

Australian Country Statement: Timor-Leste Development Partners' Meeting

- The links between the people and governments of Timor-Leste and Australia are strong and long-standing.
 - The strength of our relationship is evidenced not only by the magnitude of our development assistance but by the vast array of networks between the people of Timor-Leste and Australia - ranging from state and local governments, community organisations, NGOs and individuals.
 - The high priority of Timor-Leste in the eyes of the Australian Government and people will continue, despite challenges presented by the current global economic crisis.
- Timor-Leste has made impressive gains, and we are pleased to see that you have begun the transition from post-conflict to development. Australia is proud to be a partner in this long term process, and is committed to working with you through each step so that we can confidently say 'goodbye to conflict and welcome development'.
- Australia fully acknowledges and respects the Government of Timor-Leste's ownership of the development agenda.
 - The national priorities for 2009 are welcome, and provide useful guidance. But we eagerly look forward to the government's identification of its longer term development priorities.
 - We would encourage the Government to keep its medium term development strategy simple and realistic. Clear priorities will help to ensure that flexibility is retained to respond to changes within Timor-Leste and in the global environment.
- As you know, Australia is currently developing a new country strategy which will strongly align with your national priorities.
 - We aim to maintain aid volume and, in line with international best practice in development assistance, we will focus on delivering better results in fewer priority areas.
 - In line with the Government of Timor Leste's priorities, and mindful of our continuing security commitments, our program will have a greater focus on economic growth and delivering tangible benefits for Timor-Leste's citizens, especially those living in the districts.
- At this stage we envisage that Australia's aid will increasingly focus on core issues highlighted in your National Priorities:
 - We will work with you to improve mother and child health to support this aspect of Timor-Leste's efforts to achieve the Millennium Development Goals.
 - We will help you to increase rural productivity and employment, especially through agricultural productivity, rural infrastructure such as roads and watsan, and microfinance services.

- We will continue to offer help to build capacity, particularly in the institutions which are responsible for delivering services.
- We will also continue to work with key organisations that support accountable and transparent government.
- And of course, Australia is committed to working with other partners to help Timor-Leste maintain and strengthen public safety and security.
- In this partnership it will be important that the government demonstrates its commitment to the declared national priorities, and the National Development Strategy when it is finalised. It can do this in two important ways:
 - by putting real political commitment behind the government’s aid coordination role
 - and by ensuring that the priorities are directly linked to the budget process.
- In an uncertain global economic environment, it is critical that the government’s revenue is managed carefully. Budget measures will need to balance short term impacts with longer term investment.
 - We understand the pressures that Governments are under to deliver results, and are committed to work with you to identify ways of quickly delivering benefits to the public.
 - A medium term fiscal framework will be an important tool for government and donors.
 - Donors can help to bridge the gap by refocusing on visible results, but we will look to government to ensure that these efforts are sustainable, including by linking the budget with priorities and plans.
- Australia was proud to be invited to become a mentor to the Government in its participation in the OECD monitoring of the Principles for International Engagement in Fragile States and Situations. We take seriously our responsibility to reflect these principles in our strategy and operations.
 - We will work harder to harmonise with other donors, and to align with government policy and systems.
 - We will ‘do no harm’—for instance, we will be careful to set wage rates for infrastructure and employment projects at levels which do not distort markets.
 - And these principles are driving our efforts to focus on delivering better results in fewer priority areas.

[Scanned from printed text by La’o Hamutuk. More documents from the 2009 Development Partners meeting are at <http://www.laohamutuk.org/econ/09TLDPM/09TLDPMindex.htm>]