

# KEYNOTE ADDRESS

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**Dr. Jose Ramos-Horta**

Snr. Prime-Minister,  
Snr. Vice Prime-Minister,  
Snr. Ministers,  
Snr. Special Representative of the Secretary General,  
Snr. Representatives from the World Bank,  
Snr. Ambassadors and Heads of Delegations,  
Snr. Deputies,

I will speak in English just to make it easier for everybody.

I was given this privilege to say a few words at the opening of this Development Partners Meeting and in doing so I would first join with the Government in welcoming and thanking all of you for your presence. Some of you are based in Dili; some of you coming from afar. And to all of you, we extend our most sincere welcome, greetings and appreciation. And I would also would like to, in particular, thank and give a special note of appreciation for the role that the United nations through the mission in Timor-Leste, particularly UNIMT has played since 2006 in assisting us sailing out of the crisis that engulfed Timor-Leste in 2006 and in particular to you Dr. Atul Khare, for your personal engagement, your personal leadership and please come back to the Secretary General, Ban Ki Moon for his steadfast engagement to Timor-Leste but also to each and every one of you, and particularly those countries represented in Dili and through your embassies or cooperation offices that never wavered in your support in the midst of the worst challenge that we faced since the restoration of independent in 2002.

And the multilateral and regional institutions, the World Bank, the IMF, ADB, the European Commission to mention but the most salient ones who since 1999-2000 and in particular since the restoration of independence in 2002 have provided the most valuable support to us in strengthening state institutions as well as providing vital development support across the board in many, many sectors. I would like also in particular gain to register our most sincere appreciation to Portugal, to New Zealand, Australia and Malaysia. Four countries that responded to our direct appeal for assistance in 2006.

As it is understandably always difficult for the United Nations Security Council to consider what is the best response to a particular emerging crisis. We thought at the time we could not afford to wait for the UN Security Council to evaluate the situation and finally make a decision, and to make a decision to deploy, we thought in approaching some countries that we believe could, upon consultation with them and among themselves, they immediately responded and promptly deployed robust forces on the ground and to all of them who bore the burden, the cost of their presence here, two of them still in the same situation, New Zealand and Australia under their own taxpayers expenses, costs, we appreciate most sincerely.

I say this because almost three years after the beginning of the crisis which began in 2006, beginning at the end of April 2006. We today live in a far better, different environment and that shows the Timorese side, particular the people, the youth can deservedly well take credit for it but this wouldn't be possible without the assistance from the United Nations, our key partners, the four countries that deployed troops and later the United Nations, though UNPOL.

Today in 2006 the situation is very different from what I attempted to describe to the UN Security Council in May 2006. As the crisis began to unfold, April 28th 2006, I flew to New York, met with Security Council and I used the words, "Dili is a city on the edge, fear is palpable."

And in responding to my remarks, a permanent member of the Security Council, a permanent representative of the UK said the most striking words that he took note was my description of Dili as a city on the edge and fear was palpable. Anyone who as here at the time in 2006 could sense the uncertainty and the fear in the face, in the eyes of anyone you came across.

There years later the atmosphere is far different from what yourselves can see. There is much greater faith and hope and determination on the part of everyone. Tens of thousands of people mingling in the city, life is completely turned to normal. Most IDP camps have closed down with the exception of a few hundred families in Dili and some more outside Dili.

The problems of the so called Petitioners have been resolved as well as there was a considerable economic recovery last year. 2008, we registered real growth of 12%.

When I returned to New York last February with Dr. Atul Khare, Special Representative of the Secretary General, and visiting friends in Washington DC, particularly old friends in the US Congress, accompanied by Hans Clem Ambassador of United States of America in Timor-Leste, I was happy that I was not going to the Security Council or to Washington to ask for additional assistance.

A bit un-diplomatically, I told friends in the US Congress during a closed meeting , breakfast, that maybe in the US Congress should consider giving me a Congressional Medal of honor, because Timor-Leste along with China and a few other countries were the ones paying off the US debt with our monies in US Treasury bonds, more than 4 billion dollars. My friends in congress they will consider that as long as we keep the money in the US Treasury bonds.

Well, the point now is the challenge to this Government, and this issue was the subject of a discussion in Maubessi , a small town in the center of Timor-Leste hosted by Committee C on how Timor-Leste can make use of its modest revenues. Keep it in US Treasury bonds? Diversify? I made same non-academic remarks at the meeting and said that 'My view is that the safest investment we can make with 100% return, much higher than the returns in the past promised by Mr. Madhof, so I will go much beyond what Mr. Madhof promised, I promise 100% return over 10–20 years is if we invest in the country, on the ground, in infrastructures that we badly need like roads, bridges, a new airport, a new port, housing for the poor, greater investment in education and healthcare, greater investment in agriculture that is the livelihood of 70% of our people and yet agriculture still has a very low productivity and can really turn the lives of people around for the better if there is a greater investment.

So that, in a very simple way, is how we can look at the best investment for our Petroleum Fund.

There is a consensus in this country; everybody embraces the National cause, the National cause that is the fight against poverty. It is a moral challenge to any human being, moral challenge to leaders, when we deal with extreme poverty.

But we all are conscious of the fact that development and the eradication of poverty is a long term process. There are no shortcuts, no one can make miracles, no one can turn an economy around in a few years and that requires the mobilization of the country but as well as partnership with the international community.

We continue to count on our development partners each and every one of you. We continue to count on the good advice from the World Bank, the IMF, the United Nations in particular UNDP as well as other specialized agencies that over the years have been with us, accumulated vast experience on what was done well in this country and what has to change. Some of the things that have to change, you people, probably, many of you with much greater experience than I in terms of issues of development, not really in Timor-Leste but in Pacific Islands, in Asia, Africa and Latin America, might be able to work with our Government in preparing, helping us, the Government prepare our strategic development plan to set the priorities and goals based on a medium-long term fiscal and resource scenarios.

Forgive me for being a bit frank but when we talk amongst friends we have to be frank. Statistical data figures often show that the donor community has spent 2 billion dollars in Timor-Leste in the past 10 years. If you ask the people in the villages they will say "Where did they spend this money? Certainly not here in my village." The responsibility must be shared by the donor community and by Timorese leadership, what have we done this past 7 years that in spite of this massive injection of international financing, poverty, rather than decreasing during 2001 – 2006-7 it actually went up.

And so I think this invites all of us to reflect and to review the strategy, and actions taken in the past so that in the next 5 years we can turn the data around and see much greater improvement.

Most of the donors, particularly those I have talked to in the last few months agreed that rural development must take priority for the simple fact that that's where the vast majority of the people live and that's where there is greater concentration of poverty. Particularly according to the data in the central districts of Timor-Leste like Manufahi, Ainaro, Aileu and Ermera. And ironically these are precisely some of the richest, fertile areas of the country with abundant rainfall, with coffee and the potential for diversified agriculture.

So we end, I know that you need no convincing, because some of you particularly USAID are already spending 76%- 70% of its aid money in rural development, according to data supplied by the US Embassy. But if most donors were to follow the same we would see significant change in the country.

You might ask what the Timorese side will be doing in terms of enhancing stability, security development, is conditioned by our own ability to enhance political stability and security. There are many ways of ensuring stability, security in a country. One way is to have a massive police, army at every corner of the country and that way you might ensure. This happens and many Police states around the world over the decades.

We believe that there are different approaches; different ways to bring peace and stability to the country and that is through a National Dialogue. We are continuing that which we started in 2006 first to help stabilizing the level of mistrust and tensions within society, within the Police and Army institutions, between them and the people at large.

We have come a long way in healing the wounds within the Police, within the Army, between the two institutions and between them and society at large. Anyone who was here in 2006 would remember the almost total rejection by the people in regard to their security and defense institutions. There was fear and there was anger and there was deep mistrust between different political leaders in the country. We have come a long way in healing these wounds and in building confidence, self confidence, pride within these institutions and creating better acceptance on the part of society in regards to these institutions.

There have been specific examples of how successful we have been. Those of you who were here you have seen the development, the evolution of the improvement in the two security forces since 2006, but much remains to be done under the leadership of the Prime-Minister, in particular his Defense Minister and Minister of Security and with my total commitment and daily support in partnership with the United Nations in particular each security sector reform group. We are continuing to address the problems in the development of our police force. We are continuing to pay close attention to the development of our defense force, two institutions that have to adjust to the realities of Timor-Leste. What kind of force we need? What is their mission, what are the resources the country can afford? So I can just reassure you that we are working in that regard. But that is not enough. We are also working on the political level, on engaging everyone possible in this country not only the traditional political leaders in the political party system but also working with civil society, NGOs, the Church, youth, throughout the country in multiple initiatives to heal the wounds and foster national unity and stability, This process is ongoing and you will see more activities in the coming weeks and months.

So that is on our part, us Timorese we can assure you of our own responsibility in ensuring that we create the conditions of peace, stability for development to take place so that the enormous investments that the international community have put in Timor-Leste, many of you present here in this room, your respective countries have put enormous investments here. Do not feel that your taxpayers money, in investing in this country in various fields, have been wasted because of the failure of the Timorese political elite.

And we do not wish also to fail our own people, so we have an obligation, obligation to the people for not failing or betraying their dreams, their most modest expectations, and we have an obligation not to betray the trust of the international community, after all we are conscious of the fact that Timor-Leste is only a dot on the map. The international community first has to deal with many other greater security and strategic challenges from the Middle East to South Asia to the ongoing problems in the continent of Africa like Sudan and Congo and therefore Timor-Leste can consider itself extremely fortunate, that in spite of our geographic isolation, the fact that this is a small countries of only 1,000,000, despite of the fact that the problems here are dwarfed by the problems elsewhere in the Middle East or South Asia, that require greater attention for the international community because they have greater security implications for all, in spite of all of that, your respective Governments, your elected people here you are continue to devote much attention to Timor-Leste and for this reason we feel even more obligated to do our best to succeed. I thank you and most welcome all of you and God bless you.<end>