



REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE

Keynote Remarks by Dr. Mari Alkatiri, Prime Minister and Minister for Development and Environment of the Democratic Republic of Timor Leste to the International Meeting to Review the Implementation of the Program of Action for the Sustainable Development of Small Island Developing States.

His Excellency the Prime Minister of Mauritius The Honorable Paul Raymond Berenger, my old friend, and President of the conference.

His Excellency The Secretary General of the United Nations, Mr Kofi Anan

His Excellency the Secretary -General of this Conference, Mr Anwarul K. Chowdhury.

Excellencies. Ladies and Gentlemen.

First of all allow me to express my delight in attending this very important meeting for all small island developing nations. Allow me also to express my delight in visiting for the first time a truly

beautiful country from which we hope to learn some valuable lessons on how to build a sustainable tourism industry.

It is a pleasure and an honour to be able to articulate my thoughts and experiences on development as a small island nation in this increasingly challenging and globalized world environment.

But we have also come together here in the wake of the tragic loss of life amongst our community of nations from the effects of the devastating tsunami of 26 December. To all nations that have been impacted by the tsunami, we share your grief and offer you our solidarity in this time of need. I have of late taken a great deal of pride from the outpouring of generosity forthcoming from our people through a national fundraising campaign which has more than matched the financial assistance my government made towards the international effort to put back together the broken lives of the tsunami victims. National sorrow resulting from loss of life was an all too part of our national history. We were sustained by the solidarity of our friends, and now we are being called upon to sustain others.

As has already been stated in this meeting by both Mr Chowdhury and my old friend the Prime Minister Berenger, disasters such as these highlight the vulnerability of developing nations to external

shocks, but most significantly the vulnerability of small island developing states. For us the challenge is how to collaborate to lessening if not removing these vulnerabilities. Shocks from natural disasters is one of these and I hope we can find ways to deal with this threat to all our small island states.

But I believe there are greater challenges which stand in the way of our small island communities achieving our development goals. The challenge to achieve a more lasting and concrete results in eliminating and reducing conflict around the world is amongst the most urgent. The reasons for this failure I believe lie in the need to challenge and change the dominant paradigm in how we deal with differences between people: whether it be differences between poor and rich, north and south, western and eastern, differences of religions, cultures, social status, ethnicity, etc.

There are varied and different approaches and philosophies which have been adopted to confront these challenges of difference. We have no doubt seen and heard of them all. Unfortunately what has been the all too prevalent approach has been that which puts forward solutions far from accommodating the different human values and human assets, which ignore them all in the name of a dream of a "globalized" world that has to exist under the same umbrella, color and paradigm. The

challenge for us is to assert a path which avoids this, a path which though accepting the realities and positives of globalization embraces the uniqueness and differences of each of us.

Attempts to overcome these differences and resolve these inequalities come from every corner of the world, with United Nations pushing for the achievements of the Millennium Development Goals and the World Bank's PRSP both of which aim to reduce poverty and promote economic growth and equity.

I have no doubt that poverty eradication and human development are key to reducing conflict in our world and that economic growth is in turn key to reducing poverty.

However a mere ten years from the MDG goals of 2015, around the world there is still a very visible growing inequality between rich and poor. Most nations will fail to achieve the MDGs within the time frame prescribed. Sadly, the failure rate among SIDS I fear will be proportionately greater.

In the Asia region where our nation finds itself in, the observations of what has occurred to date in poverty reduction is startling and disappointing. The ADB, Key Indicators 2004,

Poverty in Asia: Measurement, Estimates and Prospects, Introduction, page 1 states:

an enormous challenge confronts developing Asia (...). While the region as a whole has experienced a dramatic economic transformation in the last 30 years, the benefits of Asia's transformation and dynamism have eluded a significant portion of its population (...) ...the magnitude of poverty in the region is staggering....

While in 2004 more than 230 million fewer people lived in poverty than in 1990, a large majority of this reduction came from People's Republic of China. In South Asia progress was much slower with a number of only 15 to 20 million lower than in 1990.

Currently we are also facing volatile oil prices. This is a new element to be added to world economic instability. Having this as the reality, what will be the drivers for growth in 2005? More importantly what will be the drivers for our vulnerable economies be?

With the growing demands for energy in China, and the instability and conflicts in some oil producing regions, oil prices will continue to be volatile despite all our efforts to bring stability to oil prices. This is both good and bad news for nations like ours,

and will throw up challenges for us as to how to avoid becoming dependent on revenues from non-renewable resources such as oil and gas.

Terrorism and security play a greater role in all our lives now. Security threats make planning for growth virtually impossible for developing countries. The hope that a global world would bring peace and stability is nothing more than a dream. The last decade has seen the emergence of a new post Cold War playing field.

Simple common sense shows that wars, tensions and hunger are the realities today. What can we do to overcome this? We need a shift in paradigm to deliver effective rule of law in international relations.

My own country is currently confronted with a question which puts these issues in the spotlight. The effective resolution according to principles of international law by a tribunal empowered to do so under international law is currently being denied our nation in our maritime boundary dispute with a developed powerful neighbor which has expediently unilaterally withdrawn from certain applicable dispute resolution mechanisms of the Convention on the Law of the Sea 1982. Our nation is being denied its right to establish its exclusive

economic zone because we have effectively unilaterally been deprived of the effective operation of the international rule of law by unilateral action.

What we need many say is to move from a culture of domination, force and war to one of dialogue. Reason and peace can only be successfully accomplished if the historic journey is initiated counting on two fundamental driving forces: the strength and correctness of principles and values and the power of solidarity.

As Mr Brahimi said in his report on reform to the United Nations, and I endorse it fully:

Democracy and equitable development, based on multicultural policies that explicitly recognize cultural differences are essential elements to lead to peace, stability and world cohesion. Policies of assimilation and integration have to be abandoned. Peace and stability are core elements for a sustainable development. Let us be peace-builders then.

And what of our relationships with the multilateral agencies? These are challenges I know from our own recent experience.

It should be driven by a recognition of the uniqueness and the differences of each nations experiences and circumstances. This has been the driving force behind our approach to both multilateral and bilateral assistance.

As an example, the PRSP with its concessional loans program increasingly places more burdens on developing nations because they are not based on real feasibility studies when taking into consideration the absorptive capacity of individual nations and the productivity level of their workforce.

In my own country we have adopted a policy of avoiding such debts because we recognise that our capacity to absorb these funds is still limited, as is our labor force productivity.

We have pursued a National Development Plan from which we have developed a roadmap and a Sectoral Investment Program based on this. We have requested the World Bank to work with us to develop viability assessments with respect to each sector in order to identify funding sources for individual sectors.

The effort however lies also with governments to carry with them their people, as we have worked very hard to explain to our people the clear goals of our National Development Plan and the critical role individuals and communities needed to play in order

for its goals of national human development could be achieved within the set timeframe of 20 years.

My government has embraced as our mantra " national dialogue and public consultation" to deal with the great questions we confront as a nation. We have promoted and partaken in "national dialogue" public events brining in relevant stakeholders to deal with such important issues as our veterans of our liberation struggle. Our most important laws such as the Investment Laws, Petroleum Mining Regime and Petroleum Fund have all been consulted widely with the domestic public and stakeholders in order to enhance the law making process. Understanding of these laws and policies are key to people being able to accompany the development process. There are no shortcuts in this regard.

I have concluded from my observations of the challenges we face as a world community and in light of my experiences in government, that to confront all these challenges we need a deep reform in world political and economic relations. This is a critically important question for our small island developing nations.

It is an urgency to begin with the reform of the UN that currently is no longer reflecting the demands of the world equilibrium. The

multilateral ways of approaching the problems affecting our world has to be defended, based on the principles and universal values and the power of solidarity. This is the only way possible for institutions such as the UN to re-establish their natural legitimacy and influence in the global arena.

Again, it is with utmost honour and pleasure that I address you. The years since the Barbados Declaration have been disappointing in terms of implementation of the goals set. I am confident that with collaboration that should come from our common experiences and circumstances, we will be able to progress with our goals in the coming years.

Thank you.