

Rights and Sustainability in Timor-Leste's Development

Presentation by La'o Hamutuk
May 2020



What is La'o Hamutuk?

- **The Timor-Leste Institute for Development Monitoring and Analysis, founded in 2000.**
- **Timorese and international people “walking together” on the journey to create a new Nation.**
- **An independent, non-partisan, 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.**

Topics to discuss

- 1. Petroleum dependency – Timor-Leste is cursed by its (lack of diverse) resources.**
- 2. The state budget and national economy are not sustainable.**
- 3. If wishes were horses ... dreams should (mostly) be based on reality.**
- 4. Justice for past crimes**

History in one slide

- 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.
- Portugal began decolonizing in 1974.
 - 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.
 - Timor-Gap Treaty 1989; oil production started 1998.
- 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.
- Peaceful elections in 2001, 2002, 2007, 2012, 2017 and 2018.

1. 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.

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 children are the most poorly nourished in the region.

- The majority of rural children are stunted.
- A malnourished child could be permanently damaged.
- Half of Timor-Leste's people are less than 20 years old.
- Most under-educated children will not become productive workers or optimal parents.

PREVALENCE OF UNDERNOURISHMENT IN ASIA AND THE PACIFIC, BY COUNTRY, 2016–2018

Country	Prevalence (%)
China	9
Mongolia	14
Korea DPR	48
Malaysia	3
Brunei Darussalam	4
Thailand	8
Indonesia	8
Viet Nam	10
Myanmar	11
Philippines	14
Cambodia	17
Laos PDR	17
Timor-Leste	26
Iran (Islamic Republic of)	5
Nepal	9
Sri Lanka	9
Maldives	10
India	15
Bangladesh	15
Pakistan	21
Afghanistan	30
Kiribati	3
Samoa	3
Fiji	4
Vanuatu	8
Solomon Islands	9

Petroleum Dependency (nominal USD)

	2013	2014	2015	2016	2017	2018
Petroleum GDP	\$4,234 (75%)	\$2,591 (64%)	\$1,496 (48%)	\$820 (33%)	\$895 (36%)	n.a.
Non-oil GDP	\$1,396 (25%)	\$1,447 (36%)	\$1,597 (52%)	\$1,656 (67%)	\$1,610 (64%)	\$1,569
Productive (agric. & manuf.)	\$308	\$309	\$292	\$292	\$290	\$300

- State revenues in 2019:..... **\$3,043 million**
\$2,101 million from investing the Petroleum Fund (including \$1,707m unrealized)
\$ 756 million from oil and gas revenues
\$ 186 million from non-petroleum sources
- Executed 2019 State Budget:..... **\$1,236 million** (\$1,482m appropriated)
\$969 million transferred from the Petroleum Fund
\$186 million from non-petroleum (domestic) revenues
\$ 50 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.

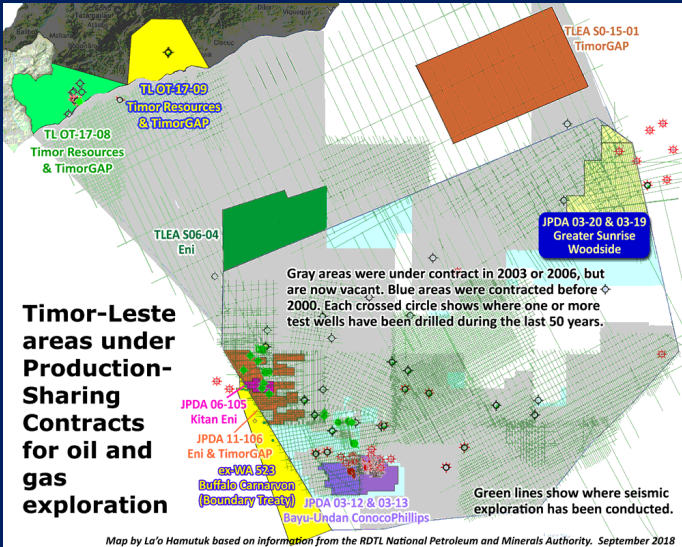
Only South Sudan, Libya (and Equatorial Guinea?) are more dependent on oil and gas exports than Timor-Leste was before 2014.

But we don't have very much oil.

	Timor-Leste (70% Sunrise)	TL without Sunrise	Australia	Brunei
Proved oil and gas reserves per person at end of 2018	653 barrels	42 barrels	744 barrels+ (730 without Sunrise)	6,360 barrels
How long reserves will last at 2018 production rates	22 years	1.4 years	20 years+	23 years

Our seas have been explored for half a century, and our land for longer.

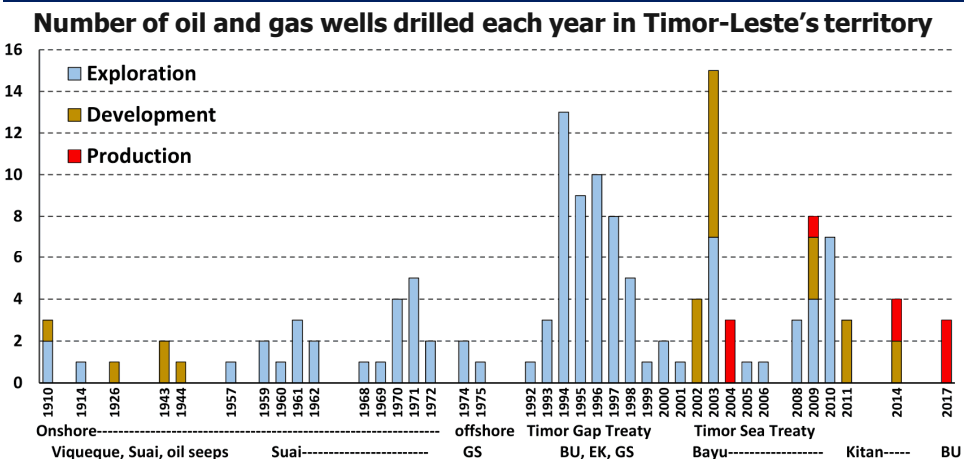
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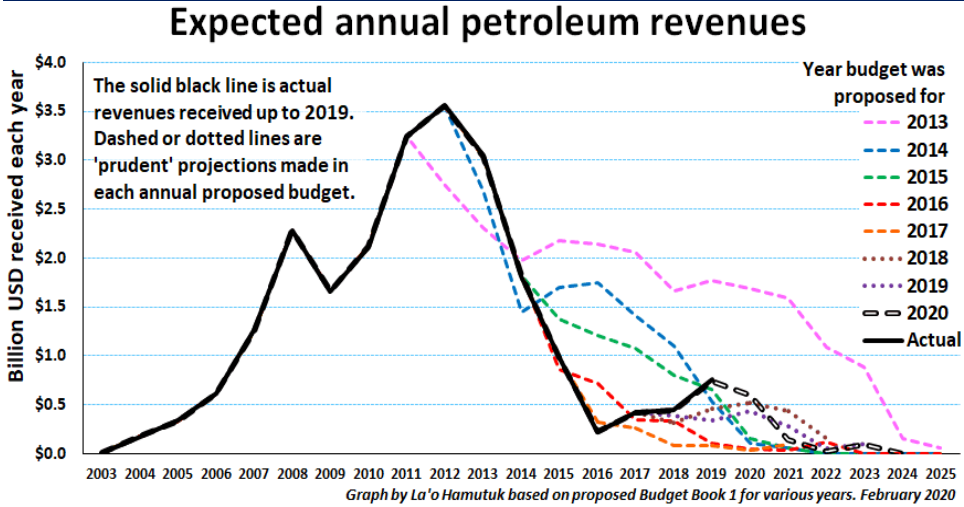
Brent crude oil price (USD/Barrel)



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



Oil income is lower than expected.

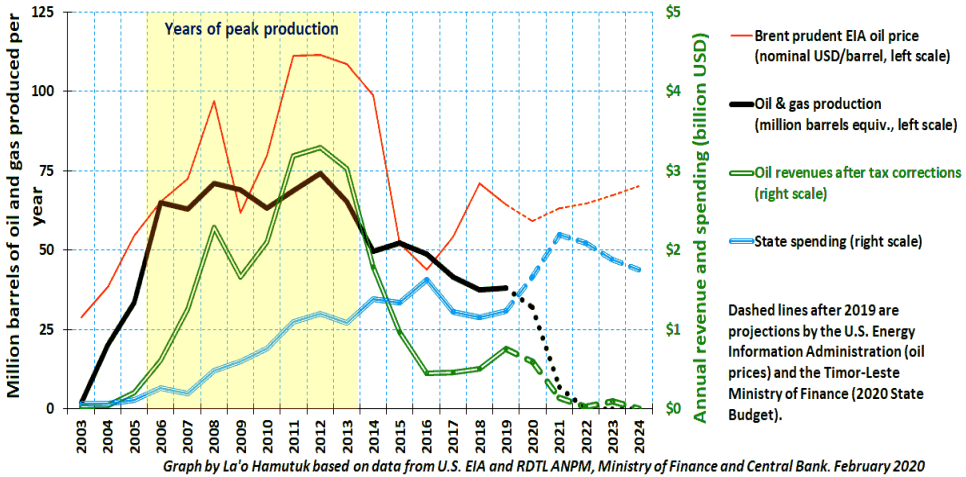


TL has already received 95% of the revenues it will get from Bayu-Undan and Kitan, and they will end entirely in 2024.

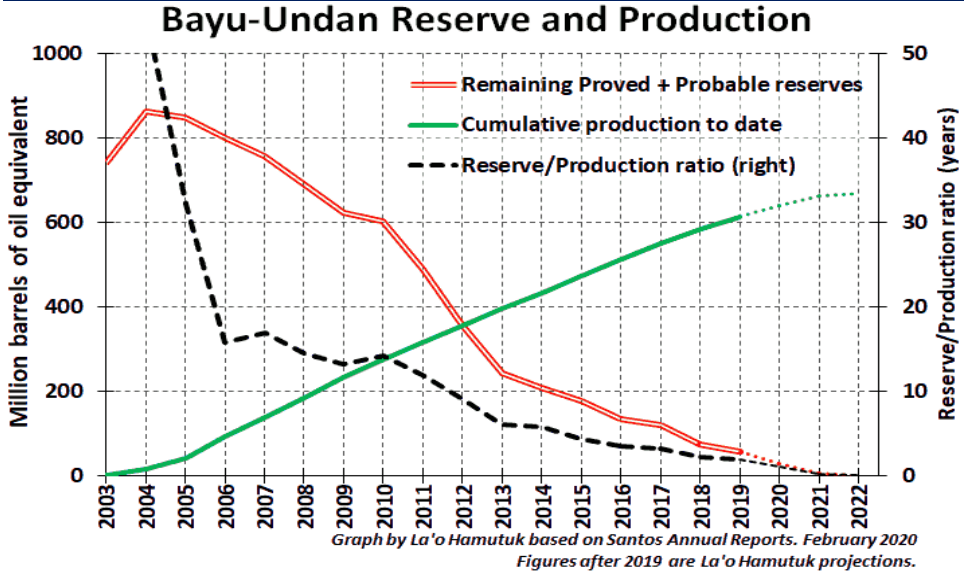
Oil and gas income has been falling since 2012.

Production is dropping faster than prices, and will not go back up.

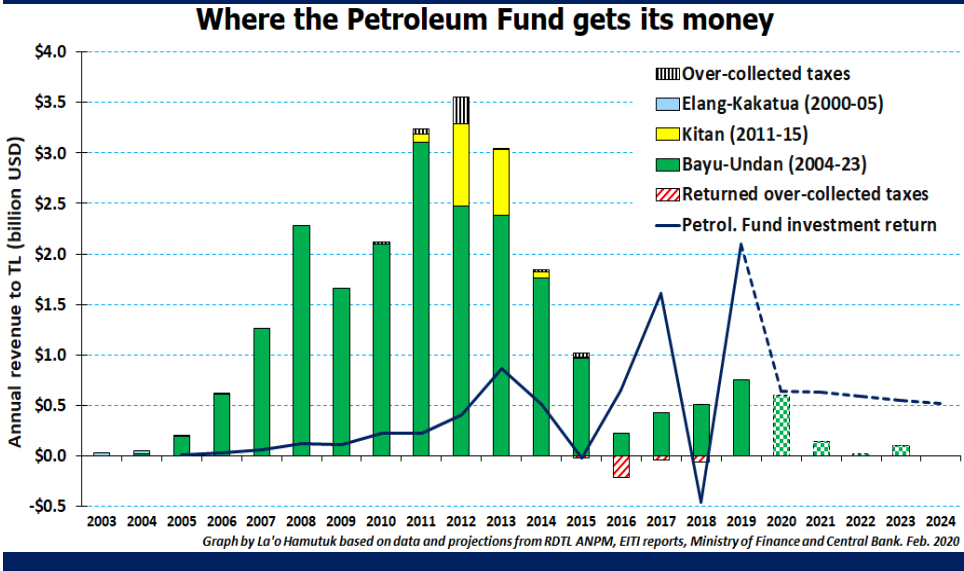
The price will be irrelevant when we have nothing left to sell.



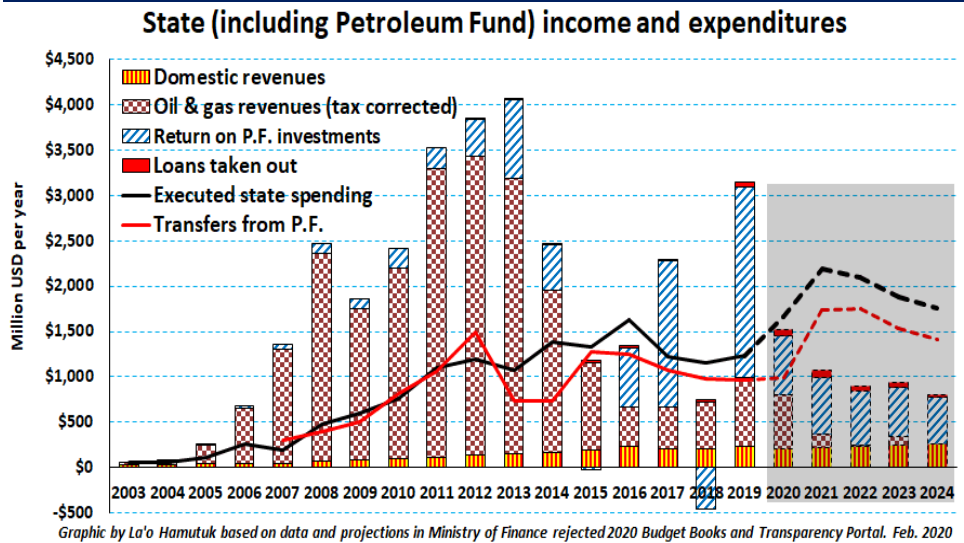
Bayu-Undan is nearly depleted.



Where TL's oil income comes from

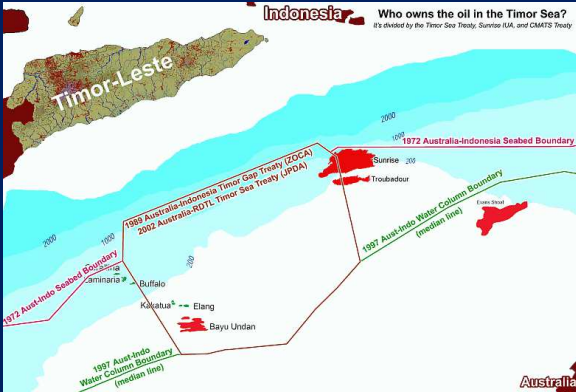


Spending exceeds income.



Sunrise and maritime boundary dispute

- Australian companies began exploring Sunrise in the early 1970s, after Australia and Indonesia divided our maritime resources without involving Portugal. In 1989, they closed the “Timor Gap” to share illegally occupied resources in the Joint Development Area.
- The 2006 CMATS treaty banned maritime boundaries discussion for 50 years. It divided Sunrise upstream revenues 50-50.
- Australia put its greed for oil before respect for its sovereign neighbors or international law.
- Based on UNCLOS , TL owns fields north of the median line, and lateral boundaries should move outward.
- In January 2017, Australia accepted Timor-Leste’s request to revoke the entire CMATS Treaty. A permanent boundary treaty was signed in March 2018 and came into force in August 2019.

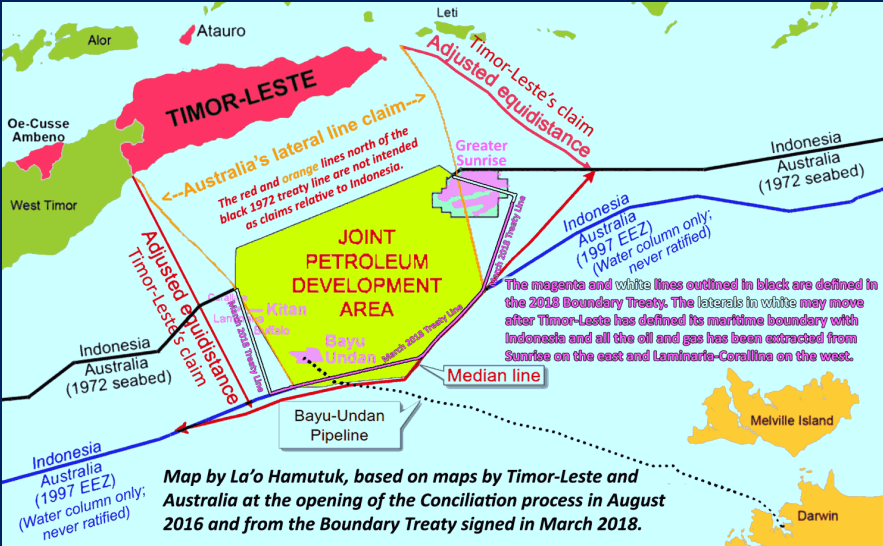


Conspiring to steal Timor's wealth

1989:
Foreign
ministers
Gareth Evans
and Ali
Alatas toast
the signing
of the Timor
Gap Treaty
while flying
over the
Timor Sea.

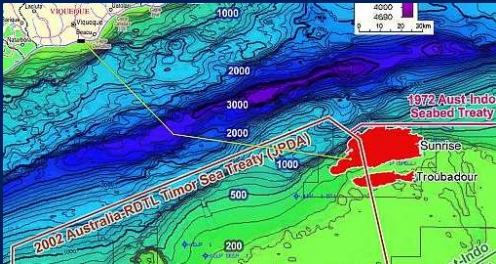


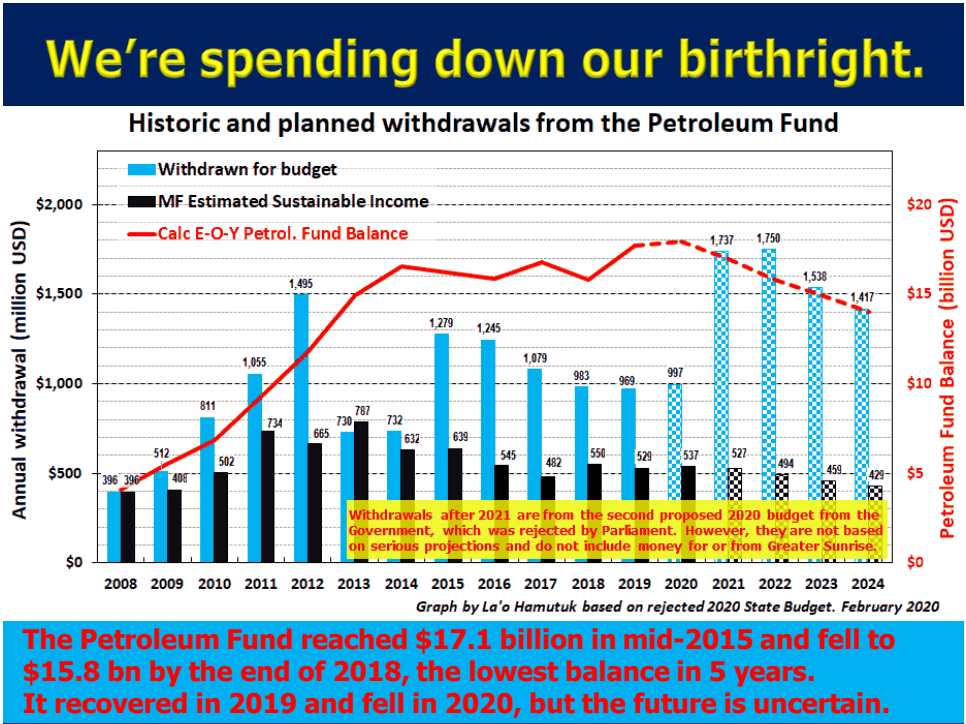
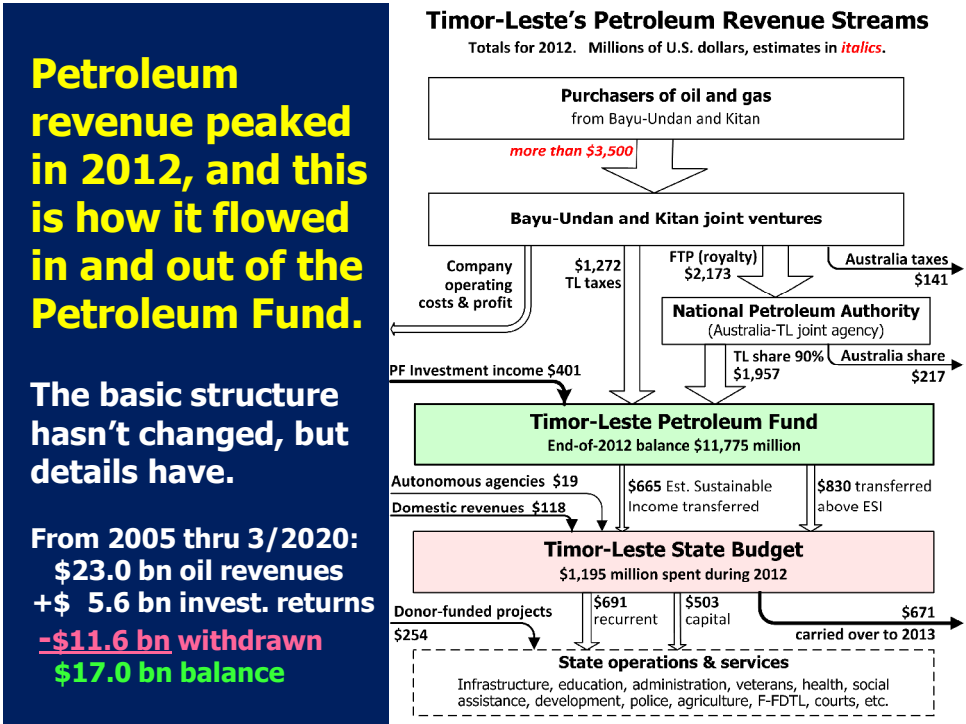
Australia and Timor-Leste have agreed on a boundary and on Sunrise revenue sharing – but the gas pipeline was not settled by the Treaty.

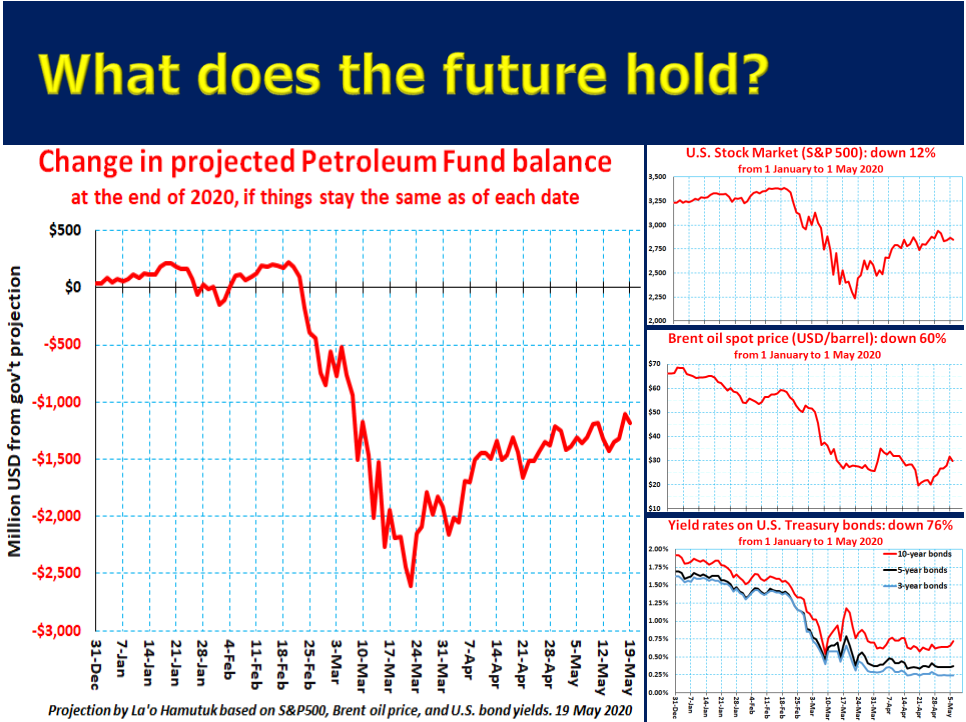
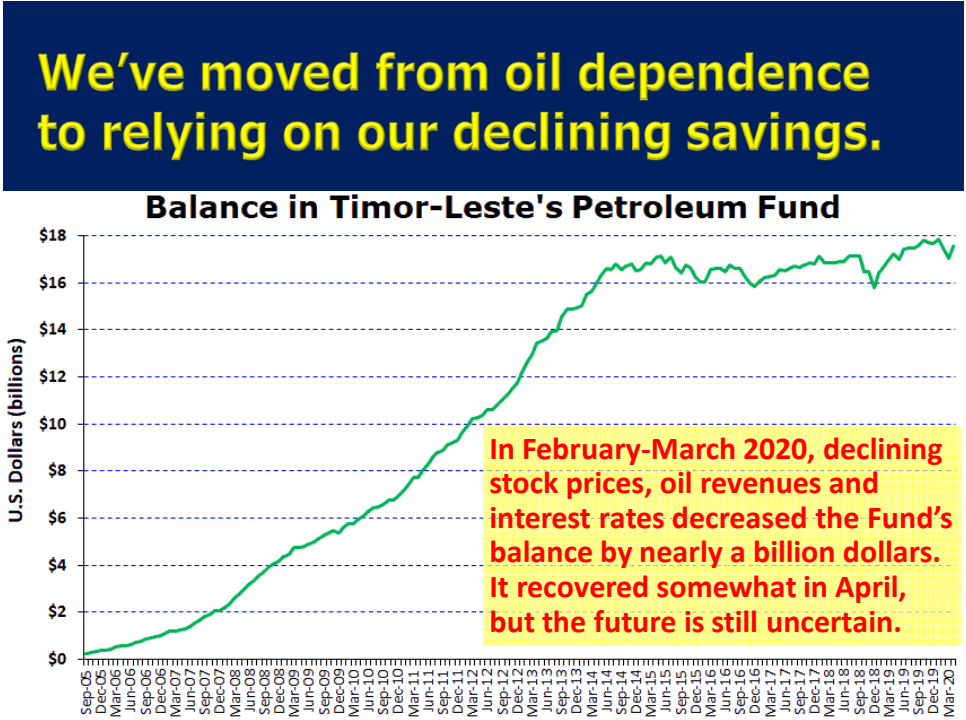


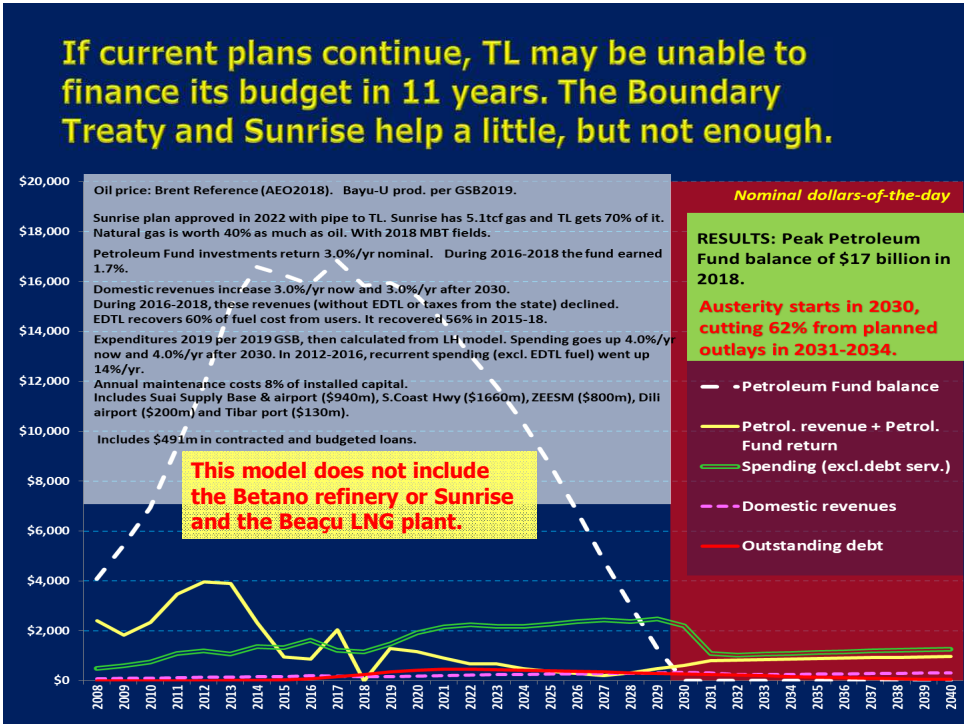
The Greater Sunrise stalemate

- The project has been stalled because Timor-Leste and the companies do not agree on how it should be developed.
- Woodside and its partners Shell, ConocoPhillips and Osaka Gas believe that a pipeline to the Darwin LNG plant (used for Bayu-Undan) is more profitable.
- Timor-Leste wants a pipeline from Sunrise to Beacu, to get more tax revenues and anchor the Tasi Mane project.
- Under contracts and treaties, the companies propose the path, but both governments need to approve it.
- Because of Australian spying, TL persuaded Aust. to invalidate CMATS in 2017.
- The negotiations for the 2018 Boundary Treaty could not agree on where the pipeline will go.
- Timor-Leste bought a 57% share of Sunrise to control the decision. They are seeking financing.
- The logistical and economic impacts of Covid-19 are causing companies worldwide not to invest in new projects.

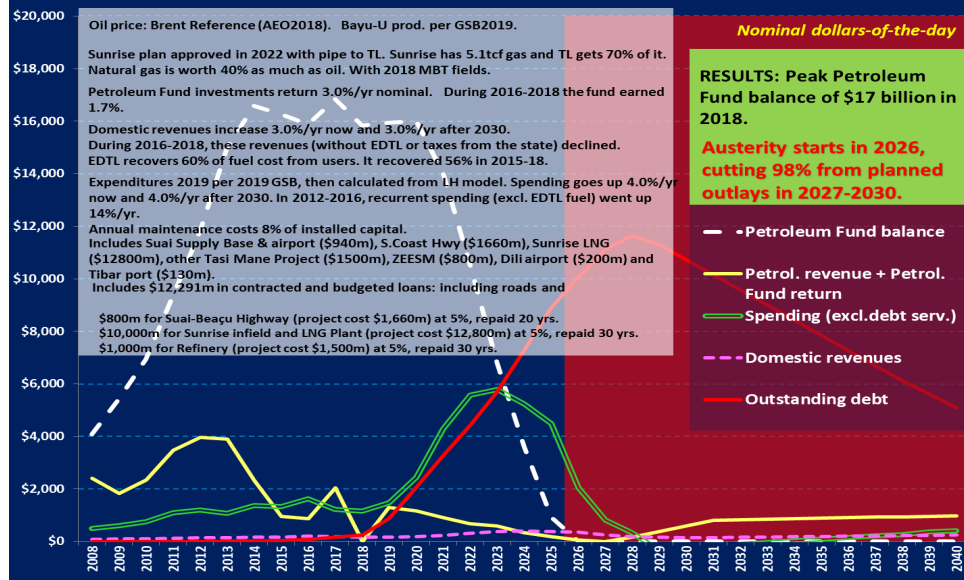








Borrowing for Tasi Mane delays doomsday but bankrupts the nation.



Signs of the 'resource curse' (1)

- **Acting as if the oil money will last forever**
Kitan is finished; Bayu-Undan will be dry by 2022.
- **Dreaming of riches from the earth**
which are received without doing hard work.
- **Borrowing today, to repay tomorrow**
TL may borrow billions for projects with little chance of return.
- **Lack of realistic long-term planning**
The Strategic Development Plan 2011-2030 is but a dream;
Tasi Mane and ZEESM may have greater costs than benefits.
- **Using money to 'solve' every problem**
It's easier to buy a scholarship than to manage a university.

Signs of the 'resource curse' (2)

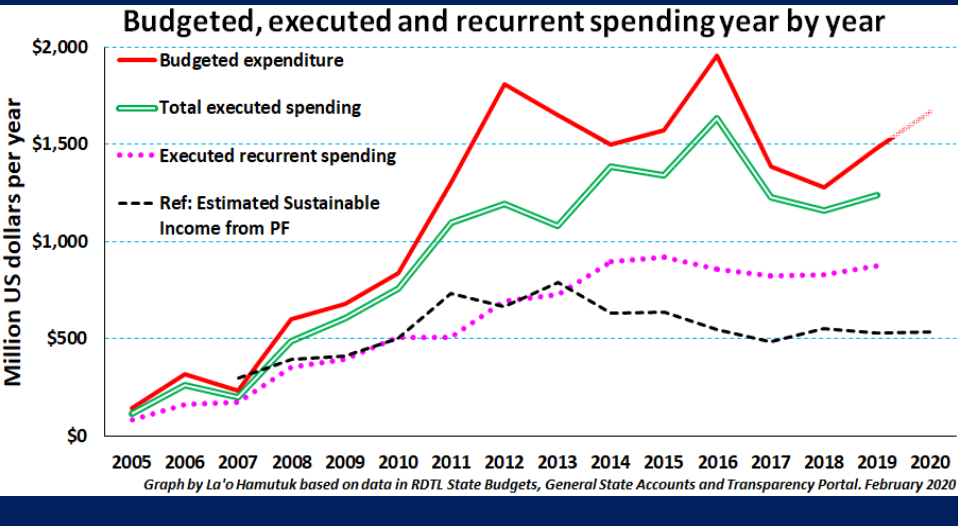
- **Spending without thinking**
- **Import dependency**
TL's non-oil trade deficit is about a billion dollars every year.
- **Ignoring non-oil development and revenues**
Farming is too hard to envision, even if oil may not last very long.
- **Benefits flow to the urban and political elite.**
Most people won't use highways, airports and oil facilities ... but will share the costs of paying for them.
- **Petroleum captures decision-making.**
Agriculture, tourism, small industries, etc. don't get a 'fair go.'

2. Unsustainable budget and economy

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

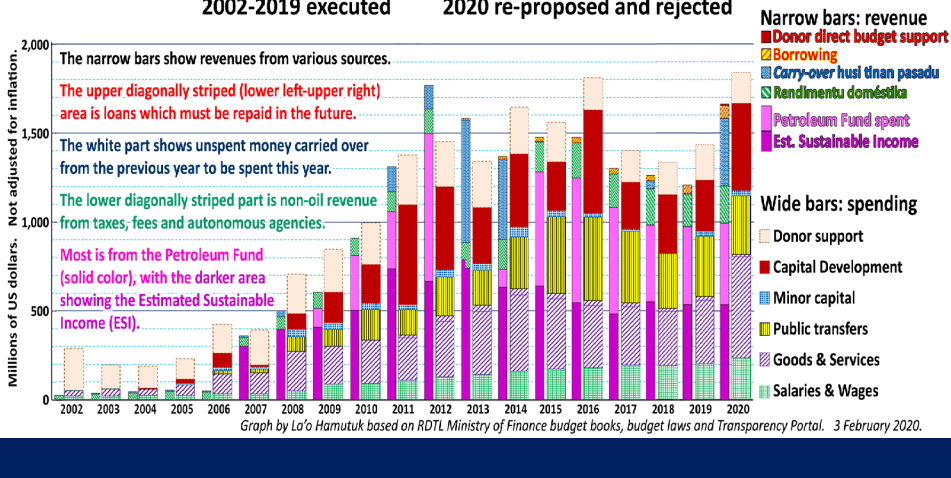
From 2008 through 2016, state spending grew faster than nearly every country in the world.

Budgeted & executed spending



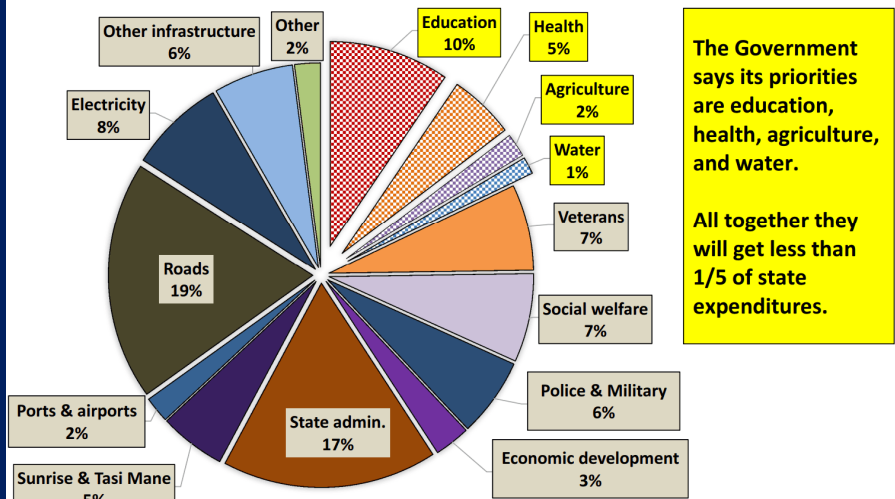
State Budgets 2002-2020

State Revenues and Expenditures (including autonomous agencies) 2002-2019 executed 2020 re-proposed and rejected



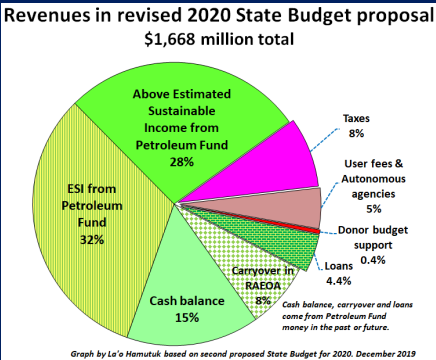
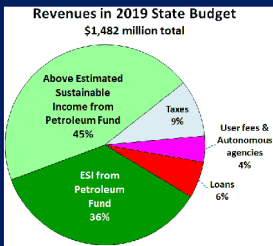
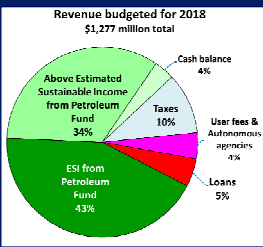
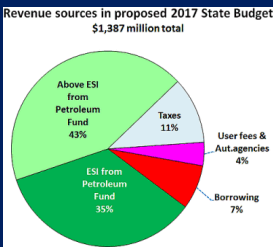
The money doesn't match the promises.

Appropriations in the promulgated 2019 State Budget
\$1.482 billion total



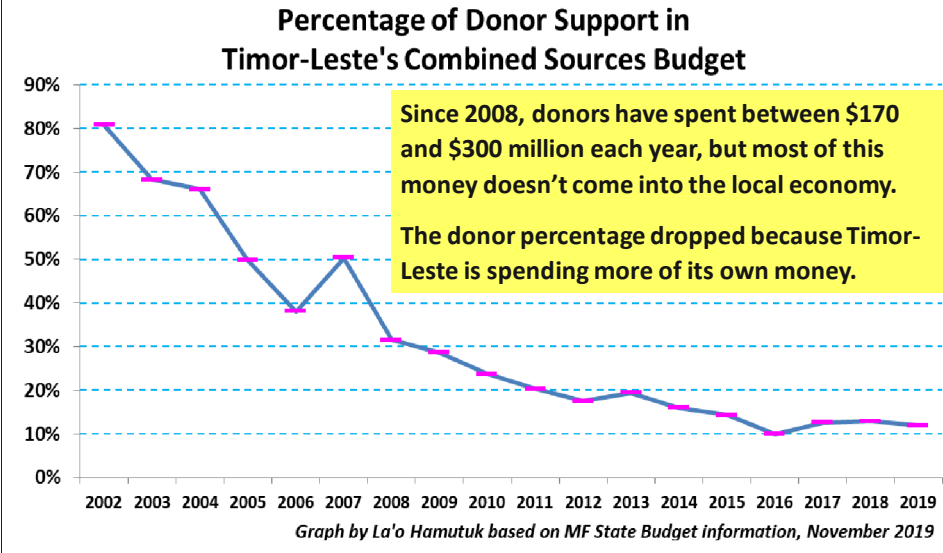
Graph by La'o Hamutuk based on 2019 State Budget. March 2019

Income in state budgets



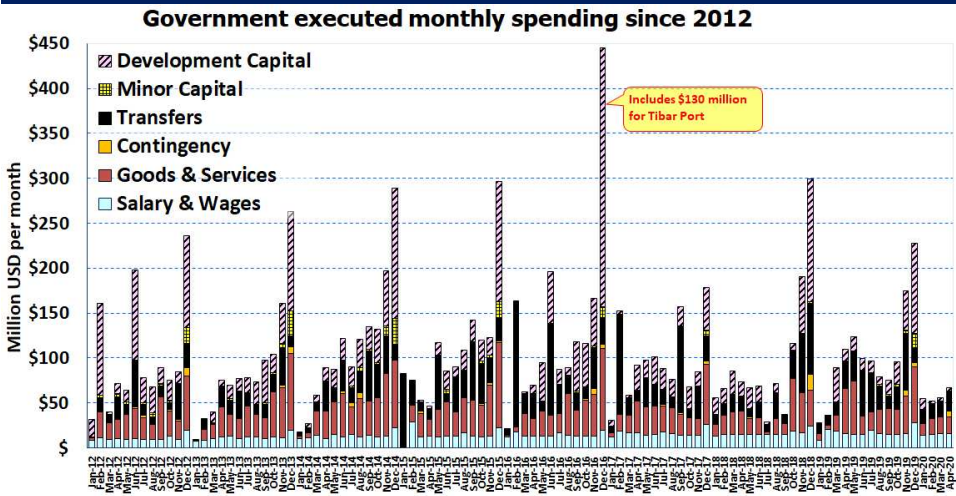
Graph by La'o Hamutuk based on second proposed State Budget for 2020. December 2019

Donor support is less important now.



Recent budget execution

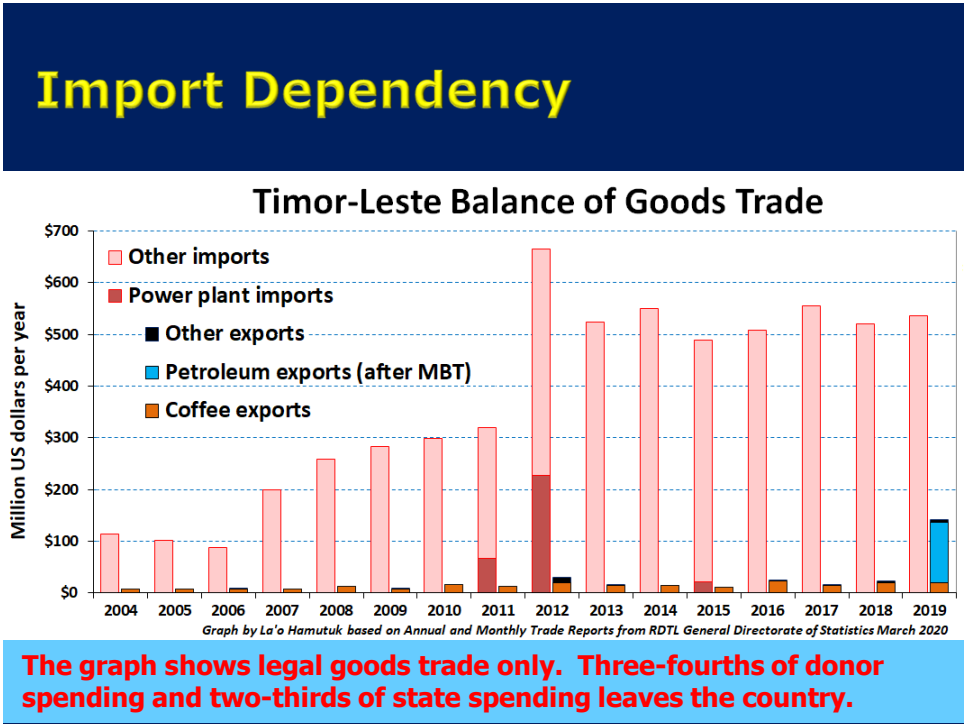
Hasty end-of-year spending is neither effective nor efficient, but spending was slow in Jan-Sep 2018 and in 2020 with no approved budget.

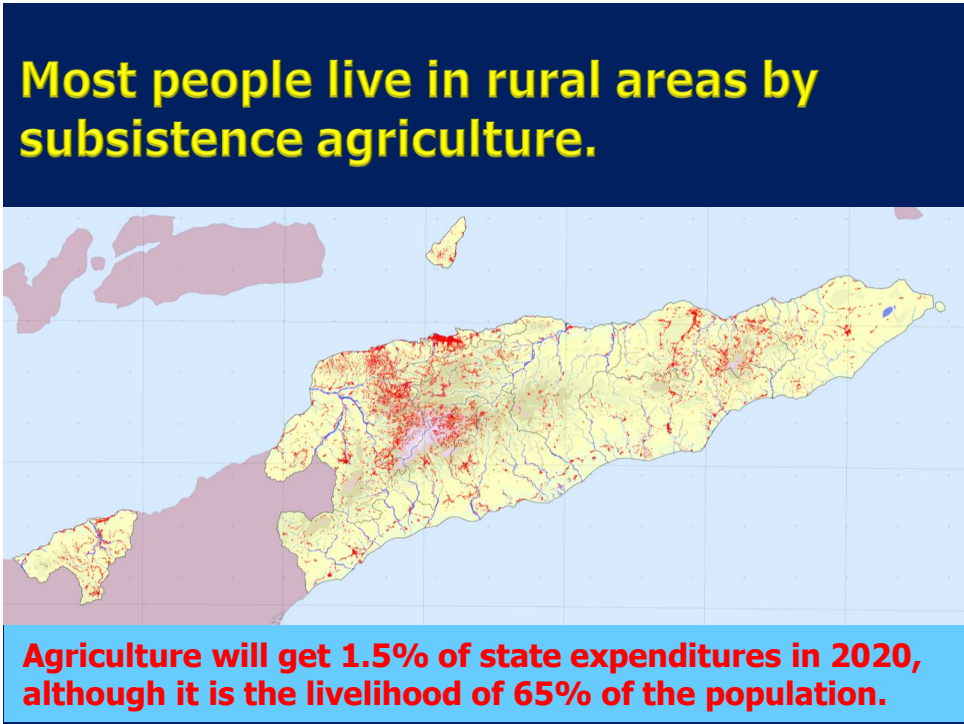
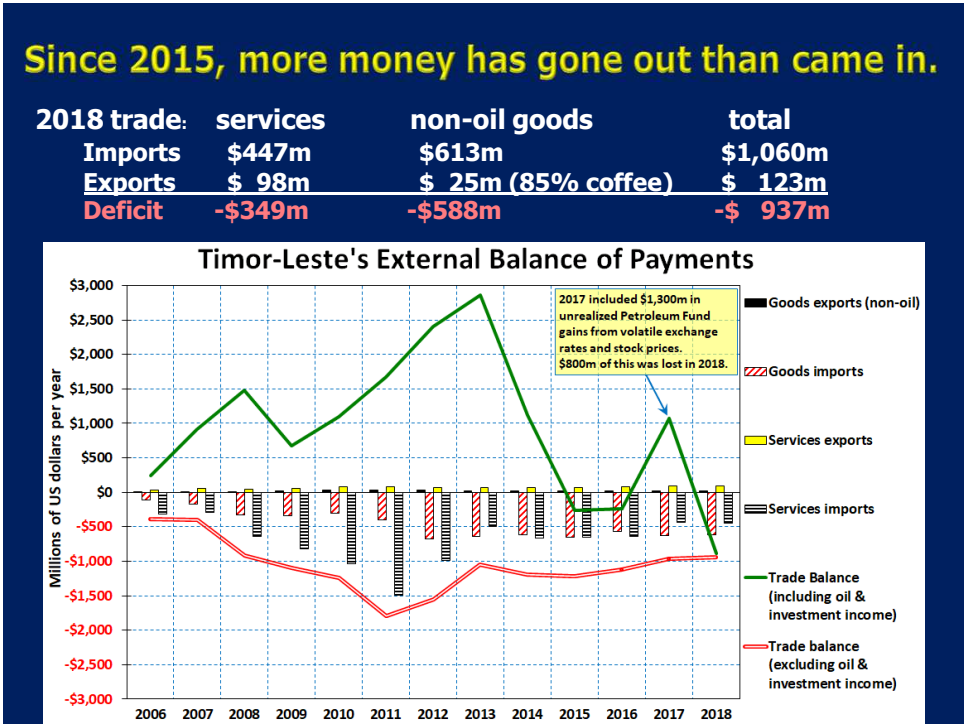


Real Threats to Real Security

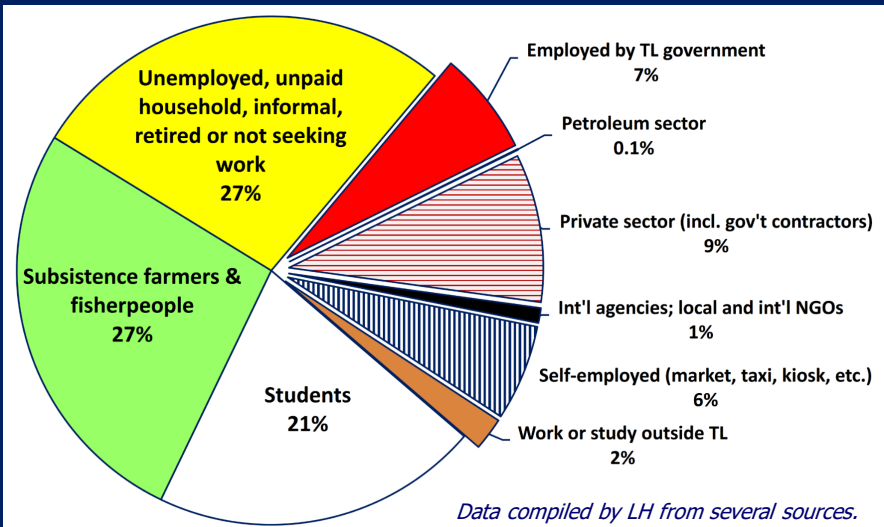
- Human security is health care, food, education, employment, housing, etc.
- 20 times as many Timorese children under five die from avoidable conditions as people are killed by violence.
- These children will not be helped by police, soldiers or judges, but many donors prioritize the "security sector," seeing everything through a conflict lens.
- We must diversify our economy and strengthen our people and workers to prepare for the day our oil runs out and we can no longer pay for imports.



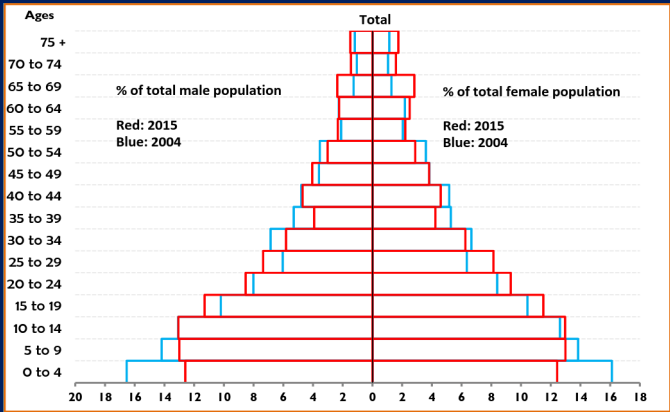




What do 800,000 Timorese people aged 15-64 do for work?



Many children are becoming youth.



Timor-Leste's working age population is increasing by about 24,000 people every year.

In 2018, total private sector employment was 53,000, 9,200 less than it had been in 2014.

What are the future prospects?

Business Activities Survey 2018 from RDTL National Statistics Directorate

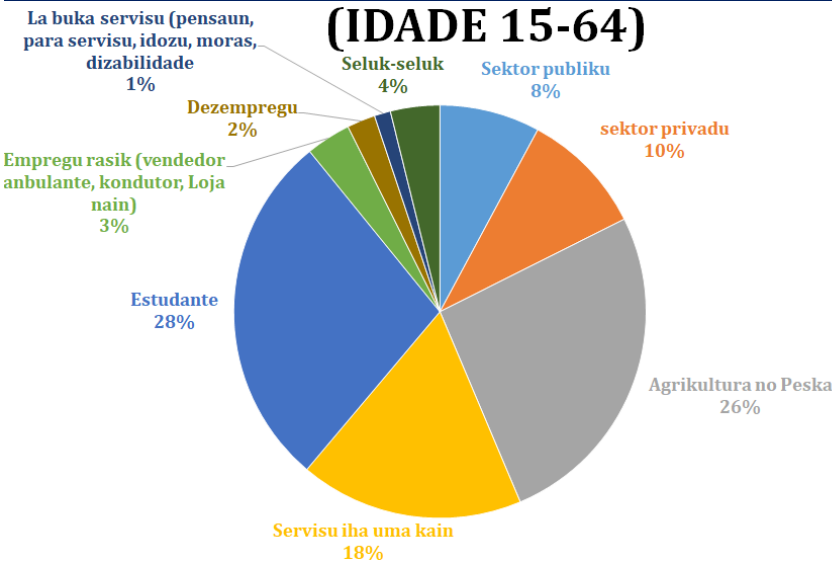
Table 2.1 Key structural data by geography, non-petroleum producing businesses, 2014-2018

		Total Timor-Leste				
		2014	2015	2016	2017	2018
Employment						
Male *	n	47,200	46,200	44,000	43,500	38,700
Female *	n	15,000	15,100	14,200	14,500	14,200
Total employment *	n	62,200	61,300	58,200	57,900	53,000
Income						
Income from sales of goods and services	\$m	2,000.4	1,999.3	2,049.4	1,918.1	1,840.4
Other income	\$m	42.9	31.7	33.7	33.2	35.3
Total income	\$m	2,043.3	2,031.1	2,083.1	1,951.4	1,875.7

Timor-Leste lost 9,200 private sector jobs during the last four years.
About 90,000 more people reached working age during that time.
The VIII Government promised to create 60,000 new jobs each year.
The Beaçu LNG plant will employ only 350 workers.

The potential workforce grows by more than 20,000 people every year, but private sector employment dropped 15% from 2014 to 2018. Half the population is under 20 years old.

From the 2015 Census



Dili is very different from the districts.

Table 2.6 Wealth quintiles

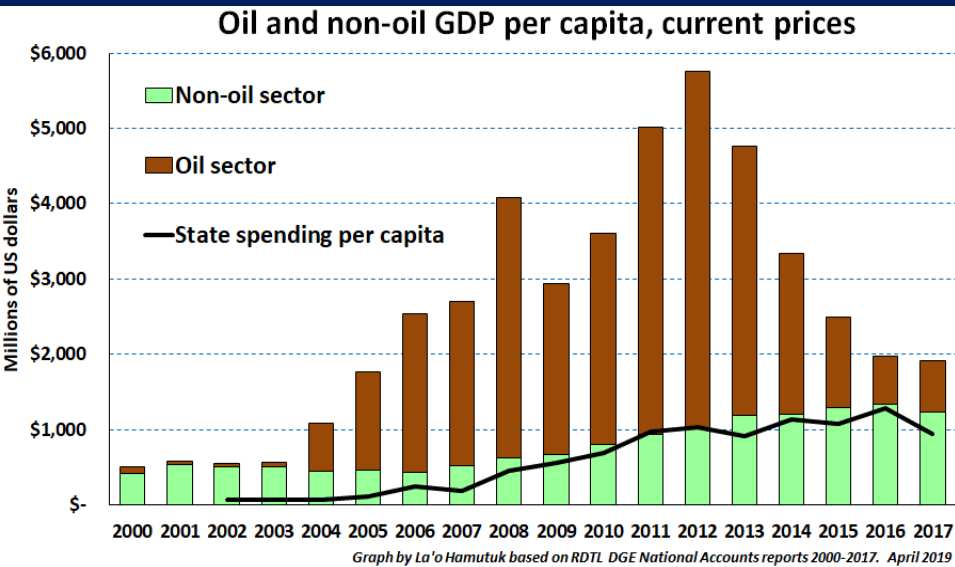
Percent distribution of the de jure population by wealth quintiles, and the Gini Coefficient, according to residence and municipality, Timor-Leste DHS 2016

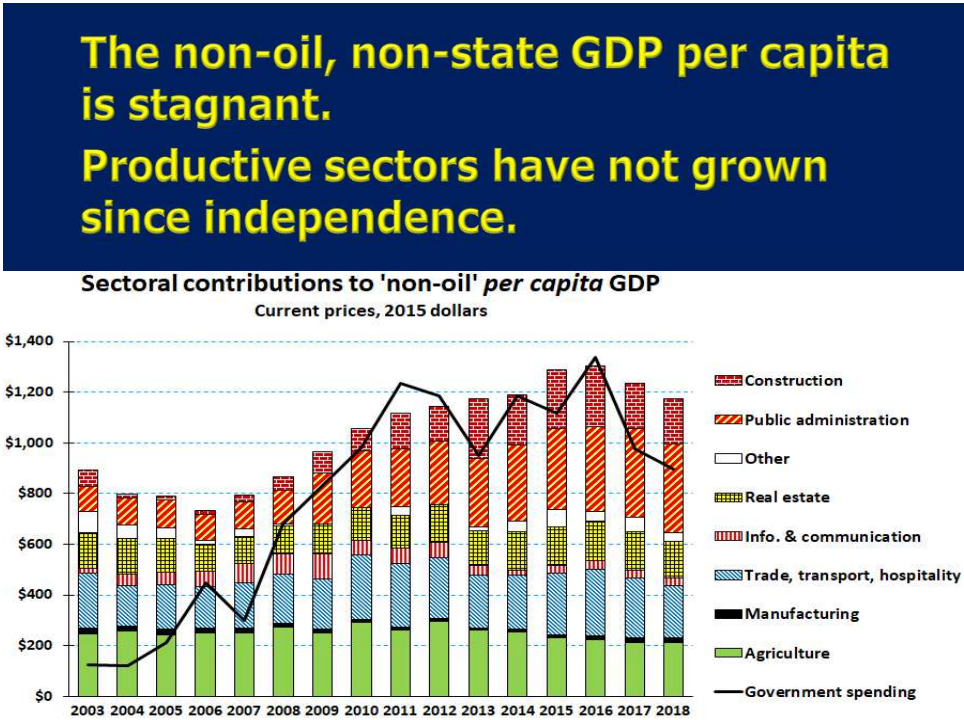
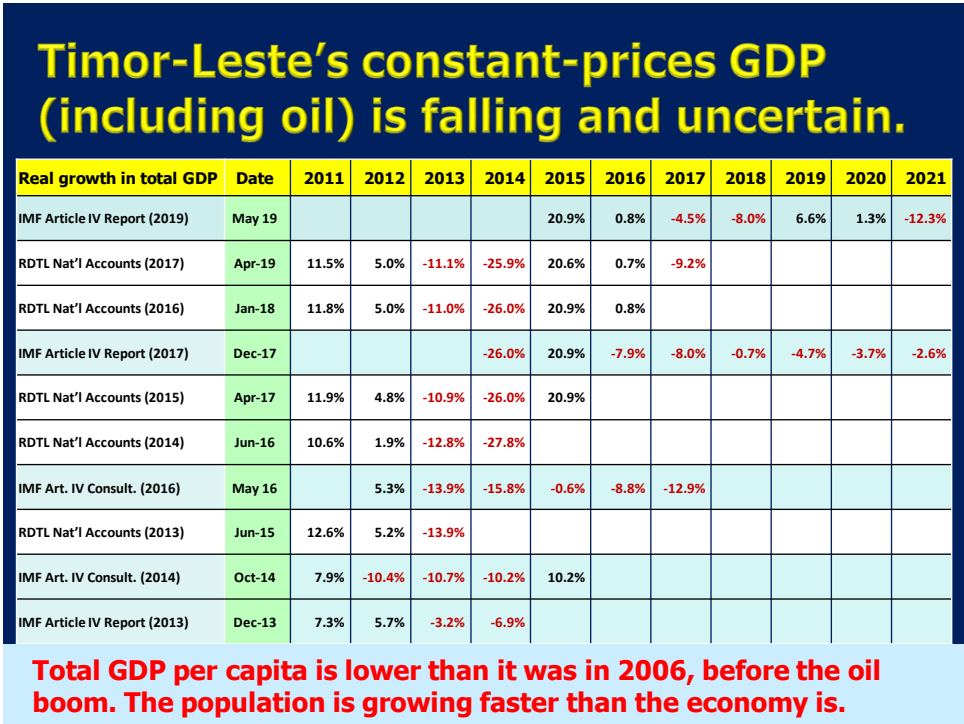
Residence/region	Poverty		Wealth quintile			Total	Number of persons	Gini coefficient
	Lowest	Second	Middle	Fourth	Highest			
Residence								
Urban	1.5	3.4	8.8	30.0	56.2	100.0	16,539	0.11
Rural	26.9	26.2	24.2	16.3	6.4	100.0	44,030	0.25
Municipality								
Aileu	16.6	33.3	27.2	17.1	5.9	100.0	2,357	0.21
Ainaro	35.0	27.1	20.8	13.5	3.7	100.0	3,076	0.15
Baucau	20.0	22.4	22.5	22.6	12.6	100.0	6,994	0.23
Bobonaro	15.6	22.0	29.8	22.5	10.0	100.0	4,797	0.23
Covalima	24.4	18.9	24.8	20.8	11.1	100.0	3,569	0.15
Dili	2.9	4.4	6.8	26.0	59.8	100.0	12,625	0.18
Ermera	30.0	32.8	21.9	11.2	4.1	100.0	5,818	0.27
Lautem	15.1	20.9	25.4	26.5	12.2	100.0	3,374	0.21
Líquičá	17.0	28.3	24.1	18.8	11.9	100.0	3,966	0.28
Manatuto	18.7	19.3	25.5	21.7	14.9	100.0	2,795	0.26
Manufahi	24.2	22.7	20.2	21.6	11.3	100.0	3,201	0.27
SAR of Oecussi	45.7	18.7	16.8	10.6	8.2	100.0	3,985	0.25
Viqueque	30.3	22.0	24.3	15.0	8.3	100.0	4,012	0.27
Total	20.0	20.0	20.0	20.0	20.0	100.0	60,569	0.16

60% of Dili’s population are among the wealthiest 20% of Timorese, while only 7% are below the poverty line.

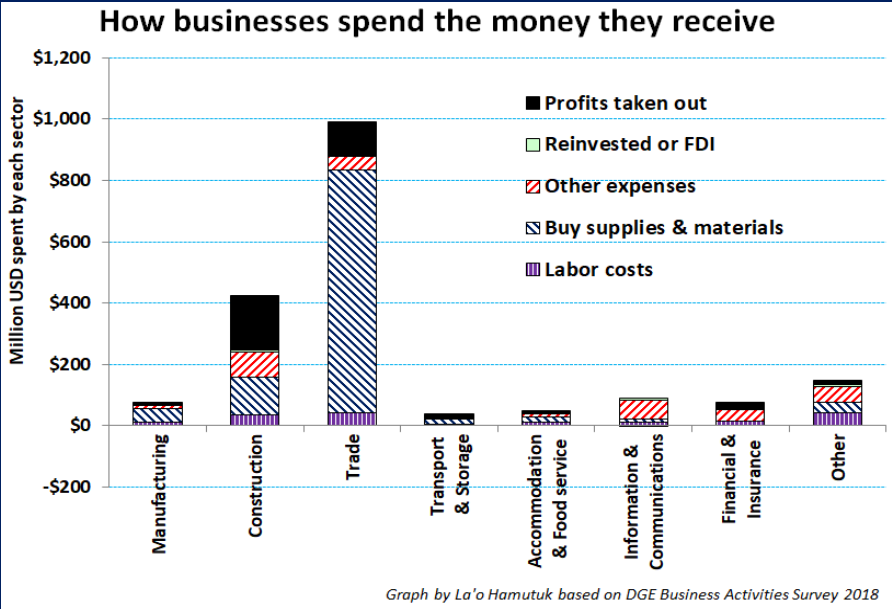
More than half of the families outside Dili live in poverty.

Oil GDP fell 85% between 2012 and 2016.





Businesses don't invest in themselves.



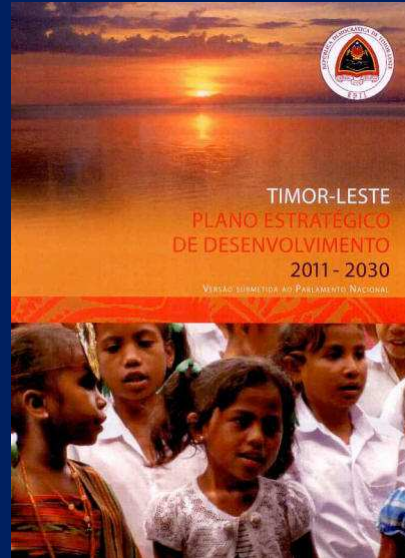
3. Unrealistic dreams

Current plans for development will not sustainably improve people's lives.

They rely on Greater Sunrise gas, which is limited and may never come to TL's land or treasury.

The Strategic Development Plan

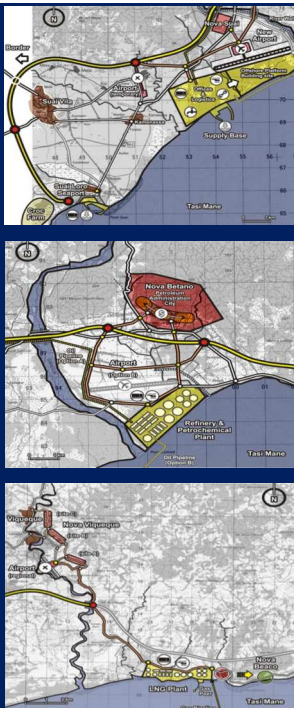
- Issued in 2011, hopes to make Timor-Leste an Upper Middle Income Country by 2030.
- A vision and dream, not a realistic plan.
- Focuses on physical infrastructure, not sustainable or human development.
- Will require spending far beyond TL's means.
- Promised reviews are not being done.



Tasi Mane petroleum infrastructure project

- In 2010, TL began the South Coast Petroleum Corridor.
- During 2011-2018, Timor-Leste spent more than \$400 million on it.
- The 2019 budget anticipates \$1.46 billion more in 2019-2023, but leaves out the most costly items.
- Timor-Leste just bought ConocoPhillips' and Shell's shares of Greater Sunrise for \$650 million ... and will now have to pay 57% of offshore development costs.
- Total project costs could be \$15-20 billion (more if Timor-Leste pays for the refinery, pipeline or LNG plant). No investors had shown interest, even before Covid-19.
- TL signed its largest contract ever with Hyundai in 2015: \$719 million to build the Suai Supply Base.
- A court rejected it in 2015 but was reversed in 2017. Hyundai does not want to resume.






Tasi Mane project will include:

- **Suai:** Supply base area, Industrial estates, Nova Suai, Suai Airport, Crocodile farm
- **Betano:** Refinery and Petrochemical complex, Petroleum city (Nova Betano), pipelines from & to Suai
- **Beacu:** LNG Plant complex, Nova Beacu, Nova Viqueque, Viqueque airport
- **Highway** from Suai to Beacu

The Tasi Mane Project includes the Suai supply base, Betano refinery, Beacu LNG plant, a 156-km highway, onshore and offshore pipelines, 2 airports and 2 seaports.



Buying into Greater Sunrise

- Timor-Leste 'borrowed' \$650 million from the Petroleum Fund to pay for 57% of the Sunrise Joint Venture.
- The other partners do not want to build a pipeline to Beacu and an LNG plant there, but might go along if TL pays all the costs.
- This will eat up billions of dollars and reduce TL's share of Sunrise upstream revenues from 80% to 70%.
- Spinoff benefits may be a mirage, and environmental, social and financial costs and risks have not been fully analyzed.
- The deal is being done with little accountability and weakened oversight.
- Few consider lost opportunity costs, more realistic and sustainable options, or what else the money is needed for.



What will Tasi Mane really cost?

This estimates capital expenditures only, not operational costs. Most have never appeared in state budget forecasts.

Component	Location	Status	Spent through 2019	Budgeted 2020	Budgeted 2021-2024	Estimated total capital cost	Percent budgeted
Airport	Suai	Constructed	75	9	4	100	88%
Supply base	Suai	Tender pending	51	5	705	850	89%
Highway	Suai-Fatukai	Mostly built	305	4	4	340	92%
Highway	Fatukai-Beacu	Not started	3	4	18	1,320	2%
Airport	Viqueque	Not started	-	-	-	75	0%
Oil refinery & pipelines	Betano	Pending design	3	5	6	1,500	1%
Gas pipeline, LNG plant & port	Sunrise-Beacu	Pending design, seeking financing	12	35	19	6,000	1%
57% share of Greater Sunrise Joint Venture	Offshore	Borrowed directly from the Petroleum Fund	650			650	100%
Interest on loan to buy into Sunrise JV	Offshore	Debt accrued in Petroleum Fund	21	30	135	512	36%
57% of Sunrise upstream capital expenditure	Offshore	Pending design, seeking financing	-	25	-	6,840	0%
Administrative and other costs	Dili	Ongoing	64	10	-	500	15%
TOTAL			1,184	126	889	18,687	12%

Table by La'o Hamutuk from 2018, 2019 and 2020 budget books, TimorGAP proposal, transparency portal and our estimates. May 2020

Problems with the Tasi Mane project

- It prolongs TL's dependency on oil and gas.
- Dubious concepts and planning; it is unlikely to provide a reasonable return on investment.
- It neglects sustainable development (agriculture, tourism, small industries etc.), exemplifying the obsession with oil.
- Nearly all the billions spent will go to foreign companies, providing hardly any local livelihoods or subcontracts. The petroleum industry creates fewer jobs than any other option.
- It will create social conflict, take up land, displace people, worsen health and degrade and endanger the environment.
- Cost projections leave out 90% of investment obligations.
- In today's economy and oil prices, it is not financially viable.
- We can be brave, but we should also be smart.

The Government has made many unrealistic promises about revenues, profit-sharing, jobs and other benefits.

Special Market Zone in Oecusse

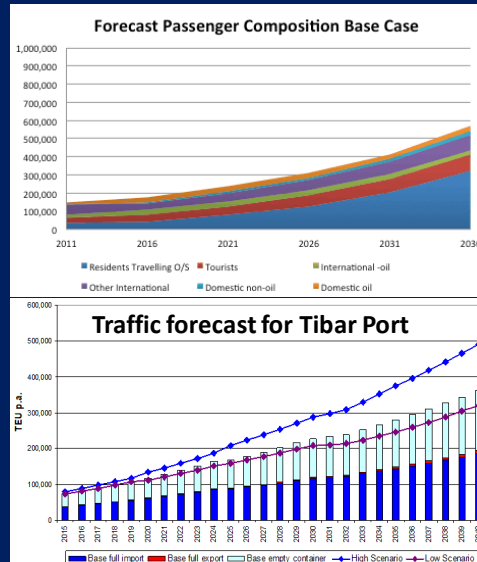


- In 2014-19, RDTL spent \$647 million on ZEESM with no accountability. Oecusse has 6% of Timor-Leste's population.
- What are Oecusse's competitive advantages?
- Can ZEESM justify a \$4 billion investment?

Who benefits: residents of Oecusse or political leaders?

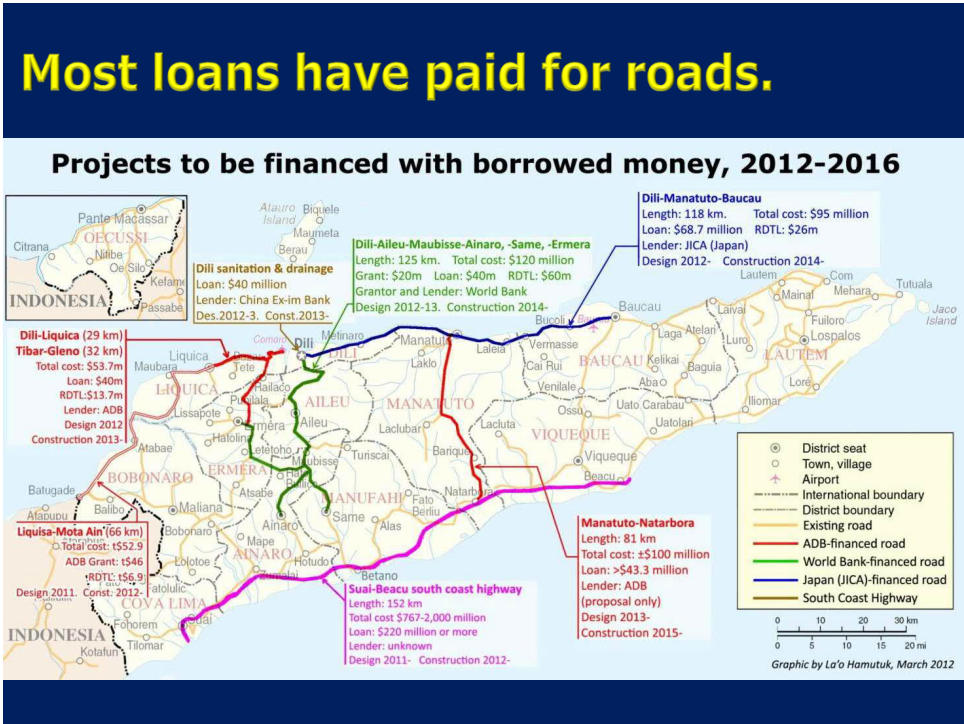
Overbuilding ports and airports

- Timor-Leste intends to build a port and airport far beyond realistic traffic expectations.
- Airfares have escalated and airlines are cancelling routes.
- How will the country pay for a \$6 billion annual trade deficit after the oil is gone?



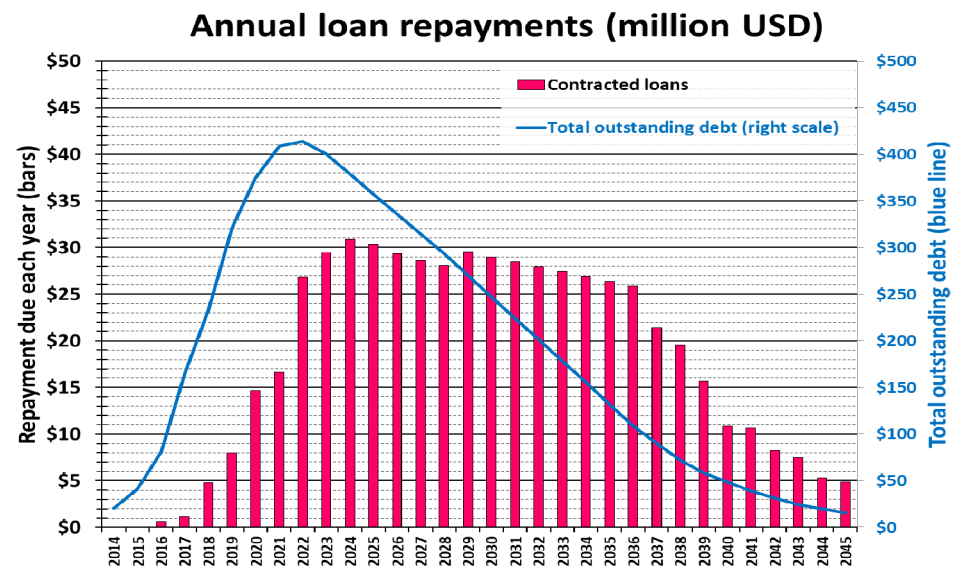
Timor-Leste is in debt.

- Laws in 2009 opened the door to foreign loans.
- Since 2012, TL has signed contracts to borrow \$448 million:
 - \$270 million from the Asian Development Bank (ADB) for roads
 - \$ 75 million from the World Bank for roads
 - \$ 53 million from Japan (JICA) for roads
 - \$ 50 million from China (Ex-Im Bank) for Dili drainage
(this loan was rejected by Timor-Leste's Audit Court).
- From these contracts, \$198 million has been disbursed so far.
- Future borrowing is unclear, although Sunrise and the Tasi Mane Project may be financed by borrowing billions of dollars.
- The proposed 2020 Budget would have authorized \$750 million in new loan contracts.
- By 2023, Timor-Leste will be paying \$27 million each year in debt service, which will rise to \$78 million/year if \$750m in new contracts are signed and money is borrowed.

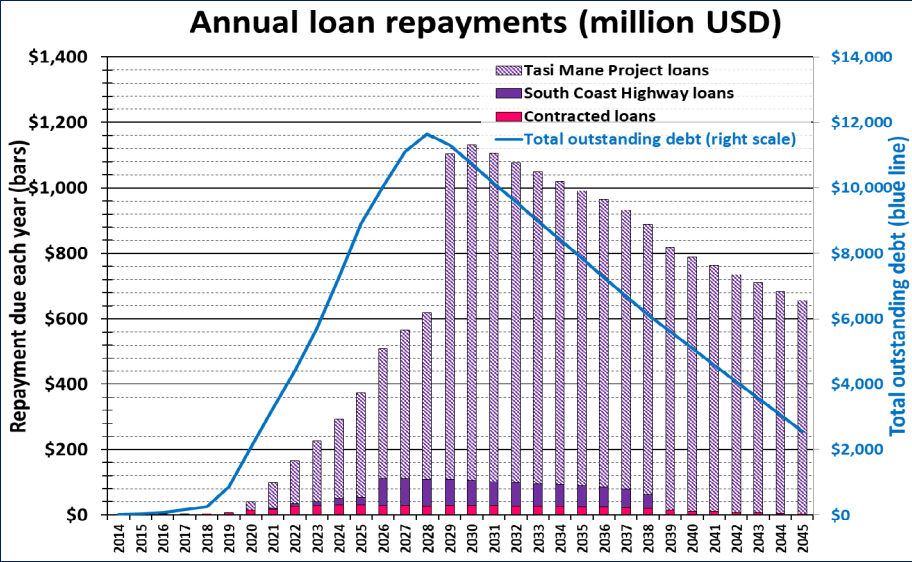


Loans will have to be paid back.

This graph only includes loan contracts which have already been signed.



Tasi Mane loans could cost a billion dollars each year.



Important to consider



- Implementing the SDP will require borrowing billions, probably at commercial rates.
- Even at concessional rates, repaying loans depletes the assets in the Petroleum Fund.
- TL’s oil and gas reserves are limited, non-renewable, and 95% exhausted already. Future projects may not materialize.
- TL will have to prioritize repaying loans above spending on people’s needs or developing other sectors.
- Our children and grandchildren will inherit the debt after the oil wells have run dry.

4. Impunity and accountability

**Impunity for past crimes
undermines future stability,
security and rule of law.**

Impunity and accountability for crimes against humanity

- **1975-1999: Indonesian invasion and occupation killed about 180,000 people in a systematic and planned policy executed throughout Timor-Leste.**
- **The US, UK and Australia and others armed, trained and provided diplomatic cover for the Suharto military dictatorship until the 1990s.**
- **2000: Indonesian Commission on Human Rights Abuses in TL (KPP HAM) reported on 1999 crimes and recommended an international mechanism.**
- **2001-2004: UN-supported Serious Crimes Unit indicted 391 people for 1999 crimes. All Indonesian and most Timorese indictees live free in Indonesia.**
- **2001-2005: TL's Commission for Reception, Truth and Reconciliation (CAVR) researched history and encouraged reconciliation among Timorese. Its extensive report made 200 recommendations, including that if other processes fail, the UN should create an international tribunal.**

Impunity continues to this day

- 2005: UN Commission of Experts (COE) reviewed legal processes to date and recommended creating an international mechanism.
- 2005: TL and Indonesian governments created the Commission of Truth and Friendship (CTF) using diplomacy to avoid individual accountability.
- 2014: Prabowo, former commander of Kopassus, ran for President of Indonesia, losing to Jokowi.
- 2016: Jokowi appointed ex-general Wiranto as Coordinating Minister for Political, Legal and Security Affairs.
- 2019: Prabowo was again a leading candidate for President. After he lost, Jokowi appointed him as Minister for Defense.

Until today, not one legitimate process in Indonesia or Timor-Leste has held major criminals accountable.

Indonesia's occupation included many massacres.



Above: 1983 massacre in Kraras, Viqueque



Right: Commemorating the 10th anniversary of the 1999 Suai Church massacre. Indicted ringleader Maternus Bere was illegally freed due to Indonesian pressure on TL's leaders.



UN Serious Crimes Unit Special Panel

The UN-supported Serious Crimes Unit indicted 391 people for 1999 crimes, tried 87 Timorese and convicted 84.

All Indonesian indictees and most Timorese are living free in Indonesia, and efforts to prosecute were blocked by political interference.



2004: President Xanana Gusmão and indicted ex-General Wiranto

The Serious Crimes Unit issued an arrest warrant for former Indonesian military chief Wiranto for Crimes Against Humanity weeks before this photo was taken in Bali.

Wiranto later ran twice for President of Indonesia.



Human rights groups against Wiranto's cabinet appointment

Indonesia: Gen. Wiranto's appointment shows contempt for human rights

27 July 2016, 14:35 UTC

AMNESTY INTERNATIONAL





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HUMAN RIGHTS WATCH



37

Timor-Leste’s people cannot forget as easily as Washington.



U.S. DEPARTMENT OF DEFENSE

News Transcript

Press Gaggle by Secretary Mattis En Route to Indonesia

Press Operations

Secretary Of Defense James N. Mattis
Jan. 22, 2018

SECRETARY OF DEFENSE JAMES N. MATTIS: So first of all, thank you. I know you had to wake up mighty early to do this one. And -- but that's good. It builds character, I find, after a few decades, you know? But thanks for coming out. It's a very, very long airplane flight, so I appreciate you taking the time. And we'll go into Indonesia and Vietnam. **And with Indonesia, we're dealing with a country that we have very -- very good military to military relations.**

We probably engage with the Indonesian military more than any other nation anywhere in terms of mil-to-mil engagements.

Timor-Leste’s people cannot forget as easily as Washington.

The US Should Not Be Rehabilitating Indonesia’s Abusive Special Forces

The Indonesian military’s past abuses should not be forgotten.

By Andreas Harsono
January 26, 2018



Image Credit: Flickr via AK Rockefeller

U.S. Defense Secretary Jim Mattis was seen laughing and smiling this week as he watched a military exercise in Jakarta in which **Indonesian troops drank snake blood, rolled in glass, broke bricks with their heads, and walked on fire**. The spectacle would hardly be amusing, however, to anyone familiar with the Indonesian military’s human rights violations, especially the record of its special forces unit, Kopassus.

Mattis’s visit was part of U.S. efforts to improve military cooperation with Indonesia. During his stay he discussed with Indonesian Defense Minister Ryamizard Ryacudu plans to resume U.S. assistance to Kopassus. Assistance to the unit had been halted in large part because of the U.S. “Leahy Law,” which bars US assistance and training to foreign military units known to have committed gross human rights abuses, unless the government has taken steps to remediate, address the abuses, and hold those responsible to account.

The U.S. military first announced plans to **re-engage with Kopassus in 2010**, hoping to train newer “untarnished” soldiers, but in subsequent years remained reluctant to proceed, in part because Indonesia had largely failed to address past abuses.

Ongoing impunity creates insecurity.

- Today, all the main perpetrators of crimes against humanity during the Indonesian occupation are free in Indonesia, including everyone responsible for the 99% of occupation-related killings committed between 1975 and 1998.
- They are all protected by the Indonesian government, and many hold high Indonesian political and military positions.
- This ongoing impunity greatly threatens peace, security, democracy, rule of law and moral values in both Timor-Leste and Indonesia.

UN Special Rapporteur on Extreme Poverty

"Ending impunity is an essential prerequisite to ensuring stability, peace and sustainability. The Special Rapporteur encourages the State to take measures to ensure that post-conflict justice and reconciliation is prioritized and that a legal framework is put in place to ensure that those responsible for serious crimes during the conflict are called to account for their deeds, and the victims of those crimes are able to access reparations. She also reminds the Government of Indonesia, the United Nations and the international community of the role they must play in ensuring that the perpetrators of crimes during the Indonesian occupation are brought to justice."

June 2012 report to Human Rights Council

What happens next?

- Today, neither Indonesia, Timor-Leste nor the international community has the political will to bring these criminals to justice.
- The Commission of Experts report has never been discussed in the Security Council.
- UNMIT left Timor-Leste at the end of 2012, having failed to achieve justice.
- Recent executive interference in the court system further weakens the rule of law.
- UN policy and global consensus says that there can never be impunity for crimes against humanity. **Chega!**

A luta continua. We continue to demand that people who violate the law be held accountable for their crimes.

Use www.laohamutuk.org

Instituto ba Analiza no Monitor Dezenvolvimento iha Timor-Leste
Timor-Leste Institute for Development Monitoring and Analysis
Institut Permantauan dan Analisis Pembangunan Timor-Leste



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- May 2020: [State of Emergency / Estadu Emerjensia](#) with many documents
- May 2020: State budget for 2020, including [October LH Submission](#) (also [Tetum](#)), re-proposed [law](#) and budget books, [January LH Submission](#) (also [Tetum](#)), and Duodecimal regime
- Apr 2020: [La'o Hamutuk press release on Open Budget Survey](#) (also blog and [Tetum](#) and [Tetum blog](#))
- Apr 2020: [La'o Hamutuk Annual Report for 2019](#)
- Apr 2020: [Surat Popular](#) [Mal Ita Hamutuk](#) [Bele Evita Surtu Covid-19](#) (We Come Together to Avoid Spreading Covid-19), also [lilog](#)
- Apr 2020: [LH open letter to the Prime Minister](#) (also [Tetum](#)) asking that emergency economic measures ensure equitable support for informal workers and vulnerable groups
- Mar 2020 blog: Global economic developments hit Timor-Leste hard (also [PDE](#))
[Akontesimentu Ekonomia Global f6 impaktu boot ba Timor-Leste](#) (mos [PDE](#)), updated monthly
- Mar 2020: [Rights and Sustainability: LH briefing on key issues facing TL](#), 20 MB Powerpoint or [7 MB PDF](#)
- Mar 2020: Maritime boundary dispute with Australia 2016-2020
- Jan 2020: [Extractive Industries Transparency Initiative \(EITI\)](#) in Timor-Leste: reports and background
- Dec 2019: [Buying into Greater Sunrise at the cost of prudence and good governance](#)
- Dec 2019: U.S. Millennium Challenge Corporation (MCC) to re-engage in Timor-Leste
- Oct 2019: [LH Submission to the Australian Senate on returning to international legal mechanisms](#)

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