



# Sustainable Development in Timor-Leste

**NATIONAL REPORT TO THE UNITED  
NATIONS CONFERENCE ON SUSTAINABLE  
DEVELOPMENT (UNCSD)  
On the run up to Rio+20**



**Ministry of Economy & Development**

**February 2012**

# Table of Contents

<b>TABLE OF CONTENTS</b> .....	<b>2</b>
<b>ABBREVIATIONS</b> .....	<b>3</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>6</b>
<b>I. INTRODUCTION</b> .....	<b>9</b>
<b>II. APPROACH AND METHOD OF NATIONAL PREPARATIONS FOR RIO+20</b> .....	<b>12</b>
A. OBJECTIVES OF THE RIO +20 NATIONAL PREPARATIONS .....	<b>13</b>
B. HOW ARE THE RIO+20 NATIONAL PREPARATIONS UNDERTAKEN?.....	<b>13</b>
<b>III. OVERALL PICTURE OF SUSTAINABLE DEVELOPMENT IN TIMOR-LESTE</b> .....	<b>15</b>
A. GOVERNMENT OF TIMOR-LESTE (GOTL) RESPONSES TO MULTILATERAL ENVIRONMENTAL AGREEMENTS.....	<b>18</b>
B. INSTITUTIONAL FRAMEWORK FOR SUSTAINABLE DEVELOPMENT .....	<b>23</b>
1. National Actions in Support of Sustainable Development .....	<b>26</b>
2. International Commitment in Support of Sustainable Development .....	<b>31</b>
C. ACHIEVEMENTS AND CHALLENGES ACROSS SECTORS .....	<b>34</b>
1. Agriculture, Rural Development, Forestry and Watershed Management .....	<b>35</b>
2. Water Management, Sanitation, Waste Management and Pollution Control .....	<b>35</b>
3. Urban Planning, Energy, Infrastructure and Transport .....	<b>35</b>
4. Biodiversity, Fisheries and Coastal Management .....	<b>35</b>
5. Tourism and Recreation .....	<b>68</b>
6. Education for Sustainable Development.....	<b>71</b>
7. Economic Development, Finance, Trade and Industry .....	<b>75</b>
8. Climate Change Adaptation and Mitigation .....	<b>84</b>
<b>IV. NATIONAL STRATEGIC DEVELOPMENT PLAN</b> .....	<b>87</b>
<b>V. GREEN ECONOMY, UNDERSTANDING, PROGRESS AND CHALLENGES</b> .....	<b>93</b>
<b>VI. LESSONS LEARNED FROM STOCKTAKING EXERCISE</b> .....	<b>95</b>
<b>VII. CONCLUSION: CHALLENGES FOR SUSTAINABLE DEVELOPMENT IN TIMOR-LESTE</b> .....	<b>97</b>
<b>VIII. REFERENCES</b> .....	<b>102</b>
<b>IX. ANNEX</b> .....	<b>106</b>

## Abbreviations

ADB	Asian Development Bank
<b>ALGIS</b>	Agriculture and Land Use Geographic Information System
ATA	Alternative Technology Association
ATSEF	Arafura Timor-Sea Experts Forum
AusAID	Australian Agency for International Development
AECID	Agencia Española de Cooperación Internacional al Desarrollo
BESIK	Timor-Leste Rural Water Supply and Sanitation Program
CBOs	Community Based Organizations
CDM	Clean Development Mechanism
CEA	Country Environmental Analysis
CPLP	Comunidade de Paizes de Lingua Oficial Portuguesa
CPS	Community Police Section
CTI	Coral Triangle Initiative
CT-6	Coral Triangle 6
CTSP	Coral Triangle Support Partnership
EIA	Environmental Impact Assessment
ESD	Education for Sustainable Development
E4A	Energy for All
FAO	Food and Agriculture Organization
FDTL	Falantil-Força Defesa de Timor-Leste
GEF	Global Environment Facility
GDP	Gross Domestic Product
GHG	Green House Gases
GoTL	Government of Timor-Leste
GTZ	German Technical Cooperation
HDI	Human Development Index

ICM	Integrated Coastal Management
IDPs	International Dialogue on Peace building and Statebuilding
INC	Initial National Communication
INGOs	International Non Governmental Organizations
LDCs	Least Developed Countries
LTC	Legal Training Centre
MAF	Ministry of Agriculture and Fisheries
MDGs	Millennium Development Goals
MEAs	Multi-lateral Environmental Agreements
MED	Ministry of Economy and Development
M	Million
MPA	Marine Protected Area
NAPA	National Adaptation Plan of Action
NAP	National Action Plan
NBSAP	National Biodiversity Strategy Action Plan
NDFA	National Directorate of Fisheries and Aquaculture
NDES	National Department of Environmental Services
NDFA	National Directorate for F
NGOs	Non Governmental Organizations
NOC	National Operations Centre
NPP	National Priority Process
NSDS	National Strategy for Sustainable Development
ODS	Ozone Depleting Substance
OECD	Organization for Economic Co-operation and Development
PDTOL	Only Australian Company that does e-waste management
PEMSEA	Partnership in Environmental Management in the South-East Asia
PoWPA	Program of Work in Protected Areas
PSGs	Peacebuilding and Statebuilding Goals
PNTL	Policia Nacional Timor-Leste
PV	Photovoltaic

RDTL	Republica Democratica de Timor-Leste
REMP	Rural electrification master plan
SDP	Strategy Development Plan
SEA	Strategic Environmental Assessment
SEFPE	Secretary of State for Energy Policy
SEPE	Secretariat of State for Energetic Policy
SIA	Social Impact Assessment
SIDS	Small Island Development States
SLM	Sustainable Land Management
SDP	Timor-Leste-Strategic Development Plan
TL	Timor-Leste
TL-SDP	Timor-Leste-Strategic Development Plan
UN	United Nations
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Conventions to Combat Desertification
UNCED	United Nations Conference on Environment and Development
UNCLOS	United Nations Convention on the Law of the Sea
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-MDGs	United Nations-Millennium Development Goals
UNTAET	United Nations for Transitional Administration in East Timor
UN Woman	United Nations woman organization
UNICEF	United Nations International Children’s Emergency Fund
UNESCO	United Nations Education Science and Culture Organization
UNDP	United Nations Development Programme
UNCSD	United Nations Conference on Sustainable Development
UNDESD	United Nations decade of Education for Sustainable Development
WFP	World Food Programme

## Executive Summary

Timor-Leste became an independent state on 20 May 2002, after 450 years under Portuguese rule followed by 24 years under Indonesian occupation. As a new country, Timor-Leste faced many development challenges such as conflict and fragility, lack of trained human resources, natural and environmental degradation, inadequate job opportunities for its growing population, and high levels of poverty. Moreover, as in all other countries in the world, the livelihoods of Timorese people depend on a healthy and productive environment. Now as an independent country, Timor-Leste is looking back at its history and exploring ways in which it can harness its social, cultural, economical and natural capital to move forward towards a sustainable and equitable future.

In 2002, soon after independence, a Conference on Sustainable Development was held in Dili where people from all over the country expressed their concerns about the future development model for Timor-Leste. The Conference was inspired by the theme of a “new beginning” with an emphasis on doing things differently. Stakeholders identified the principles of sustainable development as starting points for Timor-Leste’s nation building. Ten years later, in preparations for Rio+20 UN Conference on Sustainable Development, Timor-Leste has taken a big step towards assessing its strengths and weaknesses for achieving a sustainable development model. An extensive stocktaking exercise was undertaken initially to highlight policies, rules, regulations, activities and projects as well as challenges at the sectoral level. Based on these findings, a stocktaking report was produced which identified sector specific strengths, challenges, opportunities and potential entry points for sustainability. A workshop was then held in Dili on 30 November 2011 involving all stakeholders to discuss the sectoral findings, share good practices and create synergies for the way forward. This National Report brings together these processes to articulate on the overall country progress in pursuing sustainable development and moving towards a greener economy since Timor-Leste’s independence in 2002.

The National Report concludes that there is widely accepted national consensus on the importance of sustainable development principles and many of these are already being implemented in various projects across sectors. However there is still a high potential for Timor-Leste to adopt greener and more sustainable development path which can only be achieved with a strong political will, financial commitment and joined effort from all stakeholders involved.

Timor-Leste does not have a National Sustainable Development Strategy (NSDS) as such, but the recently approved Strategic Development Plan (SDP) provides a road map to implement sustainable development, demonstrating the Government’s commitment to securing the

wellbeing of the Timorese people. The Government of Timor-Leste (GoTL) has also recognised that peace building and state building are essential foundations for sustainable development and has taken a lead role within the g7+ group of 19 fragile and conflict-affected countries by recognising that peace, development and environmental protection are interdependent and indivisible. This role provides a good opportunity for the GoTL to promote a green economy towards sustainable development and working with other fragile states.

The main challenges faced by Timor-Leste include poverty, low education, rapid population growth, high rates of rural-urban migration, high rates of unemployment especially amongst the youth, depletion of natural resources, food insecurity, vulnerability to natural hazards and climate change. Another challenge for the GoTL is how to best invest the income from country's non-renewable resources of petroleum and natural gas for the sustainable development of the country. To address these issues, the SDP recognises that the starting point is to build social capital and improve the country's infrastructure, supported by an emphasis on management strategies for natural resources and environmental care and protection.

Human wellbeing and quality of life for every citizen in Timor-Leste depends on healthy and productive natural and environmental resources as 75 % of its people live in rural areas and rely on natural resources for their livelihoods and incomes. However, they mostly lack the knowledge, skills or means to manage their resources sustainably and, as a result, their natural resource management practices are unsustainable. Effective implementation of the SDP would help to ensure more sustainable utilization of natural resources, minimize natural and environmental degradation, alleviate poverty, reduce unemployment, and improve food security. This needs a strong emphasis on capacity building for all stakeholders – farmers, fishers, civil society, private sector and Government agencies – so that they are able to implement the SDP in a cohesive manner. It would also require that Government plans for the country's future set out in the SDP are implemented in a holistic and integrated manner to improve the livelihoods of the Timorese people.

The GoTL acknowledges that existing programs and plans that are based on sectoral approaches, limited coordination, and a lack of integration remain as major challenges for the country. Moreover, existing laws and regulations remain weak due to poor implementation, a lack of enforcement and limited dissemination as a result of inadequate human resources and capacity. The SDP provides the GoTL with an opportunity to reshape and refocus its plans and policies in order to integrate various sectors within the country in line with the MDGs in a coherent manner. A significant achievement made by the GoTL is the Transparency Portal, which allows all citizens to access and monitor available budgets both from the government and from development partners. This program is designed to strengthen good governance and transparency, and provides a model to minimize corruption and manipulation. Although a secretariat or national commission for sustainable development is needed in order to

implement sustainable development in an effective and coordinate manner, this report proposes that the National Development Agency (NDA), established under the SDP 2011-2030, provides a suitable institution for carrying out the functions of such a national commission by coordinating and monitoring sustainable development activities in TL within the framework of the SDP. The extension of the concept of the Transparency Portal can also be very instrumental to monitor progress towards MDGs and sustainable development priorities in TL.

The GoTL carried out the 2010 National Census of Population and Housing, to provide the Government, its own citizens and Development partners with sound information on the current status needs and priorities of the country as a whole as well as those of each of the sucos (villages) in the country. The GoTL has also established a new Directorate to support and strengthen the traditional custom of *Tara Bandu* to protect and conserve natural resources in order to achieve environmental sustainability, as well as a means to build trust within communities, and resolve conflicts. In addition, the GoTL has also demonstrated political will to implement Multi-lateral Environmental Agreements (MEAs) obligations both at country and regional level, as well as to strive to achieve its Millennium Development Goals (MDGs). This commitment was articulated in the SDP 2011-2030, which encouraged all parties to take integrated actions to achieve collective objectives for short, medium and long term development.

Implementation of sustainable development needs strategies not only at the national level, but also at rural levels, given the complex nature of natural resources that require holistic approaches and local action. The GoTL has made a political commitment in the SDP to establish new Municipalities in 2013 in order to reform local government and promote decentralization - this would provide a basis for formulating and implementing Local Agenda 21 in the sucos. Local government will then be able to make their own decision on how they can develop their economy and other key sectors based on their local priorities. This would include the application of *Tara Bandu* at a wider spectrum which is already being implemented by the government staff as an instrument to build social capital.

All in all a green and sustainable development model enables economically viable growth that goes hand in hand with environmental sustainability, thus protecting the inheritance of future generations. The national report emphasises that sustainability is an essential and vital goal for Timor-Leste and can only be translated into tangible outcomes with a strong political will, financial commitment and joined effort from all stakeholders involved.