LA’O HAMUTUK’S ENGAGEMENT IN POLICY ADVOCACY AND PUBLIC EDUCATION IN TIMOR-LESTE

Sharing our work experiences in Timor-Leste with ELI fellows

Adilsonio da Costa Jr.
La’o Hamutuk Researcher
Washington DC, 31 Oct. 2019

What is La’o Hamutuk


- Timorese and international people “walking together” on the journey to create a new Nation.

- An independent, Timorese, non-governmental organization which does research, policy analysis, public education and advocacy.

- A force for participatory, equitable, sustainable and evidence-based policies and practices.
Some important topics to share

- Where is Timor-Leste and how was the history
- Petroleum dependency
- Govt. prioritizes infrastructure mega-projects
- Unsustainable budget policy
- How LH does advocacy and public education

Where is Timor-Leste located?

**Population:** 1.2 million

**Area:** 14,874 km² (5,742 sq. mi.)

**Nonrenewable resources:** Natural gas, oil, gold, manganese, marble

**Agriculture products:**
- Coffee, rice, corn, cassava, sweet potatoes, soybeans, cabbage, mangoes, bananas, vanilla

**Potential tourism sites:**
- Atauro, Jaco island, Ramelau mountain, and many other historical places in town and across the country
History of Timor-Leste

People have lived in Timor-Leste for at least 5,000 years.

Portuguese colonized nearly 500 years ago.
  • They brought Catholicism but little development or education.
  • Onshore oil exploration started in 1890s.

Australia, then Japan, invaded in 1941-45.
  • 40,000-60,000 Timorese killed in WWII, which didn’t involve them.

Portugal’s military dictatorship resumed control in 1945.
  • Offshore oil exploration began in the 1960s.

  • After Carnation Revolution brought down Portuguese dictatorship
  • TL declared independence 28 November 1975 … but 10 days later

Indonesia invaded on 7 December 1975.
  • Indonesia killed 100,000-200,000 Timorese in 24-year occupation.

Referendum in 1999, then 2½ years of UN rule.

Finally restored independence on 20 May 2002.
  • Oil income surged in 2005-2007, but is declining since 2012.


Petroleum dependency

Timor-Leste has been one of the world’s most petroleum-export-dependent countries. This determines our State, our economy and our future.
Petroleum dependency (Nominal USD)

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<thead>
<tr>
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<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum GDP</td>
<td>$4,234</td>
<td>$3,591</td>
<td>$1,496</td>
<td>$820</td>
<td>$895</td>
</tr>
<tr>
<td></td>
<td>(75%)</td>
<td>(64%)</td>
<td>(48%)</td>
<td>(33%)</td>
<td>(36%)</td>
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<tr>
<td>Non-oil GDP</td>
<td>$1,403</td>
<td>$1,451</td>
<td>$1,597</td>
<td>$1,684</td>
<td>$1,593</td>
</tr>
<tr>
<td></td>
<td>(25%)</td>
<td>(36%)</td>
<td>(52%)</td>
<td>(67%)</td>
<td>(64%)</td>
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Productive (agric. & manuf.)

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<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>$305</td>
<td>$307</td>
<td>$288</td>
<td>$287</td>
<td>$284</td>
</tr>
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- State revenues in 2018: $177 million
  - $460 million was lost from investing the Petroleum Fund
  - $447 million from oil and gas revenues
  - $190 million from non-petroleum sources

- Executed 2018 State Budget: $1,158 million ($1,277m appropriated)
  - $983 million transferred from the Petroleum Fund
  - $190 million from non-petroleum (domestic) revenues
  - $39 million from loans which will have to be repaid

- State activities, paid for with oil money, are nearly half of the ‘non-oil’ economy because some of this money circulates in the local economy.

- Petroleum and investment ‘income’ goes to the state, not to the people.

Only South Sudan, Libya (and Equatorial Guinea?) are more dependent on oil and gas exports than Timor-Leste was before 2014

Basic statistics

- One-third of Timor-Leste’s people live in poverty, 46% in multi-dimensional poverty.

- Two-thirds of people live in rural areas, largely by subsistence farming.

- Poor sanitation and malnutrition are endemic.

- About 1,200 Timorese children under 5 years old die from preventable conditions every year … 30 times as many people as die from homicide.
Our seas have been explored for half a century, and our land for longer.

There may not be any other fields.

Since 1910, oil companies have drilled 95 exploration wells in Timor-Leste. They found eight commercially viable reserves. Kitan is the only one discovered in the last 20 years.

Number of oil and gas wells drilled each year in Timor-Leste’s territory
Infrastructure Mega-projects

- Petroleum Industry in South Coast called “Tasi Mane Project” that includes: Supply Base, Refinery, LNG-Plant, Highway and Airport and other mining industries

- These projects have massively affected community land and will potentially have additional negative impacts on environment, agriculture land, fishing and people’s lives...?
Unsustainable budget and economic policy

Timor-Leste has almost no industry and a tiny private sector.

From 2008 through 2016, state spending grew faster than nearly every country in the world.
The money doesn't match the promises

Category breakdown for 2020
Total budget = $1,950 million

The government's 'Priority' sectors of health, education, water and agriculture all together get only 19% of the budget.

Little investment in human resources
The non-oil, non-state GDP per capita is stagnant. Productive sectors have not grown since independence.
How LH roles in policy advocacy work and public education

- Consistently providing fact-based analysis information to policy makers and public.

- Influencing policies with alternative views to help government make long-term sustainable policy decisions.

- Public campaigning and education through LH media including: Publication on LH webpage and blog, Submissions to Parliament and Government, *Bulletin*, Popular Letter, Radio Programs, Public meetings, give briefings and presentations, write articles, join and take part in national and international academic conferences etc.…

Our engagement in policy decision making processes and public education
Discussions in communities
Thank you

You will find more and updated information at

- La’o Hamutuk’s website
  http://www.laohamutuk.org

- La’o Hamutuk’s blog
  http://laohamutuk.blogspot.com/

Timor-Leste Institute for Development Monitoring and Analysis
Rua D. Alberto Ricardo, Bebora, Dili, Timor-Leste
Mailing address: P.O. Box 340, Dili, Timor-Leste
Telephone: +670 7723 4330 (mobile)  +670 3321040 (landline)
Email: laohamutuk@gmail.com