

# Mutual benefit

WITH FEDERAL PARLIAMENT'S FOREIGN AFFAIRS COMMITTEE REVIEWING AUSTRALIA'S RELATIONS WITH ONE OF OUR CLOSEST NEIGHBOURS, AUSTRALIAN AMBASSADOR TO TIMOR-LESTE, MILES ARMITAGE, SAYS EACH COUNTRY HAS MUCH TO GAIN FROM THE GROWING RELATIONSHIP.



Photos: Newspix, aapimage and Australian Embassy, Dili

**REMARKABLE PROGRESS:**  
*Timor-Leste has come a long way in a decade*





The past year has been an important one for Timor-Leste: a year of celebration but also a coming of age, as the nation continued to develop into a vibrant democracy. It was also a year of transition, as international security forces departed and the country moved to the next stage of its development.

The 10<sup>th</sup> anniversary of independence was celebrated on 20 May 2012 in a way that reflected the very remarkable progress made in a short space of time. Later in the year, on 28 November, the proclamation of independence in 1975 and the 100<sup>th</sup> anniversary of the Manufahi uprising were celebrated in Same, in the southwest of the country.

Of even greater significance were the national elections: two rounds of presidential elections in March and April respectively, and parliamentary elections on 7 July. All three electoral processes were peaceful and well run, and were considered free and fair by a large group of international and domestic observers.

It is to the credit of the Australian parliament that it sent observers (Senators Stephen Parry and Claire

Moore and MPs Janelle Saffin and Jane Prentice) to observe each of the three separate elections – this was well received by the Timorese but also by the many Australians who came as volunteer observers.

The conclusion of the parliamentary elections led to a relatively smooth transition to a new government, led by Xanana Gusmao, which was sworn in on 8 August.

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The departure of the UN peacekeeping operation went smoothly and was completed by 31 December 2012. Similarly, the drawdown of the International Stabilisation Force has gone well, culminating in the departure on 27 March this year of the Commander, Lieutenant Colonel Michael Sasse, and the four other remaining members, five weeks ahead of schedule.

Australia is a close neighbour, major partner and good friend of Timor-Leste. As Timor-Leste moves forward into the next chapter of its

development, Australia is continuing to play an active and supportive role.

Bilateral relations are in a period of transition and evolution as we move from a phase in which we had a heavy emphasis on security cooperation to a more broad-based, more conventional bilateral relationship. It is not, however, the end of security cooperation activities.

The longstanding Defence Cooperation Program (DCP), consisting of 24 Australian Defence Force and civilian personnel, continues its work in helping to train the Timorese military, the F-FDTL.

Similarly, the Timor-Leste Police Development Program (TLPDP), implemented by the Australian Federal Police (AFP), continues with a focus on executive leadership training and investigations training. Under the program, the national police (PNTL) training centre has been substantially rebuilt and its facilities enhanced, and it has completed the prerequisites for international accreditation as a training institution.

There is, however, more work to do in helping the PNTL professionalise and modernise itself and become the police service the Timorese people deserve. Much has been invested in the institutional relationship between the AFP and the PNTL, and Australia remains firmly committed to the relationship.

It will require perseverance on the part of Australian companies to win business in this small emerging market.

It is part of the overall Australian development assistance program, worth A\$116 million in the current financial year, making Australia the largest aid donor to Timor-Leste, providing almost 40 per cent of bilateral aid flows into the country. Most of that program is managed and delivered by AusAID. It has a focus on enhancing services to rural areas, health, education, a suite of governance activities, and the establishment of a justice facility, which is in its final year.

But it is not just about the size of our contribution, it is also about the way we are working with Timor-Leste, which is new and innovative.

In November 2011, the Australia-Timor-Leste Strategic Partnership Agreement for Development was signed, under which Australia commits itself, in the areas in which it works, to the priorities and targets set by the Government of Timor-Leste in its Strategic Development Program (SDP).

Under the partnership agreement, Timor-Leste and Australia are putting into practice the principles of the New Deal, the development of which Timor-Leste, as Chairman of the g7+ group of fragile states, has been a driving force.

Australia and Timor-Leste are now working together in close partnership: in a more collaborative and more flexible manner, which will hopefully produce more effective programs.

Many other Australian government agencies, particularly the border control agencies and technical agencies such as the Australian Bureau of Statistics, the Australian Electoral Commission and the Australian Fisheries Management Authority, enjoy good relations with their Timorese counterparts and many undertake a range of capacity building activities with counterpart agencies.

The two parliaments enjoy good relations as illustrated by the visit to Timor-Leste in November 2011 by six members of the Joint Standing Committee on Foreign Affairs, Defence and Trade.

We are also developing new directions for the bilateral relationship such as the admission of Timor-Leste into the seasonal worker program. Last year, 12 Timorese workers worked for six months of the tourist season in three tourist resorts in Broome under a pilot program. It was a resounding success.

Timor-Leste now has access to the full program, opening up opportunities in the accommodation, horticulture and



other sectors in other parts of the country. Sixteen workers have already taken up positions in Australia this year, with more soon to depart. It sends a very good message about mutual benefit – the Timorese workers gain important work skills and higher incomes, and Australian employers receive an effective and sustainable solution to chronic labour shortages in particular sectors and regions.

Australia and Timor-Leste cooperate closely on the development of shared Timor Sea oil and gas resources in the Joint Petroleum Development Area (JPDA) through a Joint Commission. Timor-Leste's National Petroleum Authority undertakes the day to day regulation of oil and gas activity on behalf of both countries. This is an innovative arrangement which has been highly successful and which highlights our cooperation in this area.

The Timor Sea treaty framework, which outlines how Australia and Timor-Leste share the management of these resources, has secured billions of dollars of investment in the production of oil and gas. Under the treaty framework, Timor-Leste has received around \$14 billion, and Australia around \$1 billion, in revenue from development of the Bayu-Undan and Kitan fields in the JPDA since 2005. This revenue has underwritten Timor-Leste's development to date and, as a direct result, Timor-Leste's sovereign wealth fund – the Petroleum Fund – is now worth more than US\$11 billion.

Australia and Timor-Leste have also been engaged in detailed and complex discussions for some time on options for the development of the Greater Sunrise oil and gas field. Although discussions are not yet at a point where a development plan has been agreed, important progress has been made. The field is a valuable resource that, properly developed, will deliver significant benefits to both Timor-



**WORKING TOGETHER:**  
*(left) An ADF officer provides medical training under the defence cooperation program*

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Leste and Australia. We are strongly committed to working with Timor-Leste to enable the development of the Greater Sunrise resource so that these benefits can be realised.

In other sectors, as the Government of Timor-Leste embarks on major infrastructure development and seeks to foster the growth of a private sector, there are opportunities to enhance commercial relations between the two countries. It will require perseverance on the part of Australian companies to win business in this small emerging market. Our companies are unlikely to be competitive on price alone. It will be a question of presenting a value-added proposition, by including training and employment opportunities for Timorese, and by emphasis on quality and value for money of the services delivered.

One particular element that underpins the strength of the bilateral relationship between Australia and Timor-Leste is the people-to-people links.

In my two years in this country, I have discovered the extent of those people-to-people links: the more than 40 Timor-Leste Australia friendship groups, the many Rotary clubs and other community service groups, church and school groups, professional associations, the many Timorese living and studying in Australia now and in the past, and the many Australians who have made Timor-Leste their home for a short or long period.

### ENHANCING SERVICES:

*Australian Ambassador Miles Armitage encouraging immunisations (left) and inaugurating a water system (below) as part of AusAID funded projects*



We also cannot forget the bonds between former WWII Australian soldiers and their families and those brave Timorese who helped them during their time here. Last year, in August, Minister for Veterans' Affairs Warren Snowdon brought seven Australian veterans, all now in their 90s, to Dili. For these remarkable Australians, their principal objective was to express their gratitude to the Timorese people for their assistance in keeping them alive. In the meetings they had with the President and the Prime Minister, the mutual respect was palpable. It was a reminder of the strength of the bonds between Australians and Timorese.

These people-to-people links reflect an enormous store of goodwill and understanding. These are ties and bonds that survive and thrive independently of governments, and in my view are a source of strength in our bilateral relationship.

After 11 years of independence, there is a strong sense of confidence and optimism in Timor-Leste about its future prospects. We do not underestimate the significant challenges that the Timor-Leste Government still faces, and will continue to play a supportive and evolving role as Timor-Leste's priorities and needs change. •

For more information on the parliamentary inquiry into Australia's relations with Timor-Leste visit [www.aph.gov.au/jfadt](http://www.aph.gov.au/jfadt) or email [jscfadt@aph.gov.au](mailto:jscfadt@aph.gov.au) or phone (02) 6277 2313.