGO Forum Working Group on Voters Education. She is completing courses at the International Institute of Business. Odete speaks Tetum, Bahasa Indonesia and Bunak. Odete is responsible for day-to-day office management, bookkeeping and financial oversight.



Adino Nunes Cabral, S.H

Adino was born in Moro, Los Palos, and studied Constitutional Law at Janabadra University in Yogyakarta, Indonesia from 2003-2007. During that time, he was active in the FPPI (Front for Indonesian Youth). Adino speaks Fataluku, Tetum, Bahasa Indonesia and some English and Portuguese. He was advocacy program officer at Rede Feto (Women's Network) in 2007-8, and he joined *La'o Hamutuk* in September 2008, where he works on Governance and Democracy.



Charles Scheiner

An engineer and long-time Timor-Leste solidarity activist, Charlie worked at *La'o Hamutuk* in Dili from 2001 until 2004, working on the *Bulletin*, finances, justice, the UN, oil and gas, international activist networks, and foreign governments' roles in Timor-Leste. After alternating between New York and Dili for a few years and working part-time for *La'o Hamutuk*, Charlie returned to work full-time for *La'o Hamutuk* in 2008. His main foci are natural resources, justice, solidarity and governance, as well as finances, website, and *Bulletin* editing and layout.



Viriato Seac

Viriato was born in Alas, Manufahi District. He has an Electronic Engineering degree from the National University of Timor-Leste and studied Information Sciences in New Zealand. Viriato worked for the Judicial Systems Monitoring Programme and UNICEF before joining *La'o Hamutuk* in September 2007. Viriato speaks Tetum, Bahasa Indonesia and English and is attending law school. At *La'o Hamutuk* he works on natural resources and governance, and serves on the EITI multi-stakeholder Working Group. In 2008, Viriato attended an EITI training in Germany.



Maximus Tahu

Maxi was born in Selo Kraik, Aileu district. He studied philosophy and theology in Major Seminary Dili for three years. Maxi joined *La'o Hamutuk* in June 2007, having previously worked as Editor and News Coordinator at Radio Timor Kmanek (RTK). Maxi speaks Tetum, Mamba'e, Bahasa Indonesia, Portuguese, and English. Maxi works on agriculture, our radio program and climate change. During 2008, he was on our Coordination Team and attended a Climate Justice conference in Bangkok.



The following were on *La'o Hamutuk* staff during part of 2008:**Santina Soares**

Santi was born in Beçu, Viqueque district, and joined *La'o Hamutuk* in 2005. Santi speaks Tetum, Indonesian, English, Noeti, Makasae and some Portuguese. At *La'o Hamutuk*, Santi focused on natural resources, fundraising and transparency. She left *La'o Hamutuk* in May 2008 to serve on the Government's Sunrise Task Force, and in August began graduate studies in Gender and Development Studies at the Asian Institute of Technology in Thailand.

**Nawri Yuliana Ulbadru**

Returning to Timor-Leste after several years in Indonesia, Urie joined *La'o Hamutuk* in June 2008 to work on economics, but left three months later.

**Tibor van Staveren**

Tibor is of Dutch and Hungarian origin and has been involved in development work in Indonesia since 1998 and Timor-Leste since 2001. Tibor studied science education and international development and speaks Dutch, English, Bahasa Indonesia and Tetum. Before joining *La'o Hamutuk* in December 2007 he worked for Timor Aid, Knua Buka Hatene (KBH) and the European Community. At *La'o Hamutuk*, Tibor focused on economics and trade as well as natural resources, and was on our Coordination Team. He left *La'o Hamutuk* in December to be a full-time father.

**Yasinta Lujina**

Yasinta was born and grew up in Oecusse. She studied at the Social Welfare University in Bandung, Indonesia, and worked at Christian Children's Fund and Catholic Relief Services before joining *La'o Hamutuk* in August 2002. She speaks Tetum, Indonesian, Dawan and English. With *La'o Hamutuk*, Yasinta worked on justice, agriculture, and personnel, finance and *Bulletin* coordination. During 2008, she participated in two workshops on the Women's Movement and an exchange visit to Brazil. Yasinta left *La'o Hamutuk* in December 2008 and is now the Executive Director of Rede Feto (Women's Network).



Advisory Board

Selma Hayati

An Indonesian human rights activist, Selma has worked in Timor-Leste since 2001, including with Concern Worldwide, Care International, Oxfam GB. *La'o Hamutuk* (2003-2004), Oxfam Australia, NGO Forum and UNTAET. Previously she worked for Asia Monitor Resource Center in Hong Kong; and Indonesian Legal Aid Foundation. Now Selma works as a Political Affairs Officer in UNMIT, and is a member of Action Asia on Conflict Transformation based in Cambodia and the "Seidauk Iha Naran (there is no name yet)" literature group in Dili. She writes articles and poetry for various publications.

Joseph Nevins

Joseph is the international coordinator of *La'o Hamutuk*. During 1999, he served in Dili as one of the coordinators of the IFET Observer Project, and had visited Timor-Leste three times previously. He volunteered as *La'o Hamutuk* staff in Dili during the summers of 2000, 2001 and 2005. Joe has written three books and numerous articles on Timor-Leste, including *A Not-So Distant Horror: Mass Violence in East Timor*, published in 2005. After teaching at the University of California in Los Angeles and Berkeley, Joe became a professor of geography at Vassar College, USA in 2003.

Justino da Silva

Justino da Silva was born in Hato-udo, Ainaro district. Justino worked as facilitator for Civic Education in UNTAET and for the National Democratic Institute (NDI). He was leader of the Advocacy Division of the Timor-Leste NGO Forum (Fongtil) until mid-2008, and now works for Concern in Manufahi, although he remains involved in civic education, research and advocacy conducted by Fongtil and its members.

Oscar da Silva

Oscar da Silva was born in Uatu-karbau, Viqueque District, works as a consultant for UNDESA (UN Department of Economic and Social Affairs) and teaches Social Economics at the National University of Timor-Leste. He previously worked for Association HAK and HASATIL. He designed the Community Development Concept Plan and Community Action Plan which were implemented in Lacro (Manatuto District), Laulara (Aileu District) and Atauro (Dili District).

Pamela Sexton

From the USA, Pamela has extensive experience in Indonesia and Timor-Leste. Pam lived in Yogyakarta, Indonesia for two years and speaks Indonesian fluently, as well as Tetum and Spanish. In 1999, she was U.S. coordinator for the IFET Observer Project, and observed the referendum in Suai. In May 2000, Pam helped set up *La'o Hamutuk*, and she served on our staff from 2000-2002, focusing on popular education, gender issues, and international exchanges. Pam returned to California in November 2002, from where she continues to support our work as a volunteer and a member of our board. She returned to Timor-Leste in 2009.

Adérito de Jesus Soares

Adérito is a lawyer and human rights advocate. He was founding Director of Sah'e Institute for Liberation, and founded the Timor-Leste National Jurists Association. Born in Maliana, Timor-Leste, Adérito has served as director for ELSAM, a Jakarta-based human rights organization. Adérito co-authored a book on West Papua, and has written numerous articles on international law and human rights in Indonesia and Timor-Leste. In August 2001, Adérito was elected to Timor-Leste's Constituent Assembly, where he chaired the committee on government structure, helping to write the Constitution. He later resigned from Parliament and did graduate legal studies at New York University. He returned to Dili in 2003 to undertake legal, writing and human rights projects. Since 2006, Adérito has been working on a Ph.D. at Australian National University.