



Political Statement of the Democratic Party Bench on the Re-Examination of the 2016 General State Budget

Unofficial translation from Tetum original, which is at
<http://www.laohamutuk.org/econ/OGE16/veto/PDdeclar8Jan2016te.pdf>

For more information on the 2016 State Budget in both English and Tetum, see
<http://www.laohamutuk.org/econ/OGE16/15OGE16.htm>

Excellency Sr. President of the National Parliament, Vice Presidents, and members of the table, His Excellency Mr Prime Minister, Fellow Deputados, Members of Government, and to all of the People of Timor-Leste, with my love.

“Uphold Independence, and Build the Nation from the Base”

This is the vision and principles of the Democratic Party, as the guiding line for messages, logical thinking for the process of national development, critical reflections seated in moral quality, as members of parliament, to hear the concerns of all people, to weigh with depth, and to complete in accordance with the aspirations of those Timorese people who, do not have the opportunity to speak, do not have the opportunity to disagree, and do not have the power to negate political decisions, that are unfavourable to their concerns and needs, as Timorese people, there is just one Timor-Leste.

With the intention of guaranteeing faith and certainty in the process and outcomes of governance and prohibitions to improve the life of the people and the nation, the Democratic Party Bench, once again, sends its message for us all, in order to say: **“When we do something with certainty and trust, without listening to each other, we will end with fears and uncertainties in our actions and outcomes. However, if we do something with concern for the risks and uncertainties at the beginning, we will learn new lessons, and end with certainty and faith, for our actions and outcomes for the future”**.

Excellencies,

Today, the 8th of January, 2016, we debate the veto from the President of the Republic on the 2016 OGE. The PD Bench is aware that: 1). This veto is a constitutional exercise to balance the rules and bans between the sovereign organs, as mandated by the semi-presidential system we adopted, such that, we can all guarantee faith and certainty in the process of governance, and so that the policy outcomes that we produce, provide benefits to the lives of the people and nation: 2) this veto, demonstrates to our political leaders and the entire public that the quality of democracy in this nation, has achieved progress and success, to give hope to the people of Timor-Leste.

Excellencies,

The President of the Republic, Taur Matan Ruak, has given his logical thoughts on the concepts and strategies for national development, the concerns and needs of the people, and the development priorities in 2016. The PD is aware that the President of the Republic is exercising his constitutional powers, as the position selected directly by the people, like members of parliament, and has become the Head of State of Timor-Leste, which regulates his entire role in the semi-presidential system. The PD's logical thoughts, accord that, for a nation which adopts a semi-presidential system, this means

that, the President of the Republic becomes, the person who has the voice, or the final word, to weight and finalise political decisions in the national interest, together with the other sovereign organs, including the National Parliament and the government. The PD is aware that Timor-Leste has not adopted a Parliamentary system, where all political decisions are finalized in the National Parliament and the government executes following its path, and at the determined times;

Politicians in the National Parliament and the government, from three years ago to the present, has shown good political will to create national consensus, in the process of making policy decisions in the national interest. PD is also aware that the national consensus policy, is a practical policy, to value the democratic culture of Timor, which is called the '*nahe biti boot*', in order to make decisions for the well-being of all. The national consensus that the parliament and government have built at present, are the results of acculturation, from the culture of *nahe biti boot* with modern, representative, participatory and inclusive democracy. Because of this, the PD believes that, National Consensus must not stop just with the National Parliament and the Government, but national consensus must be further widened or extended to the four sovereign organs, including the Presidency of the Republic, the National Parliament, the Government and the Courts. If required, national consensus can also be extended to civil society, including the Catholic Church and other religious convictions, with the role of strengthening human moral foundations, planting and giving life to the seeds of peace and love in order for there to be mutual respect between Timorese people, with the aim of creating stability and security within society. To the matter of the veto by the President of the Republic, PD is aware that the National Parliament's concept and strategy for development this year, is proceeding along its course, even so, the concept and strategy from the President of the Republic also, makes no error, and damages nothing. However, what is lacking amongst all of us, is the lack of dialogue or speaking with each other, listening to each other, weighing and together ending the concerns and needs of the people, through national consensus. Something else that makes us grimace at each other, is our concern for the basic needs of the people, concerns for limited financial resources, sources of income that are exploited and developed properly, the need for national consensus in identifying development priorities for 2016;

As a democratic nation, Timor-Leste has its separate sovereign organs, but these four become one in thoughts, actions and in reflection of the real situation, so as to be able to sit with the spirit of an independent and unitary state, based on popular will and mutual respect, in accordance with Article 1 of the RDTL Constitution. Because of this, the PD's logical thoughts follow that the spirit of institutional solidarity, cannot be separated, neither restrained nor burdened from one to another, just because of individual or group pride, or because of individual intellectual arrogance, in the interpretation of the separation of powers.

The concerns and recommendations expressed by the President of the Republic in his message, similar to the concerns highlighted by members of parliament, particularly from the PD bench declare and insist that the government and members of parliament listen, weigh-up and adapt, the 2016 State Budget. PD recognizes that the government has provided clarifications of the issues that concern PD, however, unhappily, solutions to accommodate the concerns and proposals from the PD, have not yet found a way to be complied with, and have not yet been given a place. In the process of debating the 2016 State Budget, the PD requested members of the Parliament and government, to prioritise financing of human capital development and productive sectors including Agriculture, Education, Tourism, Health and Commerce and Industry, however, once again unhappily in the debate for the 2016 State Budget, PD's urgings were not acceded to, nor given a place, to allocate sufficient budget, and in balance with other sectors, such as the mega projects in Oecusse and the Tasi Mane. Because of this, today the PD declares once again that the PD does not yet have faith and certainty in the returns from the ZEESM and Tasi Mane mega projects. The underlying reasons that motivates the PD to say that it lacks confidence and certainty are as follows: 1). The government has not yet presented the results of feasibility studies of these two mega projects; 2) The ZEESM mega project is being planned and executed by one member of parliament, who has the role of oversight. Because of this, the PD has no confidence, nor certainty regarding accountability and transparency for the entire execution process.

Furthermore, the budget for the Oecusse Region and the ZEESM, is not part of the FreeBalance

system, does not have the financial oversight foreseen by the courts, and has direct awarding (of contracts) without any boundaries. This means that the separation of powers are brought into question, and the unitary state becomes a concern from one day to the next;

The PD is concerned about the urgent transformation from the Special Fund for Infrastructure to the Autonomous Fund. The PD believes that the policy for the creation of the Autonomous Fund, blocks and burdens the role of financial oversight of the National Parliament, because the Autonomous Fund has a generic character, which can be altered in accordance with the needs of those in government.

The PD is concerned with the approval of Article 7.4, in the Law for the 2016 State Budget, regarding direct awards without limitations for the ZEESM and PDIM projects. The fundamental reasons for PD's concerns are as follows: 1) direct award without limitations for the ZEESM and PDIM projects is not in keeping with the spirit of the Financial Management Law which places a 10% barrier for the executor to not be able to award projects however he wishes; 2) direct award without limitations for the ZEESM and PDIM projects can bring into question the principles of accountability and transparency; 3) direct award without limitations for the ZEESM and PDIM projects may give rise to social and political tension within the community; 3) If the government does not wish to use the 10% barrier to direct awards, then why should some ministries be able to only make direct awards for 10%, and the ZEESM and PDIM projects have no limitations? 5) If the barrier of 10% gives rise to project execution problems, then why aren't all public projects, just undertaken using direct award without limitations?

Excellencies,

In order to resolve the matter raised above, the PD has submitted a number of proposals (5) to open the debate and to provide an appreciation of the message from the President of the Republic. The PD Bench request the National Parliament and the Government, to show political good will to extend and widen national consensus, to all of the sovereign organs, so that, we can have a dialogue to listen to each other, analyse and weigh-up together the concerns and needs of the people and the nation, and to take decisions without concerns and uncertainty, that may give rise to political and social tensions. The PD asks us all to uphold and place in our political decisions that the semi-presidential system means to us that the President of the Republic also has a voice or the final word in the process of taking decisions in the national interest.

The PD also requests the National Parliament and the Government to uphold the fundamental principles regarding the unitary state based on popular will, in accordance with Article 1.1 of the Constitution, Any law and decree-law that we produce, must not have any tendency to stray from the principles of the unitary state, nor to separate into federated states. Oecusse must have special administrative treatment, which submits to the central administration, including the national procurement, and financial oversight foreseen from the courts and be included in the FreeBalance system, in order to provide a means for the National Parliament to conduct financial oversight.

Mr President
Excellencies

In his message the President of the Republic asked us all to reflect. Therefore, I request also that we all make a deep reflection on his message. Finally, in closing, the PD Bench wishes to remind everyone that the latest price for oil from Brent, which serves as the reference for Timor-Leste, is 33 USD per barrel. The average estimated price for 2016 is 34 USD per barrel. The value or price foreseen in the 2016 State Budget is 64 USD per barrel! Is there or not, Mr President, a need for us to reflect!?

With thanks.

Dili, 8th of January 2016

Lurdes Bessa, President of the PD Bench