

La’o Hamutuk expects the Government to involve Civil Society in the TLPDM conference



DILI, July 27, 2021 (TATOLI)- “La’o Hamutuk” which has been analyzing development in Timor-Leste for more than 20 years, expressed a disappointing expression concerning the TLPDM conference held by the Government and its partners for not involving the Civil Society.

This expression was released by A local Non-Governmental organization La’o hamutuk on the same day the conference was held.

” We are disappointed that civil society was not asked to share observations as part of this meeting,” the statement said.

Despite not being involved in the conference, La’o Hamutuk has outlined the views on today’s development context However, context, priority areas for intervention, and principles that should guide development programs.

Following are the views outlined by La’o Hamutuk:

Petroleum Fund

“La’o Hamutuk is done an observation for some situations that facing Timor-Leste and Development priorities composed of State Finances. Most of the financial resources of the state of Timor-Leste reside in the Petroleum Fund, which itself was built by converting limited, nonrenewable oil and gas wealth to dollars,” the note said.

It recalled that the Bayu-Undan field reached peak production between 2011 and 2013 and has been declining ever since. Today, production has almost ended.

The Petroleum Fund is invested in international financial markets and is the primary source of money for the State Budget.

“Withdrawals from the Petroleum Fund allow us to use our finite wealth to strengthen human resources and the productive sector, based on careful study and analysis, and thus to establish a financial foundation for the state’s economy, activities, and programs,” said.

It is also highlighted the La’o Hamutuk long advocated for the Government and development partners to use the money from extracting the petroleum wealth for the development.

“La’o Hamutuk has long advocated for the Government and partners to use the money from our petroleum wealth for productive and sustainable policies to build our human resources and thus strengthen the economy, addressing structural problems that hinder the population’s well-being,”

it is also added that, As the Government itself recognizes, the Petroleum Fund could be empty within ten years. Timor-Leste has not yet identified or developed sustainable economic activities that could replace oil and gas extraction from Bayu-Undan.

Timor-Leste may be unable to pay for basic services, including health and education after the Petroleum Fund is empty.

“We encourage development partners to continue to consider the full implications of debt before encouraging the Government to continue with projects financed by borrowing,” it added.

It is said that Climate change threatens to undermine all efforts to improve the quality of people’s lives.

“Interventions in agriculture, health, nutrition, water, and other basic infrastructure cannot succeed if we fail to deal with this underlying threat,”

Timor-Leste contributes much less to climate change than industrialized countries, but we are very vulnerable to its impacts. Many development partners now target Timor-Leste for climate change adaptation projects, or for carbon dioxide offsetting projects that use forestation to reduce the impact of emissions created elsewhere.

We ask development partners to share Timor-Leste’s experiences of climate change as they and we urge the Governments of industrialized countries to reduce their emissions. We also ask that development partner agencies weigh the impacts of their activities, including air travel, and consider the climate-related impacts of all projects that they promote or support in Timor-Leste, including airports and major projects.

Economic-Diversification

As Bayu-Undan production dwindles, Timor-Leste is confronted with difficult decisions. Can we continue to expect the extraction of non-renewable underground wealth – petroleum or mining – to sustain our economy and our government? How plausible are the promises from advocates for this path, and how well do we understand the risks and consequences of it.

Mega-projects frequently fail to benefits the entire population and offer limited long-term employment opportunities. For example, if we add up permanent employment generated and predicted by existing and proposed major projects – the Heineken factory, Tibar Port, TL Cement’s mining and production, Pelican Paradise resort, and the Tasi Mane Project – the total number of jobs is less than the number of people who enter Timor-Leste’s working-age population very month.

A sustainable, inclusive, and diverse economy might not produce corporate profits or GDP growth as large as past oil and gas projects have. However, a diverse economy will benefit all of our people over the longer term.

The objective of an economy should not be to increase the GDP or other abstract indicators but to create opportunities for well-being for everyone. For example, the economist Brett Inder compared projections of the outcomes from investing in Tasi Mane and the coffee sector and found that a much smaller investment in coffee production could create five times as many jobs as the Tasi Mane project.

We appreciate the assistance of development partners in Timor-Leste. While development partners have long delivered aid for education, water, sanitation, agriculture, and climate change adaptation, mechanisms to ensure participation and sustainability are not yet clear.

We believe that all donor interventions should be consistent with the actual necessities and conditions of our people, and should align with principles of participation, transparency, accountability, collaboration, and sustainability.

Participation

The participation of the community is key to achieving development goals and should be incorporated in the initial planning and all subsequent activities to ensure that development programs are relevant to people’s lives.

We have seen development partners arrive in Timor-Leste with plans that they intend to implement regardless of the existing situation. We urge all development partners to

consider community participation as an important pillar of programs, especially regarding programs linked to basic services.

We believe that effective and just interventions should include high levels of community participation, not just as beneficiaries. Development partners and the Government should recognize the people as knowledge-bearers, who can make important contributions to just and effective development.

We are concerned that Government transparency has declined over the last few years. The 2021 State Budget needs more transparency, allocating funds through a program-based system which, in practice, reduced the amount of program detail available.

Past initiatives, including the Procurement and Government Results Portals, no longer function. While we appreciate the efforts of development partners to help the Government improve transparency and accountability, we also hope that development partners will set a good example in their practices.

We have observed that development partners are very skilled at communicating the positive results of their work.

To increase participation and create opportunities for the public to evaluate and give input into partners' programs, we ask that partners increase transparency and publish more comprehensive information in languages that are widely understood in Timor-Leste. We ask partners to communicate all aspects of programs, not just their successful activities and outcomes.

Collaboration, Coordination, and Sustainability

We have seen weaknesses in the collaboration and coordination between Government and development partners. Regarding water and sanitation, for example, persistent efforts by development partners have not achieved significant progress; 2016 Demographic and Health Survey found that only 42% of rural households had access to clean water.

The majority of people had to walk for on average 30 minutes to access clean water, with a disproportionate impact on women and children. More recent data would help the public, the government and development partners.

We hope that improved coordination and efforts to improve transparency would result in current relevant data, which would assist planning for the present reality while creating opportunities for the community and civil society to monitor and evaluate progress in providing basic services.

It is concluded that La'o Hamutuk remains ready to listen to your concerns and to offer our analysis to assist Government and development partners to engage in the more detailed discussion of development in Timor-Leste.

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